



For the life  
you're after

# Annual Report

**AIB Group plc**  
Annual Financial Report  
For the year ended 31 December 2025

**AIB Group plc is the holding company for Allied Irish Banks, p.l.c. (AIB).**

**AIB is a financial services group operating predominantly in Ireland and the United Kingdom. We provide a range of services to personal, business and corporate customers, with market-leading positions in key segments in our domestic market.**

**With 3.4 million customers, our purpose is empowering people to build a sustainable future.**

### Our reporting suite



#### Annual Financial Results Presentation

Our Annual Financial Results presentation provides a summary of AIB's performance, while delivering key highlights for our shareholders and broader stakeholder groups.

[→ View online](#)



#### Sustainability Disclosures Tables

Our Sustainability Disclosures Tables provide supplementary information that is required by certain stakeholders.

[→ View online](#)



#### Social Impact Report 2024-2025

Our Social Impact Report outlines what we are doing to make a positive difference to communities, to the lives of our customers and colleagues, and to climate and nature every day.

[→ View online](#)

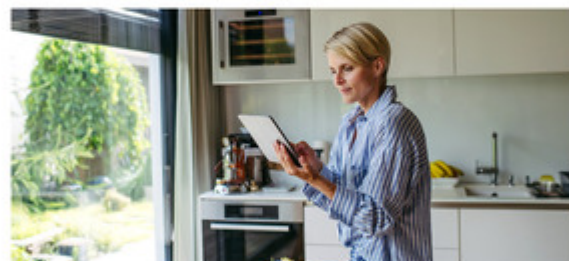


### On our cover

In 2025, we launched our new AIB brand campaign 'For the life you're after', celebrating the small, determined and decisive actions that help people achieve the life they're after.



# What's inside this report



## Delivering growth, efficiency and customer value

## Performance, purpose and momentum

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## Effective governance and accountability in practice



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# Business Performance

## 2025 Results

### Financial Performance

#### Profit After Tax

€2,139m



2024

2025

#### Resilient profit after tax of €2.1bn

Operating profit<sup>1</sup> €2.4bn, operating income down 8% reflecting lower interest rates with operating expenses up 1%, an impairment charge of €172m and a gain on exceptional items of €156m

#### Net Interest Income

€3,748m



2024

2025

#### Impacted by lower interest rates

Down 9%, in line with expectations, due to lower interest rates and higher interest expense on customer deposits partially offset by balance sheet growth. Net interest margin (NIM) of 2.73%

#### Net Credit Impairment Charge

€172m



2024

2025

#### Asset quality has remained stable

Impairment charge of €172m, representing 24bps of average customer loans. ECL balance sheet cover of 1.6%

#### NPE ratio 2.2%

Non-performing exposures<sup>2</sup> (NPEs) down 20% to €1.6bn

#### New Lending

€14.7bn



2024

2025

#### New lending up 2%

Growth in property and personal lending partially offset by lower mortgage lending

#### Gross Loans

€72.3bn



2024

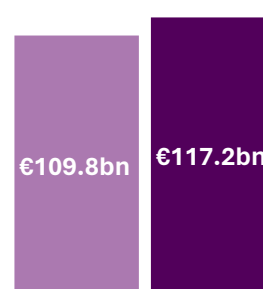
2025

#### Gross loans increased €1.1bn or 2%

Underlying growth of €2.4bn or 3% excluding adverse foreign exchange movements and loan disposals

#### Customer Deposits<sup>3</sup>

€117.2bn



2024

2025

#### Customer deposits up 7%

Strong growth of €7.4bn, ahead of expectations, driven by growth in personal and SME

1. Operating profit before impairment losses and exceptional items.

2. NPEs refers to non-performing loans (NPLs) and excludes €155m of off-balance sheet commitments.

3. Customer deposits excludes cash collateral from derivative counterparties.



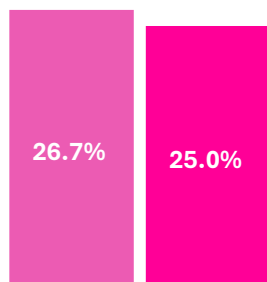
## Medium-term Financial Targets (2026)

### Return on Tangible Equity<sup>1</sup>

A measure of how well capital is deployed to generate sustainable earnings

Target: 15%

**25.0%**



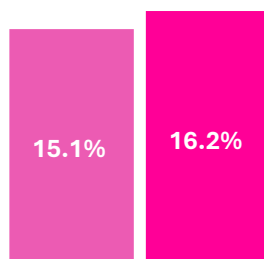
Return on tangible equity substantially ahead of medium-term target

### CET1 Ratio (fully loaded)

A measure of our ability to withstand financial stress and remain solvent

Target: >14%

**16.2%**



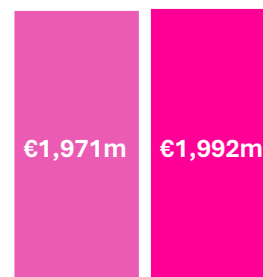
Strong capital position, well in excess of regulatory requirements. Distributions of €2.25bn - interim dividend €263m, buyback of €1.0bn to be initiated and proposed final dividend of €988m

### Absolute Cost Base<sup>2</sup>

Cost of running the business

Target: <€2.0bn

**€1,992m**



Cost income ratio<sup>2</sup> 44%. Costs up 1% reflecting strong cost discipline. Staff numbers down 3% to 10,207

## Sustainability Performance<sup>3</sup>

### Greening our Business

Target: €30bn by 2030

**€22.9bn**



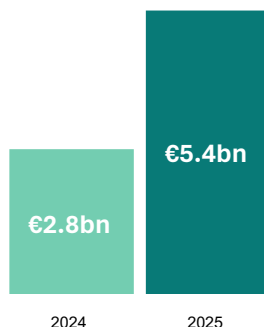
**Amount of cumulative new green and transition<sup>4</sup> lending since 2019**

Continued growth in new green and transition lending in 2025, up 38% on 2024. Delivered by strong performance in energy-efficient residential and commercial buildings, renewable energy and transition financing. 76% of €30bn target achieved

### Helping Customers to Buy their First Home

Target: >€6bn by 2026

**€5.4bn**



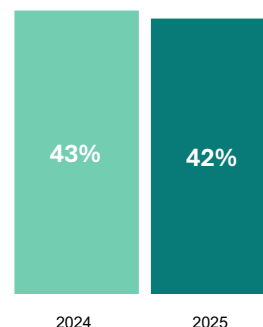
**Amount of cumulative new lending to first-time buyers since 2024**

Strong performance in new lending to first-time buyers in 2025, which accounted for 61% of AIB Group new mortgage lending in the Republic of Ireland. Since 2024 we have supported c.19k customers<sup>5</sup> to buy their first home

### Universal Inclusion

Target: Gender balanced<sup>6</sup>

**42%**



**Women as % of ELT and management<sup>7</sup>**

Gender balance maintained across management levels. Targeted programmes on leadership development and career progressions strategy have been implemented to ensure that our female workforce has the resources and opportunities needed to succeed and thrive within AIB

1. Return on Tangible Equity (RoTE) is based on the target CET1 capital on a fully loaded basis. For definition and basis of calculation, see pages 36 and 40.

2. Before exceptional items, bank levies and regulatory fees. For exceptional items, see pages 26 and 36.

3. Our approach continues to evolve which may result in variations in methodologies and reported outcomes over time.

4. In 2025 Transition Finance was incorporated into our green and transition lending reporting and has been applied to all relevant new lending activity from 1st January 2025. Our green and transition lending definition is aligned to our Sustainable Lending Framework (SLF), which outlines the key parameters on which a transaction can be classified as green or transition.

5. Customer is defined at account level, as such two buyers for the one property are only counted as one customer.

6. The Equileap annual Gender Equality Global Report & Ranking equates 'gender balanced' with between 40% and 60% women.

7. Within AIB's career structure management is defined as those in Level 4-6 positions including the Executive Leadership Team (ELT) & Goodbody. Goodbody was not included in the prior years figure and has not been restated, because the differing career structures in AIB and Goodbody did not allow for a consolidated Group level metric. Payzone, contractors, AIB staff on career break or unpaid leave and Board members are excluded from the figure.

## Introduction

## AIB Group at a Glance

# Our purpose is empowering people to build a sustainable future

Our business lines<sup>1</sup>

## Retail Banking (incl. AIB UK)

### 3.18m Active customers

Retail Banking supports our personal and business customers with a range of banking and financial services. In Ireland, AIB offers retail banking services through branch, phone and digital channels with an expanded reach via EBS, Haven, AIB life, Payzone and Nifti. In Northern Ireland, AIB offers full-service retail banking. And in Great Britain, we support our corporate customers with sector-specific expertise.



## Climate & Infrastructure Capital

### Relationship and transaction-driven model

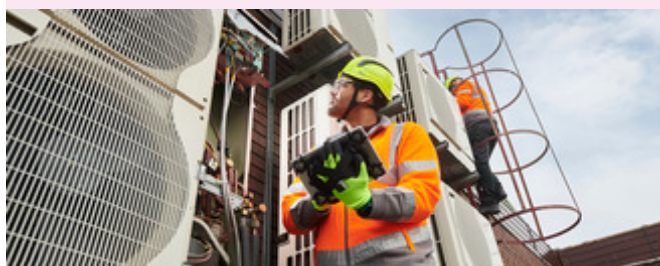
Climate & Infrastructure Capital specialises in lending to large scale renewable and infrastructure projects, which are key drivers for sustainable economic growth, across Ireland, the UK, Europe and North America.



## Capital Markets

### Relationship-driven model

Capital Markets, which includes Goodbody, serves the Group's large and medium-sized business customers as well as our private banking customers, taking a partnership approach and providing deep sector expertise combined with our comprehensive product offering.



## Our brands



<sup>1</sup> In July 2025, the Group announced the simplification of its management structure and the integration of the UK into Retail Banking enabling the Group to focus on three business lines: Retail Banking, Capital Markets, and Climate & Infrastructure Capital.



## Operating Contribution by business line<sup>1</sup>



See Operating and Financial Review: p.30 to 35

## Loan Book by business line<sup>1</sup>



See Operating and Financial Review: p.30 to 35



Retail Banking  
(incl. AIB UK)



Capital  
Markets



Climate &  
Infrastructure Capital

<sup>1</sup> In July 2025, the Group announced the simplification of its management structure and the integration of the UK into Retail Banking enabling the Group to focus on three business lines: Retail Banking, Capital Markets, and Climate & Infrastructure Capital.

<sup>2</sup> Includes Group Segment.

## Investment thesis



**Earnings resilience and  
strong growth outlook**



**Revenue diversification  
& wealth opportunity**



**Focused on operational  
efficiency and resilience**



**Strong capital generation  
and shareholder returns**

### Underpinned by



**Supportive  
domestic macro  
backdrop**



**Conservative  
credit  
management**



**Robust balance  
sheet**



**Leading ESG  
strategy and  
credentials**

## Chair's Statement

# The right strategy for long-term success



“I would like to thank our 3.4 million customers for their loyalty and trust in us. We will continue to put them at the forefront of our decision-making as we empower them to build a sustainable future.”

**Jim Pettigrew**  
Chair

### 2025 - AIB's watershed year

By any measure, 2025 will be remembered as a watershed year for AIB as the Group returned to full private ownership, the Irish State was repaid its investment in the Group dating back to the global financial crisis and the obligations under the Relationship Framework Agreement with the Minister for Finance were retired. These events conclude what was a very regrettable period for the Group when it had to rely on the State for support. AIB owes an immense debt of gratitude to Irish taxpayers for the support provided throughout that challenging time.

2025 was also a further year of strong performance and profitability, which saw the Group generate net interest income of €3,748m despite falling interest rates in the eurozone in particular. Profit after tax amounted to €2,139m (2024: €2,351m) resulting in earnings per share of 93.3 cent (2024: 92.5 cent). I encourage you to read our Chief Executive's review of performance on pages 8 to 11 for further detail.

### Capital, dividend and other distributions

We understand the importance, for many of our stakeholders, of generating and maintaining strong levels of capital. Our medium-term target is to maintain our level of CET1 capital above 14%. While we commenced the year with 15.1%, our business generated organically, a further c. 370 bps of CET1 during 2025, which supported the following distributions.

I was delighted when the Board agreed in July to reinstate the interim dividend for the first time since 2008, when we declared an interim payment of 12.328 cent per share, amounting to €263m. Reflecting the strong performance achieved in 2025 and the robust capital position of the Group as we entered the year, the Board has resolved to distribute all of the after-tax profits generated. Subject to approval of shareholders at the Annual General Meeting on 30 April 2026, a final ordinary cash dividend of 46.257 cent per share, amounting to €988m, will be paid on 8 May 2026 to shareholders on the register at the close of business on 27 March 2026. When combined with the interim dividend of 12.328 cent, the total dividend for the year will amount to 58.585 cent, a 58% increase over the cash dividend declared for 2024, of 36.984 cent per share.

Your Board has also resolved to distribute €1bn by way of an on-market share buyback programme to commence immediately, and we intend to launch a follow on Odd-Lot Offer to smaller shareholders in response to requests from shareholders at the 2025 Annual General Meeting. The necessary pre-approval for these two reductions in capital has been received from the European Central Bank.

Taking account of the capital generated in 2025 together with the distributions described above, the Group has finished the year with a CET1 ratio of 16.2%, well above the Group's medium-term target.

### State shareholding

Following receipt of shareholder approval at the 2025 Annual General Meeting, the Group successfully concluded an off-market purchase of 191,671,857 ordinary shares from the Minister for Finance on 7 May 2025, for a total consideration of €1.2bn. This represented 8.2% of the issued share capital, and the shares were cancelled on settlement.

The Minister continued with a programme of selling down the Irish State's holding in the Group during 2025, through a combination of placings and a daily share trading programme and, on 17 June 2025, announced the complete divestment of the State's holding following a placing of the final 2.06% held prior to that date.

On 31 October 2025, AIB announced the agreement with the Minister for Finance for the cancellation of warrants over 271,166,685 shares held by the Minister on the payment of €390m. This ended the involvement of the Irish State's direct economic interest in the Group, and brought the total proceeds repaid to the State by AIB to c. €21bn, including levies of c. €650m and other fees.

On behalf of the Board, I welcome our new shareholders and I thank you and our other longer-standing investors for your support and your confidence in the Board and management of the Group, together with the strategy we are pursuing.

## Corporate governance

Your Board's commitment to the highest standards of corporate governance is resolute and I invite you to review the section of this Annual Report setting out Governance in Action at AIB. This is set out on pages 118 to 175.

## Stakeholder engagement

Shareholders will appreciate, as the Board does, that there are additional stakeholders who are important to the long-term sustainable success of the Group. These include our customers, employees, suppliers, debt investors, regulators, and the communities we serve. We have set out elsewhere in this Annual Report our key points of engagement with these stakeholder groups, and I encourage you to invest some time in reading those sections.

## Executive remuneration

The remuneration restrictions introduced by the Irish government in 2009 presented, in recent years, a material talent retention risk, placing AIB at a significant disadvantage to our domestic competitors in the retention and attraction of talent. I have highlighted here my ongoing engagement with successive Ministers for Finance since 2023 with a view to having these restrictions removed, following the reduction in the Irish State's shareholding in the Group below 50% in June of that year. Following the return of AIB to full private ownership and the retiring of most of the provisions of the Relationship Framework Agreement with the Minister for Finance, the cap on salaries of €500,000 was eventually removed in July 2025. We welcomed the Minister making clear his view in the Oireachtas that "decisions regarding remuneration are the sole responsibility of the board and management of the banks which must be run on an independent and commercial basis". That said, the remaining remuneration restrictions, which effectively prohibit payment of variable remuneration above €20,000, given the punitive tax rules applying, perpetuate the uneven playing field for the Group in competing for experienced executives within and outside of the banking sector. This also prevents the Board from more closely aligning the interests of its Executive Directors and senior management with those of shareholders, which is a central plank of good, effective governance.

I will continue my engagement with the Minister for Finance and advocate for change, until such time as this critical impediment to rewarding top performance and effective risk management in banking is removed. We are very fortunate to have successfully retained the talented executives we have in recent years.

## Board changes

The following Board changes were recorded during the year.

Helen Normoyle, a non-executive Director since 2015, resigned at the 2025 Annual General Meeting having served nine years on the Board. In her period on the Board, she served on the Nomination and Corporate Governance Committee, the Technology and Data Advisory Committee and she led the Sustainable Business Advisory Committee as chair since its establishment, making a huge contribution to AIB over this time. She was also Senior Independent Director, a role Elaine MacLean assumed on Helen's retirement.



Ann O'Brien and Raj Singh resigned from the Board with effect from 31 December 2025, having served more than six years as independent non-executive Directors, following their appointment to the Board on the nomination of the Minister for Finance. Ann served on the Audit and Remuneration Committees and chaired the Technology and Data Advisory Committee since its establishment in 2021. Raj brought his considerable experience to bear on the Risk Committee and also on the Sustainable Business Advisory Committee.

I wish to record the appreciation of the entire Board to Helen, Ann and Raj for their considerable contribution to the Group and to the Board, and to wish each of them well for the future.

I was very pleased to announce the appointment of Anne Sheehan as an independent non-executive Director on 1 September 2025. Anne, who is General Manager of Enterprise Commercial for Europe North at Microsoft, also joined the Technology and Data Advisory Committee and we look forward greatly to hearing her experience and contribution in the years ahead.

## In conclusion

I would like to thank our employees for their commitment to the Group and, on your behalf, I would like to thank our 3.4 million customers for their loyalty and trust in us. We will continue to put them at the forefront of our decision-making as we empower them to build a sustainable future.

Finally, I want to thank you, our shareholders, for your continued support. I am confident that, as we enter the final year of our three-year strategic cycle, we are pursuing the right strategy for the long-term success of the Group for our shareholders and for our other stakeholders.

Thank you for your trust in us.

**Jim Pettigrew**  
Chair

3 March 2026



## Chief Executive's Review

# Progress with purpose



“AIB aims to be the bank of choice in Ireland, building trust and demonstrating reliability, capability and adaptability while also providing savings, investment and protection choice, in a modern, digital-first way.”

**Colin Hunt**  
Chief Executive Officer

I am pleased to present another strong set of financial results for 2025, as AIB executed its strategy in an environment marked by evolving geopolitical dynamics, stabilising interest rates and rapid technological advancement.

Our expanding customer base, the strength of our balance sheet and the momentum across our business delivered a robust financial performance for the year. Profit after tax was €2.1bn, return on tangible equity (RoTE) exceeded our target at 25% and our CET1 ratio of 16.2% remained well above regulatory requirements.

This strong capital position supported by ample funding provides significant strategic flexibility for the Group. It enables us to continue to serve our customers, supporting the Irish economy, investing in our business, and delivering attractive returns to shareholders. Subject to shareholder approval, we will pay a final ordinary cash dividend for the year of 46.257c per share, equating to c. €988m, and launch a €1bn share buyback programme.

Our market leading franchise remains a clear differentiator. Operating in a resilient and open domestic economy, we serve 3.4 million customers, maintain the country's largest branch network, and benefit from a highly recognised and trusted brand. Customer deposits for the year grew by 7% to €117.2bn at the end of 2025, gross loans increased by 3% on an underlying basis and reached €72.3bn, and new lending was €14.7bn. As interest rates stabilised during the year, our net interest income was over €3.7bn with a net interest margin of 2.7%.

We further strengthened our balance sheet by reducing our non-performing exposures (NPEs) by 20% during the year to €1.6bn, resulting in an NPE ratio of 2.2%.

Other income for the year was €756m with fee and commission income at €692m, up 4% and reflecting in some part the sustained progress of our savings, investments and protection offerings. Having re-introduced core wealth capability to the Group in recent years, our Goodbody and AIB life businesses provide a platform for long-term growth in fee-based income and revenue diversification while adding customer choice and value. Assets under management for the Group in 2025 amounted to €18.3bn (€16.8bn in 2024).

Costs for the year amounted to €1.99bn, an increase of 1% on the previous year and beating expectations. Our cost income ratio was 44% in 2025. We will maintain our laser focus on cost discipline as a core driver of sustainable performance.



### Customer first

AIB aims to be the bank of choice in Ireland, building trust and demonstrating reliability, capability and adaptability, while also providing savings, investment and protection choice, in a modern, digital-first and easy-to-use way, that provides security for the future, conveniently. We are also here to support infrastructure and housing development to accommodate a growing population, with an emphasis on large-scale renewable energy and social infrastructure projects.

## Our journey timeline

**2010**

### State support

Following the financial crisis, the Irish State recapitalised AIB to safeguard customers and the economy; we simplified the business and reduced risk.

**2017**

### IPO

AIB returned to public markets, marking a milestone in recovery and beginning the State's orderly sell-down.

**2025**

### Full private ownership

On 17 June 2025 the State completed its exit.

**2017-2025**

### Staged sell-downs

Consistent implementation of our strategy and stronger capital generation supported successive share placements and buybacks, progressively reducing the State's shareholding.



## Built for the future

# A new, next generation app in 2026

True innovation means enabling customers to bank when and where they want to, simply, efficiently and securely. Our mobile app sits at the heart of this. To ensure our app evolves along with our customers' needs, we are investing significantly to deliver a new, next-generation app in the second half of 2026, built for the future with modern cloud architecture, enhanced security and modular design. Our new app will empower customers with their own data and personalised insights to help them with their day-to-day banking, supporting them to make financial decisions, with AIB as a trusted partner.

# 2.2 million

of our customers choose this channel

In 2025, our continued efforts to improve efficiency through automation and simplification led directly to an enhanced customer service experience. Key examples of this are in our Customer Engagement Centre (CEC). Our digital assistant Abi has used artificial intelligence (AI) to support over 1.33 million customers since its initial roll out in December 2024, and is now active on 66 customer journeys (56 at year end 2025; 8 at year end 2024), facilitating an average of c. 5,200 calls a day. Importantly, when informed that they will be dealing with a digital assistant, 79.5% of customers chose to continue to engage Abi. We also rolled out AI-powered speech analytics that gives us detailed insights into the types of calls being received, which allows us to address customer needs with targeted initiatives.

Our digital offerings continue to be the preferred channel for both personal and business customers to engage with us – particularly our mobile apps. During 2025, personal customers interacted via the app an average of 3.14 million times per day, while 88% of loan applications were made online. We materially completed the delivery of SEPA Instant in October, meeting demand for speed and convenience while aligning with European regulatory standards.

Ongoing investment in our branch network as part of the Greener Branches Refurbishment Programme is a key element of our ambition to decarbonise our own operations and ensure that our physical footprint remains progressive, energy-efficient and welcoming to our customers and the communities we serve. The €40m programme of investment announced in 2024 included upgrades to 127 AIB branches, with 35 undergoing full refurbishments (including 26 in 2025 alone), delivering modern banking halls, clear interaction spaces, increased accessibility for the visually impaired and enhanced privacy for customers.

In a highly competitive mortgage market, the Group retains an overall market share of 30% and is the primary direct-to-consumer mortgage provider in Ireland, with a 46% share of that market. Total mortgage lending across our brands in Ireland was €4.3bn for the year. Our commitment to supporting Ireland's housing needs is steadfast. In 2025, we provided €0.9bn to fund significant residential developments, including social and affordable homes, helping to increase the number of units being built. We are ready and willing to provide even more financing and bolster much needed housing supply for all, as outlined in the Government's housing plan, 'Delivering Homes, Building Communities'.

We continue to see growth across our savings, investments and protection businesses – Goodbody and AIB life – reflecting customers' increasing confidence in the value, clarity and choice we provide to help them plan for the future and for the unexpected. Goodbody's wealth business saw steady growth in 2025 and AIB life continues to gain market share. Our network of 130 Financial Advisors guided over 34,000 customers to consider their financial wellbeing and goals during the year, while AIB life policy holders amounted to c. 56,000 at year end.

Underlying all of these initiatives is our ongoing customer segmentation work, aimed at improving our customer data and analytics so that we can know every element of our customer base better, understand them and anticipate their needs. This customer segmentation programme allows us to provide more tailored support by way of propositions, services, and communications, building resilience into our market share across key segments and, importantly, building trust with our customers. It is also a key enabler of our digitalisation strategy.

These efforts contributed to another year of excellent customer advocacy, with continued strength in our Net Promoter Score (NPS) performance. Of our six key customer journeys, five saw further improvement in 2025 (Personal (41), Channel (62), SME Aggregated (69), NI Transactional (55), Retail SME (29)) and the sixth held steady on an already record-breaking score (Homes NPS (66)). These numbers evidence the trust customers place in AIB every day.



## Greening our business

I continue to believe – and the Group continues to demonstrate – that we can do well while doing good. At year end 2025, we had provided a total of €22.9bn in green and transition finance, tracking ahead of target. In the year alone, we provided €6.3bn in green and transition finance, a 23% increase on 2024 and representing 43% of all new lending.

The most encouraging element of this lending is green mortgages, where energy-efficient houses and apartments are attractive to both build and to buy. AIB is a trusted green mortgage provider, with 62% of all new mortgage lending going to energy-efficient homes in 2025 – 60% when including the UK – meaning thousands more people are living in warmer, healthier and cost-effective homes.

Helping customers purchase their first home is a strategic priority from a societal perspective. €2.6bn of new lending went to first-time buyers in 2025, supporting c. 9,000 customers. This brings our lending to first-time buyers over the past two years to €5.4bn in total, progressing well towards our goal to provide €6bn by the end of 2026.

## Chief Executive's Review *continued*



### Sustainable economic growth

## Financing renewable energy and community impact

Our Climate & Infrastructure Capital division continues to actively support customers financing the transition to a greener future. €46.7m, of a €140m total term loan, was provided to Derrinlough Wind Farm in 2025, with AIB acting as both Agent and Account Bank. This wind farm, located in Co. Offaly, is a flagship renewable energy project developed by BnM. The project provides an installed capacity of 126 MW, sufficient to supply clean electricity to approximately 68,000 homes annually.

Derrinlough Wind Farm DAC makes annual contributions of €2/MWh (per Loss-Adjusted Metered Generation) into the Community Benefit Fund which supports local community groups, non-profit organisations, and social enterprises.

# €54.7m

Total facilities committed

For SMEs, farmers, charities and community organisations, we launched the Business Sustainability Loan in July. Over 50% of applications to date have come from the agricultural sector, showing its relevance and flexibility.

In our own business, we continue to make progress towards our 2030 ambition to decarbonise our own operations. Additionally, 92% of our own electrical energy needs is now sourced through our VPPA from two solar farms in Co. Wexford. We continue to embed sustainable practices, attitudes and governance in our operations and culture.

Importantly, we are empowering large-scale, infrastructural change around the world. While 2025 was an unpredictable year in terms of global development and political sentiment towards climate action, our Climate & Infrastructure Capital loan book nevertheless grew, and opportunities in our key markets remain strong.

We also issued three green bonds in 2025, amounting to €1.8bn. Our Green Bond Framework covers projects in renewable energy, green buildings, clean transportation, the circular economy and waste management. Since 2020, we have issued nine green bonds, raising €6.45bn – increasing to €8.2bn in ESG bonds when social bonds are included too.

In terms of social value, our branch network allows us to reach communities the length and breadth of the island of Ireland. This is particularly evident in our support of the GOAL Mile at Christmas, which continues to grow in popularity and presence in towns and neighbourhoods nationwide, helped in no small way by our own branch managers who run GOAL Miles in their localities. In wider community initiatives, our continued sponsorship of the GAA places us at the beating heart of Ireland, while the AIB Community Meals programme, run by our long-standing Charity Partner FoodCloud, provided 52,100 meals to those who need it, rescuing 2,672 tonnes of surplus food in 2025.



### Operational efficiency & resilience

Our focus on operational efficiency and resilience continued to produce transformative and enduring results for the Group in 2025. During the year, we accelerated the adoption of AI and automation across core processes and further reinforced our resilience and business continuity frameworks while also progressing a more dynamic approach to workforce planning.

We continue to invest in our technology architecture, reflecting the critical role that secure and scalable systems play in enabling AIB's long-term success. This investment allows us to accelerate the modernisation of our technology estate, strengthen our cyber and operational resilience, and deploy advanced digital capabilities that improve service reliability and customer experience.

The Group is laying the groundwork for AI integration, with early investments in data infrastructure and governance frameworks. This will be essential in addressing the emergence of new technology, which is extraordinarily fast paced. In the short term, I see AI very quickly helping us to eliminate complexity and enable colleagues to focus on what matters most for our customers.

During 2025 we invested in our cloud architecture as part of our scalable backbone to enable secure banking. We established a third data centre in the cloud for on-demand capacity and faster provisioning, accelerating development and testing, boosting delivery speed and reliability. At the same time, we also reduced our physical data centre footprint by 20%.

We closed 2025 with 99.99% service availability for mission critical services – the highest in the Group's history and achieved in the most demanding operating environment we have faced during the busiest year in terms of change delivery. Building on last year's strong outcome (99.98%), this included our most successful December on record.





## Dynamic Workforce Planning

### Shaping our workforce for the future

Dynamic Workforce Planning (DWP), is a transformative enterprise-wide programme designed to ensure our organisation has the right capability, in the right places, at the right times, by introducing a future-focused and data-driven approach to workforce planning. It enables leaders to anticipate organisational needs, identify skill gaps early, and plan for the workforce of the future by combining predictive analytics, strategic planning frameworks, and people insights.

Through ongoing business area roll outs in 2025, 67% of our workforce are covered by models and scenarios, aligning workforce planning with business strategy.

#### Covers

**67%**

of our workforce

We have a very sharp focus on resilience in terms of anticipating, preparing for, and protecting the bank and our customers, against an increasingly complex threat landscape. In 2025, we brought previously separate resilience capabilities into a single, unified model; the establishment of a new Resilience Fusion Centre accelerates this transformation, enabling a more predictive, intelligence-led approach to integrated resilience. I am looking forward to reporting further on this area, in which AIB aims to be world class.

Empowering all of this technological infrastructure is, of course, our people, along with our culture and our values.

The AIB brand and our strong Employee Value Proposition (EVP) continue to attract quality talent. Using dynamic workforce planning, we are aligning skills, capacity and organisational design with the evolving needs of our business and customers. Our 3,000 people leaders play a vital role in steering the organisation, and in 2025 we engaged and inspired this group via our New Era Leadership training, including a day-long, in-person Leadership Summit in September.

## Outlook

A transforming world has transforming needs. While focusing on delivering our current strategy in the year ahead, we are also mindful of our long-term external context, ensuring we can adapt to the emerging trends that will affect our business. In this regard, there are three dynamics – or ‘mega-trends’ – that we are most alert to.

Firstly, ageing demographics. Ireland is currently experiencing sustained population growth, underpinned by net inward migration meaning the country benefits from a younger, expanding and more dynamic workforce. However, the old-age dependency ratio – a demographic indicator that shows how many older people (typically aged 65+) are supported by the working-age population – is projected to rise from 23% in 2023 to 55% by 2065.<sup>1</sup> This will add strain on our workforce, public finances, healthcare, and pensions, while increasing the potential for the Group’s savings and investment propositions.

In that respect, we continue to see extraordinary potential in the second trend: the green transition and associated electrification. Investment in global energy transition has exceeded \$2tn, more than doubling since 2020,<sup>2</sup> and sustainable finance is now well and truly mainstream. The future of infrastructure is green.

The third trend is digitalisation, which has seen a surge in recent years and creates great opportunity for our sector. It is anticipated that Generative AI will drive significant additional value to global banking. While AI’s full scale and implications can not be determined at this stage, it is at least poised to boost productivity in customer service, risk, compliance, and automation.

Against this dynamic backdrop, we are focused on completing the final year of this strategic cycle and planning for the future with confidence. Our next generation app, launching in 2026, will play its part. It will empower customers with their own data and insights to help them with their day-to-day banking and support them to make financial decisions. While the roll out of this app will take place in second half of the year, customers will shortly benefit from the launch of Zippay, the industry-wide peer-to-peer payments solution.

2026 will also mark AIB’s 60th anniversary, and we intend to commemorate our journey so far by sharing the stories, values, and moments that have shaped our lasting impact on Irish society, our customers, and our colleagues, bringing our heritage to life in a meaningful and accessible way.

As we honour this important milestone, we remain firmly focused on building a simpler, smarter and more sustainable bank for our customers and the communities and economies we support. With a strong foundation, clear strategic ambition, and a deep sense of purpose, we will continue to support our customers and generate value for all our stakeholders – helping them succeed in the years ahead as we empower people to build a sustainable future.

**Colin Hunt**  
Chief Executive Officer

3 March 2026

1. Source: Central Statistics Office

2. Source: Bloomberg New Energy Finance (NEF)

## Economic Overview

# Our Operating Context

In 2025, changes in global trade influenced both the international and Irish economies. Yet, despite heightened levels of uncertainty, Ireland saw solid growth, while the labour market remained robust.

### Global growth amid heightened uncertainty

In 2025, the global economy continued to grow at a decent pace, despite the heightened uncertainty related to US trade policy and wider geopolitical risk. While the downside risks to the economic outlook remain, some of the potentially severe tail risks diminished throughout the year. In particular, the US and EU concluded a framework trade deal, with most EU goods now facing a 15% US tariff. This is a materially better outcome than was mooted in early 2025 by the US Administration. It is also likely that Ireland's effective rate for its exports will be lower than the headline 15% rate, given the exemptions at lower rates for some pharmaceuticals, aircraft parts and other sectors.

Against this backdrop, the global economy continued to expand at a moderate pace in 2025. In the main advanced economies, US growth slowed from the exceptional out-turns of 2023/24 but remained robust. With the US labour market and consumption weaker, the economy has been underpinned by a surge in investment in AI technology. European economies have continued to lag, with Germany and the UK seeing a weakening growth trajectory throughout the year. The IMF estimates that the world economy grew by 3.3% in 2025. However, growth has remained uneven, with US GDP expanding by 2.1% last year, compared to 1.4% in both the UK and the Eurozone.

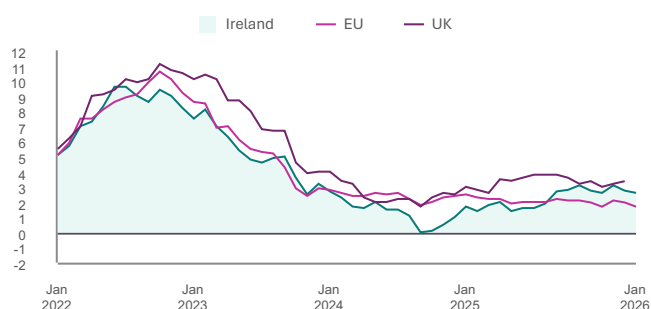
## 3.3%

Estimated global  
economic growth in 2025

## 1.5%

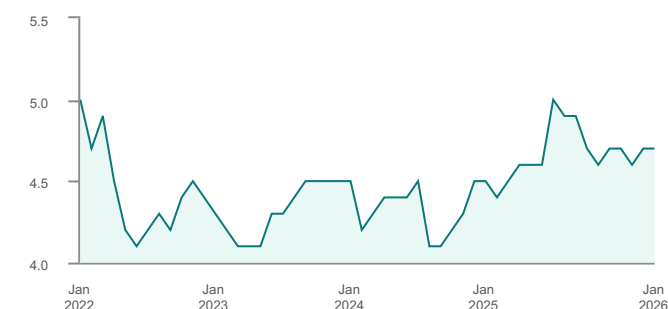
GDP growth in the  
Eurozone in 2025

### Inflation (%)



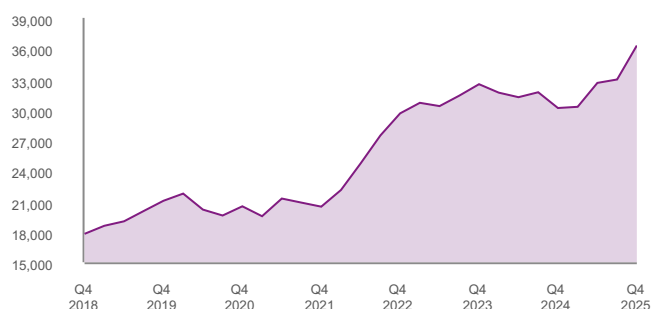
Source: CSO, EuroStat, ONS

### Irish unemployment rate (%)



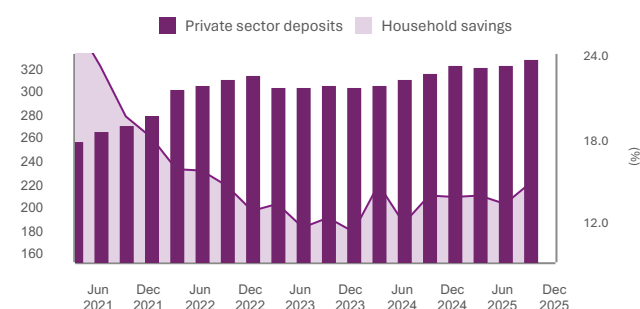
Source: CSO

### New dwelling completions (Total, 4 Qrt Mov Avg)



Source: CSO

### Irish private sector deposits and household savings ratio (€bn)



Source: CSO, CBI

## Irish domestic economy remains in good shape

Following a modest rise in GDP in 2024, growth accelerated sharply in 2025, mostly due to developments in the export sector. According to the CSO flash estimate, GDP expanded by 12.6% in 2025, up from 2.6% in 2024. While tariff frontrunning has been a factor in the surge in exports in 2025, the emergence of weight-loss drug production in Ireland was also prominent. Indeed, a specific product related to this sector accounted for a third of all Irish pharma exports in 2025. Furthermore, the domestic economy has continued to grow at a solid pace, with the available data indicating modified domestic demand expanded by 4% year-on-year between Q1-Q3.

Growth in the domestic economy was driven by consumer spending and business investment, which continued to perform strongly in 2025.

Despite heightened geopolitical uncertainty, the IDA announced a strong year for FDI, with 323 new investments and FDI employment up 1.5% to 312,400. Jobs growth was evident across the economy, albeit at a more moderate pace than 2024. The number of people in employment rose by c. 57,000 people during 2025, to over 2.8 million people. Meanwhile, the unemployment rate averaged 4.7% for the year. Inflation rose somewhat throughout 2025, with the annual HICP rising from 1.7% in January to 2.7% in December, largely due to base effects, but also some modest inflationary pressures in the domestic economy. Overall, HICP inflation averaged 2.1% in 2025.

## House price inflation eases, but supply constraints remain

House price inflation moderated slightly in 2025. The latest CSO data shows prices were up by 7% year-on-year in December 2025, compared to 8.9% at end-2024. In terms of supply, housing completions totalled 36,300 in 2025, compared to 30,200 in 2024, and 32,500 in 2023. Meanwhile, official government data shows housing commencements slowed to 16,400 in 2025, following a surge in 2024 of c. 69,000 which reflected the expiration of Government policy incentives in that year. However, the main factor influencing house prices remained the mismatch between supply and demand. Despite increases in housing supply during the year, the number of new units built per annum to meet pent-up demand needs to be higher.

Policy changes by the Government to boost construction, including the National Development Plan and Infrastructure Taskforce, were also announced throughout 2025. In this regard, the latest forecast from the Central Bank of Ireland indicates that housing completions could amount to 37,000 in 2026 and 40,500 in 2027. At the same time, household savings were maintained at a very high level in 2025. This manifested itself in a further rise in levels of Irish household deposits. These stood at €170bn in December, up from €159bn in December 2024. Real income growth and high levels of savings contributed to the robust rise in residential property prices in 2025.

### 4.7%

Average unemployment  
rate in Ireland during 2025

### €170bn

Irish household deposits  
in December



## Outlook for 2026

All the main international forecasters are projecting another year of modest growth for the global economy in 2026. World output is forecast to expand by 3.3% this year according to the IMF. However, there are significant downside risks to the outlook amid elevated levels of uncertainty, most notably owing to current geopolitical tensions and the potential for further volatility in US trade and economic policy. In the US, growth is projected to remain robust, amid a continued growth cycle in AI investment and a relatively tight labour market. Growth in Europe is expected to be in line with recent years, as falling inflation and interest rates support activity, alongside a boost from government spending.

From an Irish perspective, growth is expected to continue at a robust pace, albeit with risks tilted to the downside. GDP is forecast to grow solidly, underpinned by the continued uptick in exports seen in 2025. Furthermore, the domestic economy is set to continue to grow at a decent pace, aided by ongoing employment growth and a continued rise in real wages. The public finances are in strong shape, allowing fiscal policy to remain supportive of activity also. Meanwhile, private sector balance sheets are characterised by low debt and high savings. Thus, most forecasts are for Irish modified domestic demand to grow by around 2-3% in 2026.



## Our Strategic Progress

# Progress Towards our Strategic Goals

Our Group strategy remains centred on an informed view of our customers' needs, anchored in a sustainable agenda and underpinned by a commitment to operational efficiency and resilience.



### Customer first

Building trust and long-term relationships with our customers by providing more connected financial solutions.



### Customers at the heart of what we do

“I have been extremely satisfied with AIB's customer service and overall banking experience. The online and mobile platforms are user-friendly and reliable, making it easy to manage my accounts and transactions. Overall, AIB has made my banking straightforward and convenient, which is why I would confidently recommend it to others.”

Relationship Journey Customer



### Greening our business

Ensuring sustainable finance and responsible business practices to build our shared future.



### A greener, more sustainable future

“I have told a good few farmers now about it. I thought it was very straightforward and simple and the rate is very good. It was a great chance to buy machinery. I was very satisfied with it.”

Business Sustainability Loan Customer



### Operational efficiency & resilience

Ensuring we have the appropriate capability, capacity and resilience to support the Group's strategic ambition.



### Strengthening our operations

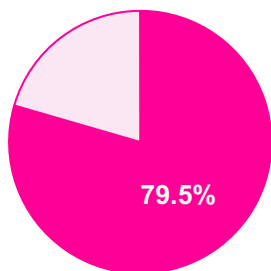
“AIB customer support member was incredibly helpful and efficient to deal with. At the time, I was distraught as there had been fraudulent activity on my card but his swift response and decisive action put my mind at rest and gave me confidence in your systems.”

Card Replacement Customer

## Customer first

### 2025 outcomes

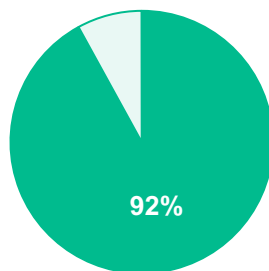
- Customer experience performance, measured by Net Promoter Score (NPS), was highly positive in 2025 demonstrating our unwavering customer focus. Of our six key customer journeys – including Channel, Homes and Retail SME – five saw noteworthy growth in 2025 with the sixth holding steady on an already record-breaking result.
- Completed upgrades in 127 of our 170 AIB branches, including 35 full refurbishments and the roll out of 60 Cash and Cheque Lodgement (CCL) machines, as part of a €40m investment programme.
- In March, AIB became the first bank in Ireland to achieve Autism Friendly Accreditation from AsIAm for all 170 branches.
- Abi, our AI-powered digital assistant, helped 1.33 million customers across 56 journeys, with 79.5% of customers choosing to proceed once informed she is a virtual assistant.
- Launched the AIB Life Hub, a new regular savings investment platform from AIB life, on our mobile app.
- Seamlessly delivered SEPA Instant Payments in October, ahead of the regulatory deadline.



**79.5% of customers choose to engage Abi;** highlighting the effectiveness of our AI-powered digital assistant

## Greening our business

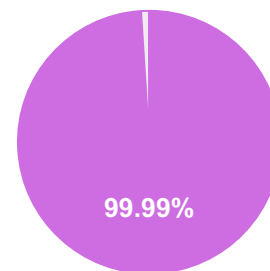
- Provided a total of €22.9bn in green and transition finance since 2019, including €6.3bn in 2025. 43% of all new lending was green or transition in 2025.
- 60% of all Group mortgage drawdowns in 2025 were for energy-efficient homes.
- Issued three green bonds, bringing the total amount raised in ESG bonds since 2020 to €8.2bn.
- Launched the Business Sustainability Loan, complementing the suite of sustainable finance products available to our personal and business customers.
- 92% of the Group's electrical energy needs was sourced through our VPPA from two solar farms in County Wexford.
- Published our Climate Transition Plan, using what we've done so far to develop a strong blueprint for action for the coming years. We also launched our first Social Impact Report, highlighting the real difference we are making to communities.



**92% equivalent of the Group's electrical energy needs was sourced from solar farms;** on track to decarbonise our operations by 2030

## Operational efficiency & resilience

- Rolled out Microsoft Copilot to all staff, embedding AI into workflows with Responsible AI controls and EU AI Act compliance.
- Industry-leading 99.99%+ availability across critical services and recorded zero critical cyber incidents.
- Continued simplification: retired 56 legacy applications decommissioned across the strategic cycle.
- Rolled out Dynamic Workforce Planning (DWP) programme to 67% of our workforce, transforming how we plan for a future-ready talent by adopting a data-led and enterprise-wide approach.
- Continued enhancement of our employee proposition, including updated compassion leave and family leave options, to cover foster care leave and paid neonatal leave.
- Launched our New Era Leadership programme to train, engage and inspire our 3,000+ people leaders across the Group.



**Industry-leading 99.99% availability across mission critical services;** customer impacting events remain at a minimum

### Looking ahead to 2026

2026 will see the continuation of our digital channel evolution with the launch of a new industry payments process through Zippay and, importantly, the roll out of our own next generation mobile app later in the year. More broadly, we will continue to deliver market-leading products and propositions, with a focus on younger customers, and prioritise a seamless, customer-focused experience with integrated journeys across all touchpoints.

Through our Climate & Infrastructure Capital function, we are well positioned to finance transformative renewable energy projects as well as green buildings, clean transportation, circular economy and waste management, supporting key social infrastructure. In addition, we will continue to deliver best-in-class transition propositions for all of our customers across our brands, while driving credibility based on expert research, analysis and business insight tools.

We will continue to increase the volume of sales and servicing carried out digitally, with continued automation of branch processes to make things even more convenient for our customers. In addition, we will harness technology to transform our mortgage enterprise and simplify our credit suite, speeding up loan processes and SME loan decisioning. We will continue to invest in talent while harnessing both AI and the cloud so that we are positioned to remain resilient, competitive and future-ready.

## Risk Summary

# Our Approach to Risk

Our prudent approach to risk management is fundamental for the Group to achieve its strategic objectives.

Our Risk Management Framework (RMF) sets out the governance, principles, arrangements, roles and responsibilities in place for the Group to manage its risks. The Group's risk management principles are:

### Risk Governance and Oversight

|   |                                                                                                       |
|---|-------------------------------------------------------------------------------------------------------|
| 1 | The Group Board is ultimately accountable for all risk-taking activity in the Group.                  |
| 2 | The Group has a clearly defined risk framework and policy architecture.                               |
| 3 | All risks are managed in accordance with the risk management lifecycle.                               |
| 4 | Appropriate arrangements are in place to manage risks in the Group's subsidiaries and joint ventures. |

### Identification and Assessment

|   |                                                                                                                                |
|---|--------------------------------------------------------------------------------------------------------------------------------|
| 5 | Risks are identified and assessed using top-down and bottom-up approaches, and where possible models are used to measure risk. |
| 6 | The Group actively takes risk in pursuit of its strategic objectives.                                                          |

### Management, Monitoring and Reporting

|   |                                                             |
|---|-------------------------------------------------------------|
| 7 | Risks are managed within an agreed risk appetite.           |
| 8 | Risk monitoring and reporting support risk decision-making. |

### Risk Culture

|   |                                              |
|---|----------------------------------------------|
| 9 | Risk culture is an integral part of our RMF. |
|---|----------------------------------------------|

### Control Environment

|    |                                                                                                |
|----|------------------------------------------------------------------------------------------------|
| 10 | The Risk function provides independent challenge and assurance to all key strategic decisions. |
| 11 | The Group adopts a Three Lines of Defence (3LOD) approach to risk management.                  |

We operate an enterprise-wide RMF, which is centred around the embedding of a strong risk culture and ensures the governance and capabilities are in place to facilitate a consistent approach to risk management across the Group. The risk management approach is set out in more detail on pages 177 to 239. The RMF aligns our risk approach to our overall strategic objectives.

The RMF is designed and maintained by the Risk function, and is subject to annual review and approval by the Board.

The RMF governs the way in which we identify and manage the Group's risks.

We identified 11 Principal Risks which are described on pages 17 to 18. Evolving and Emerging Risks are set out on page 19.

On an annual basis, the Board sets out the maximum amount of risk the Group is willing to accept within our Risk Appetite Statement (RAS). The approved risk thresholds are monitored and reported on an ongoing basis to the Board Risk Committee to ensure the Group remains within our risk appetite. RAS metrics are also reported to the Board as part of the escalation process for RAS breaches.

We test the resilience of our strategy across each of the Principal Risks through scenario analysis and stress testing. The scenarios used are informed by the key emerging risks and are used to assess the Internal Capital Adequacy Assessment Process (ICAAP), the Internal Liquidity Adequacy Assessment Process (ILAAP) and the three-year financial plan.

**The Risk Management section, from pages 177 to 239, gives more detail on how risk is managed within the Group, detailing the approach to risk governance including the 3LOD Committee structures, risk appetite and stress testing.**



# Principal Risks

| Key developments in 2025                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Management and mitigation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Key Risk Indicators                                                                                                                                                                                                                                                                              |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Credit Risk</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                  |
| <p>The credit quality of the lending portfolio has remained stable during the year as the Irish economy continued to show resilience despite a challenging international backdrop.</p> <p>New lending activity remained in line with targeted quality levels, with 43% of total new lending relating to green and transition lending, consistent with the Group's ongoing strategy to support sustainable finance. Expected Credit Losses (ECLs) continue to reflect the Group's proactive stance on emerging risks while maintaining a comprehensive and forward-looking approach to assessing the credit environment, ensuring that the level of ECL stock remains appropriate.</p> | <ul style="list-style-type: none"> <li>The Group Credit Risk Framework is the overarching Board-approved document which sets out the principles of how the Group identifies, assesses, approves, monitors and reports credit risk to ensure that robust credit risk management is in place.</li> <li>The material risk assessment process identifies the impact, likelihood and control effectiveness of the three credit risk sub categories – credit default risk, concentration risk and country risk. This in turn informs the Board-approved risk appetite. These risks are further mitigated through the concentration and country risk frameworks and approved RAS limits.</li> </ul> | <p>→ See: p. 188 - 222</p> <ul style="list-style-type: none"> <li>Asset class concentration risk metrics</li> <li>Country concentration risk metrics</li> <li>Non-performing exposures (NPEs) as a % of customer loans</li> <li>Expected credit loss (ECL) cover rates</li> </ul>                |
| <b>Market &amp; Equity Risk</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                  |
| <p>The Credit Spread Risk in the Banking Book (CSRBB) perimeter was expanded to include Hold to Collect (HTC) Bonds, which are classified for accounting purposes with the intention to hold until maturity. Previously, only Hold to Collect and Sell (HTCS) Bonds were captured within this perimeter.</p>                                                                                                                                                                                                                                                                                                                                                                          | <ul style="list-style-type: none"> <li>Market Risk, Equity Risk and Pension Risk are managed within the overall Group RMF and their respective risk frameworks supported by policies and procedures including the MRA and RAS processes. Other key elements include: defined Market Risk, Equity Risk and Pension Risk Strategies; periodic reporting to ALCo, GRC and Board; second line of defence (2LOD) review and challenge of Market Risk, Equity Risk and Pension Risk activities; and Stress Testing, including ICAAP.</li> </ul>                                                                                                                                                    | <p>→ See: p. 223 - 226</p> <ul style="list-style-type: none"> <li>Earnings sensitivity</li> <li>Interest rate capital at risk</li> <li>Credit spread capital at risk</li> <li>Pension capital at risk</li> <li>Equity nominal investment</li> <li>Equity Risk Weighted Assets (RWA) %</li> </ul> |
| <b>Liquidity &amp; Funding Risk</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                  |
| <p>The Group maintained a strong liquidity and funding position with liquid assets continuing to exceed the regulatory minimum and internal risk appetite.</p> <p>Customer deposits have continued to grow, reflecting a strong and resilient Irish economy.</p>                                                                                                                                                                                                                                                                                                                                                                                                                      | <ul style="list-style-type: none"> <li>The Internal Liquidity Adequacy Assessment Process (ILAAP) Framework sets out the approach to manage the Group's Liquidity Risk, funding concentrations and compliance with the Board's risk appetite.</li> <li>A suite of tools is used to monitor, limit and stress test the liquidity and funding risks on the balance sheet. Liquidity key risk indicators are monitored daily.</li> <li>Performance is reported to the Group Asset and Liability Committee (ALCo) on a regular basis.</li> </ul>                                                                                                                                                 | <p>→ See: p. 227 - 232</p> <ul style="list-style-type: none"> <li>Liquidity coverage ratio (LCR)</li> <li>Survival period</li> <li>Net stable funding ratio (NSFR)</li> </ul>                                                                                                                    |
| <b>Capital Adequacy Risk</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                  |
| <p>A strong capital position was maintained throughout 2025 with buffers to regulatory requirements for Fully Loaded Common Equity Tier 1 (CET1) and Total Capital ratios. Stress testing activities demonstrated robustness of the capital position including in the annual ICAAP. The Group also conducted a second Significant Risk Transfer (SRT) in December 2025, which benefited the CET1 ratio by c. 25 bps.</p>                                                                                                                                                                                                                                                              | <ul style="list-style-type: none"> <li>The Capital Adequacy Framework outlines the processes for identifying, assessing and managing the risks related to Capital Adequacy, through the ICAAP, with Capital and Stress Testing Policies also embedded. ICAAP results and internal stress testing, are reviewed by 2LOD. Sensitivity analysis and capital buffers provide protection against measurement and forecasting errors. Oversight is via CRO, CFO reports, ALCo, and Board reporting, with robust controls including RAS and RAROC thresholds.</li> </ul>                                                                                                                            | <p>→ See: p. 233</p> <ul style="list-style-type: none"> <li>Fully loaded CET1 ratio</li> <li>Fully loaded Total Capital Ratio</li> <li>Aggregate Group RAROC on new business</li> </ul>                                                                                                          |
| <b>Information Security (including Cyber) Risk - New</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                  |
| <p>From 1 January 2025 Information Security (including Cyber) risk was deemed a principal risk for the Group. The Information Security (including Cyber) Risk Framework and updated policy introduced new Cyber Risk principles, defined sub risks and was overseen by Operational Risk leadership.</p>                                                                                                                                                                                                                                                                                                                                                                               | <ul style="list-style-type: none"> <li>The Group manages risk through integrated controls, regular staff training, data security measures, and thorough incident response planning within the RMF.</li> <li>Compliance with internal standards like Digital Operational Resilience Act (DORA) and New York State Department of Financial Services (NYDFS) supports continual risk monitoring and improvement.</li> </ul>                                                                                                                                                                                                                                                                     | <p>→ See: p. 233</p> <ul style="list-style-type: none"> <li>Time to detect Cyber Incidents</li> <li>Reportable Cyber Incidents</li> <li>Phishing simulations involving High Risk Users</li> </ul>                                                                                                |
| <b>Business Model Risk</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                  |
| <p>The Group returned to private ownership in 2025 as the Irish Government exited its remaining ownership position. The Group continues to progress our 2024-2026 Strategy expanding green lending, launching instant payment transfers and maintaining a strong deposit base.</p>                                                                                                                                                                                                                                                                                                                                                                                                    | <ul style="list-style-type: none"> <li>The Business Model Risk Framework sets principles, responsibilities, and governance for overseeing Business Model Risk.</li> <li>Performance is monitored via the CFO report, strategic proof points and risk appetite metrics are reported in the CRO report. This ensures timely escalation of key issues.</li> </ul>                                                                                                                                                                                                                                                                                                                               | <p>→ See: p. 234</p> <ul style="list-style-type: none"> <li>Operating profit % variance to plan</li> <li>Return on Tangible Equity (RoTE)</li> <li>Net Interest Margin (NIM)</li> </ul>                                                                                                          |

## Principal Risks *continued*

| Key developments in 2025                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Management and mitigation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Key Risk Indicators                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Operational &amp; Resilience Risk</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                   |
| <p>Following the approval of the 2025 Material Risk Assessment, Operational Risk has been expanded to Operational &amp; Resilience Risk. This has been driven primarily by industry and regulatory trends.</p> <p>Transaction Execution &amp; Delivery Risk has been introduced as a new sub risk within Operational &amp; Resilience Risk.</p>                                                                                                                                                                                                                                                                                               | <ul style="list-style-type: none"> <li>The Operational Risk Management (ORM) Framework sets out the principles, supporting policies, roles and responsibilities, governance arrangements and processes for operational risk management across the Group.</li> <li>The sub risks are owned and actively monitored under the ORM Framework and underlying policies to ensure material operational risks are managed effectively within the Group RAS limits.</li> <li>The ORM Framework and policies set out the process for risk and control assessments, identification of the key non-financial risks arising from business processes and activities. It also includes the process for escalation of the relevant RAS metric limit and watch-trigger breaches.</li> </ul> | <p>→ See: p. 235</p> <ul style="list-style-type: none"> <li>Cumulative operational risk losses</li> <li>Number of Tier 1 &amp; Tier 2 Third Party providers with a poor Vendor Security rating</li> <li>The availability of Critical Information Systems to enable business operations</li> </ul> |
| <b>Climate &amp; Environmental (C&amp;E) Risk</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                   |
| <p>C&amp;E Policy was updated in 2025 to ensure alignment with regulatory requirements, including the EBA Guidelines on the management of ESG risks. A new overarching qualitative RAS statement was introduced, with three new RAS metrics, two of which are forward looking. Market &amp; Equity risk was newly identified as having a primary impact in the 2025 Transmission Channel analysis, credit and operational risks were unchanged. Management of C&amp;E Risks remains a regulatory focus, in particular managing greenwashing risks and ESG disclosures.</p>                                                                    | <ul style="list-style-type: none"> <li>The C&amp;E Risk Framework sets out the principles, roles and responsibilities, governance arrangements and processes for C&amp;E Risk across the Group.</li> <li>The CRO report provides an update on the risk profile, and monitoring C&amp;E metrics and other risk metrics which identify the impact from C&amp;E Risk.</li> <li>The Sustainability dashboard provides a quarterly update on key performance metrics, including new green and transition lending and financed emission target metrics.</li> </ul>                                                                                                                                                                                                               | <p>→ See: p. 236</p> <ul style="list-style-type: none"> <li>Physical risk data capture</li> <li>% of new lending non-green or transition</li> <li>Environmental Risk - Sector Breaches</li> </ul>                                                                                                 |
| <b>Model &amp; AI Risk</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                   |
| <p>In 2025, AI Risk was integrated into the Model Risk taxonomy. A single solution was implemented to manage end-to-end model lifecycle. The Group has made tangible progress on the Internal Rating Based (IRB) repair phase and has also commenced the work on the rollout phase, extending advanced risk models across key portfolios in line with regulatory requirements. The IRB approach is a regulatory framework that allows banks to use their own risk models to estimate credit risk and determine capital requirements, subject to supervisory approval.</p>                                                                     | <ul style="list-style-type: none"> <li>The Group Model &amp; AI Risk management suite of documents sets out the Group's approach to management, measurement and reporting of Model &amp; AI Risk.</li> <li>In addition, dedicated committees, forums and teams ensure the risk is appropriately identified and managed within each stage of the Model &amp; AI Risk management lifecycle.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                       | <p>→ See: p. 237</p> <ul style="list-style-type: none"> <li>Quarterly risk score of live and approved models in use</li> </ul>                                                                                                                                                                    |
| <b>Culture Risk &amp; Conduct Risk</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                   |
| <p>The revised definitions for Culture Risk and Conduct Risk are now embedded in an updated Culture Risk and Conduct Risk Framework and Group Conduct Risk Policy. New and enhanced culture metrics have been introduced, and will be reported through the CRO and Compliance Insights reports. The integrated culture tracker was enhanced to include metrics covering people, customer, and risk dimensions, providing a unified view of cultural progress, enabling effective oversight at Board level. Both qualitative and quantitative RAS have been updated, reflecting the growing importance of Culture Risk &amp; Conduct Risk.</p> | <ul style="list-style-type: none"> <li>Embedding and monitoring new Culture Risk &amp; Conduct Risk metrics to identify emerging risks and ensure alignment with Group values.</li> <li>Maintain oversight of mandatory training across the Group.</li> <li>Ongoing monitoring of updated qualitative and quantitative RAS.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                     | <p>→ See: p. 237</p> <ul style="list-style-type: none"> <li>Completion of mandatory training courses</li> <li>Critical &amp; high customer impacting conduct issues</li> <li>Culture metric (composite of three culture risk measures)</li> </ul>                                                 |
| <b>Regulatory Compliance Risk</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                   |
| <p>The level of regulatory change remained high in 2025 as the regulatory landscape for the banking sector continued to evolve. Key regulatory programmes supported across 2025 include the revised Consumer Protection Code, the EU AML Reform Package and the new EBA Guidelines on ESG Risk Management. Basel IV was successfully implemented in January 2025, resulting in a significant increase for CET 1. The Prudential Regulation Authority (PRA) announced their decision to delay the implementation of Basel 3.1 rulebook until January 2027.</p>                                                                                 | <ul style="list-style-type: none"> <li>A Regulatory Compliance Risk Management Framework is in place and is supported by a suite of policies.</li> <li>Board accountability with regular reporting to Group Risk Committee (GRC) and Board Risk Committee (BRC).</li> <li>A number of risk assessments are in place within the Compliance function for the identification, assessment, management, monitoring and reporting of risks, as well as controls to mitigate the risks.</li> <li>A process is in place for the management of regulatory change.</li> <li>Staff education and awareness of regulatory compliance obligations.</li> </ul>                                                                                                                           | <p>→ See: p. 239</p> <ul style="list-style-type: none"> <li>Regulatory breaches</li> <li>Impact assessment for delayed delivery of regulatory directive change initiatives</li> <li>Number of data protection incidents that resulted in a significant personal data breach</li> </ul>            |

# Evolving and Emerging Risks

## The Group identifies evolving and emerging risks as part of the MRA process.

Evolving and Emerging Risks are developing risk drivers that may increase in significance for the Group over time. These risks may have a high level of uncertainty with respect to outcome and timing but could potentially have a material impact on the Group's strategy, operations and on our customers.

The evolving and emerging risks identified are:

### How we responded during 2025

#### Geopolitical Risk

The risk that geopolitical developments and tensions could escalate and could negatively impact the Group's operations or result in other financial or macroeconomic impacts.

- In 2025, Geopolitical Risk remained a prominent feature of the global economic environment. While global conflicts persisted, trade uncertainty dominated as the new US administration pursued its tariff agenda amid elevated FDI and supply-chain risks.
- The Group established a standing Geopolitical Working Group (GWG) to strengthen horizon-scanning and structured escalation. The Group reported monthly via the CRO Report to the GRC and BRC.
- The Group developed a structured geopolitical risk heatmap and associated indicator framework to identify emerging vulnerabilities with potential macroeconomic implications. These outputs were incorporated into governance processes and used to inform scenario design and calibration as well as ECL scenario weightings.
- Geopolitical scenarios were integrated into the business plan, ICAAP, ILAAP and ECL frameworks. This included the development of a dedicated Trade and FDI scenario.
- The Group convened dedicated Geopolitical Group Credit Committees and undertook targeted portfolio and case-level reviews across sectors and borrowers with heightened exposure, particularly in manufacturing and export-reliant segments. Monitoring frequency was increased and underwriting standards were tightened in sensitive areas.
- GWG outputs were integrated into information security processes, reflecting the observed increase in geopolitical related cyber-activity. The Group activated an external intelligence capability to provide bank-specific geopolitical and cyber intelligence, thereby strengthening threat-level reporting and escalation protocols.
- The Group conducted a comprehensive geopolitical transmission-channel assessment, capturing shocks through the ECB's three defined transmission channels, including the Financial Market channel, and impacts across the Real Economy and Safety and Security channels and developed a material risk heatmap that directly informed scenario design.
- The Group continued to apply sanctions requirements in various jurisdictions as applicable.

#### Digital Competitor Risk

The risk posed by financial service providers operating outside the traditional banking model, such as fintechs, digital-first platforms, stablecoin issuers, and other emerging digital currency ecosystems whose technology-driven offerings can erode the Group's market share, disrupt customer relationships, and challenge the relevance of traditional products and services.

- Competition from non-traditional banks, fintechs and big tech players continued to rapidly evolve in 2025 with these entities offering tailored, technology-driven solutions to emerging customer segments. Furthermore, the increased prominence of stablecoin and the prospect of Central Bank Digital Currencies (CBDCs) have the potential to disrupt financial systems, increase operational risks, challenge the Group's intermediary role and business model.
- The Group has responded through major digital upgrades such as the ongoing development of the next generation mobile app, SEPA Instant payments, preparation for Zippay's launch in 2026, the scaling of AI-enabled service as well as scaled enterprise AI adoption, modernised data foundations and strengthened its Customer First engagement.
- The Group accelerated digital onboarding, SME and retail journey redesign; grew our set of secure partner connections; and targeted propositions where the Group have distinctive data and underwriting advantages.
- The Group strengthened personalisation, segmentation, insights and Customer First programmes to deepen engagement and reduce attrition. The detailed customer segmentation analysis is a key enabler of future personalisation capability particularly via our enhanced mobile app.
- The Group continued to closely monitor developments in crypto-asset regulation, tokenised deposits and CBDCs and advanced its assessment of strategic opportunities for digital-asset participation.

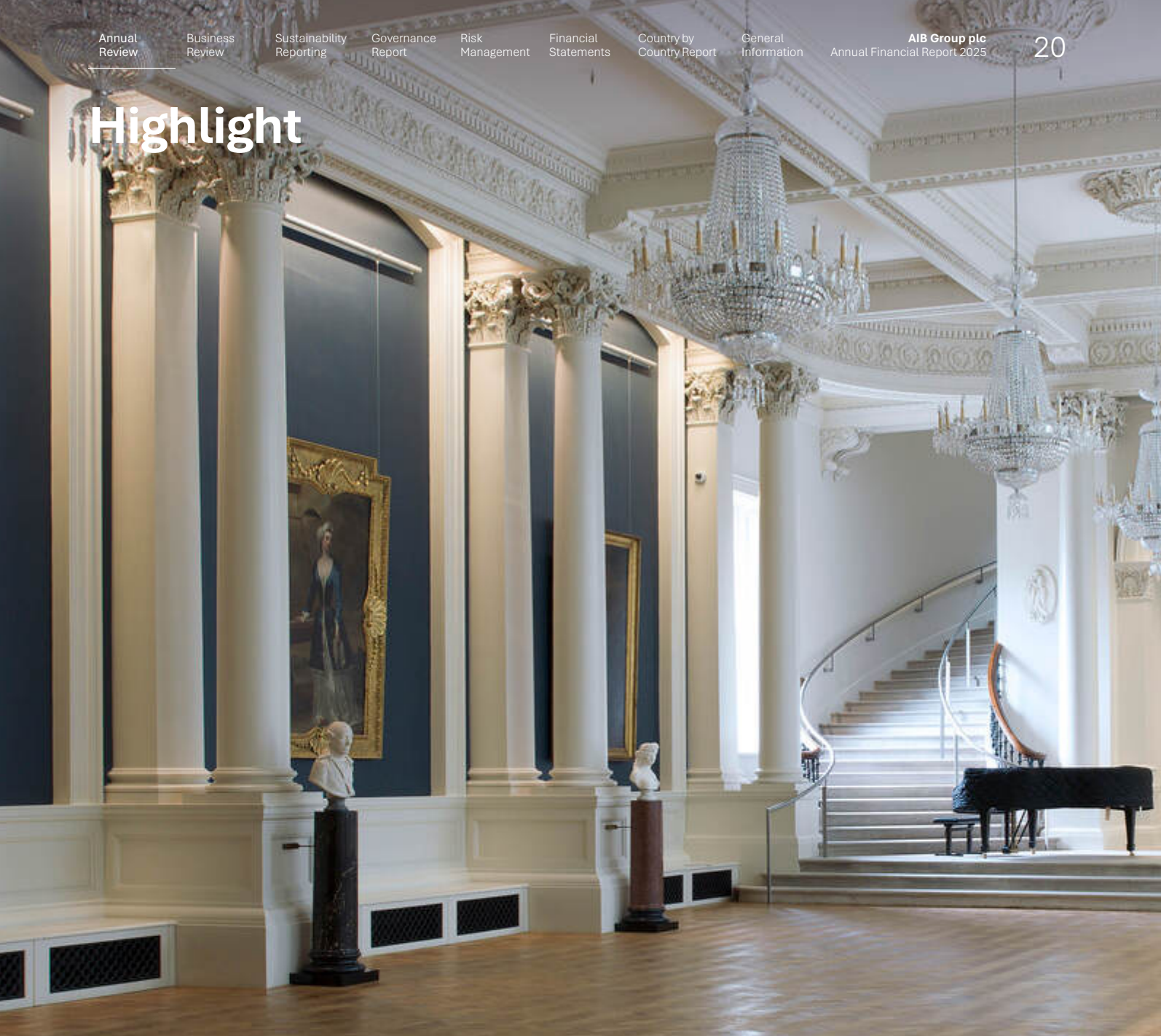
#### Technology Evolution Risk

The risk that rapid advances in technologies alongside evolving cyber threats, cloud concentration and expanding data volumes and obligations, lead to operational disruption, model misuse, regulatory non-compliance or customer detriment.

- The global risk landscape in 2025 was marked by rapid AI adoption, the growing use of AI by threat actors, increasing cloud dependency and expanding volumes of sensitive data. These developments intensified operational and conduct risk exposures, increased cloud concentration and exit risk, and added complexity through evolving data protection and data sovereignty regulation.
- In response to the evolving global risk environment, the Group continued to recalibrate risk frameworks with cyber security elevated as a principal risk, model risk expanded to explicitly encompass AI, and operational risk was reframed to place greater emphasis on resilience and service continuity.
- Operating models for cyber security and operational resilience continued to mature in response to a more complex threat environment. Improvements in leadership oversight, threat intelligence, detection and response capability enhanced threat and detection effectiveness, supporting service stability and resilience, with critical services delivering 99.99% availability and no critical cyber incidents reported.
- Enterprise approaches to AI risk management matured significantly. The Group advanced AI strategies and model governance frameworks, including systematic identification of AI use cases and the enhancement of associated controls. Dedicated AI oversight and centre of excellence models supported stronger compliance and detection metrics across AI systems and model lifecycle management.
- Data and third party risk controls were further uplifted to reflect increasing regulatory and resilience expectations. Improvements in data quality and lineage, encryption and access management, alongside more rigorous third party oversight and exit planning, strengthened compliance and reduced concentration and dependency risks.
- Targeted investment in workforce training and customer communications reinforced risk culture. Focused initiatives on AI use, fraud prevention, cyber hygiene and data handling improved awareness metrics and are expected to contribute to lower frequency and impact of technology-enabled loss events over time.



# Highlight



## Supporting young talent

Running alongside the annual AIB Portrait Prize, the AIB Young Portrait Prize is an inclusive art competition with the aim of fostering and supporting creativity, originality, and self-expression in children and young people. The AIB Portrait Prize exhibition, featuring 26 shortlisted works, and the AIB Young Portrait Prize exhibition, showcasing 20 portraits, are open at the National Gallery of Ireland until 15 March, and will continue their journey together to the Regional Cultural Centre, Letterkenny, and to the Waterford Gallery of Art later in 2026.

On the left: overall winner of the AIB Young Portrait Prize, Guorui Sui (age 11) "My Own World of Fantasy, 2025". Guorui says: "This self-portrait captures me in my happy place - surrounded by my favourite toys, away from the real world where not everything goes your way. I'm 11, nearing those 'teenage years' everyone talks about. I know the 'grown-up' world is coming, with its complexities and worries. So I'm soaking up every last bit of being a kid. Maybe I'm a 'late bloomer' or just refusing to leave the era of pure innocence. I'm happy to be its king for a little longer."

The AIB Portrait Prize and AIB Young Portrait Prize capture a moment in time in Irish society and reflect our people, our stories and our history. We are proud to sponsor these important competitions which present the diversity of Ireland today.

Photo © Niamh Barry



# Business Review

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| Capital                        | 38 |



## Business Review

# 1. Operating and Financial Review

### Basis of presentation

The operating and financial review is prepared using IFRS and non-IFRS measures to analyse the Group's performance, providing comparability year-on-year. These performance measures are consistent with those presented to the Board and Executive Leadership Team. Non-IFRS measures include management performance measures which are considered Alternative Performance Measures (APMs). APMs arise where the basis of calculation is derived from non-IFRS measures. A description of the Group's APMs and their calculation is set out on page 36. These measures should be considered in conjunction with IFRS measures as set out in the consolidated financial statements from page 253. A reconciliation between the IFRS and management performance summary income statements is set out on page 37.

Figures presented in the operating and financial review may be subject to rounding and thereby differ to the Risk Management section and the consolidated financial statements.

### Basis of calculation

Percentages are calculated on exact numbers and therefore may differ from the percentages based on rounded numbers.

The impact of currency movements is calculated by comparing the results for the current reporting period to results for the comparative reporting period retranslated at exchange rates for the current reporting period.

| Management performance - Summary income statement                                  | 2025<br>€ m  | 2024<br>€ m  | change<br>% |
|------------------------------------------------------------------------------------|--------------|--------------|-------------|
| Net interest income                                                                | 3,748        | 4,129        | -9          |
| Other income <sup>1</sup>                                                          | 756          | 779          | -3          |
| <b>Total operating income<sup>1</sup></b>                                          | <b>4,504</b> | <b>4,908</b> | <b>-8</b>   |
| Personnel expenses <sup>1</sup>                                                    | (966)        | (980)        | -1          |
| General and administrative expenses <sup>1</sup>                                   | (735)        | (690)        | 6           |
| Depreciation, impairment and amortisation                                          | (291)        | (301)        | -3          |
| Total operating expenses <sup>1</sup>                                              | (1,992)      | (1,971)      | 1           |
| Bank levies and regulatory fees <sup>1</sup>                                       | (114)        | (138)        | -18         |
| <b>Operating profit before impairment losses and exceptional items<sup>1</sup></b> | <b>2,398</b> | <b>2,799</b> | <b>-14</b>  |
| Net credit impairment charge                                                       | (172)        | (55)         |             |
| <b>Operating profit before exceptional items<sup>1</sup></b>                       | <b>2,226</b> | <b>2,744</b> | <b>-19</b>  |
| Income from equity accounted investments <sup>1</sup>                              | 17           | 26           | -32         |
| Loss on disposal of business                                                       | —            | (2)          |             |
| <b>Profit before exceptional items<sup>1</sup></b>                                 | <b>2,243</b> | <b>2,768</b> | <b>-19</b>  |
| Exceptional items <sup>1</sup>                                                     | 156          | (66)         |             |
| <b>Profit before taxation</b>                                                      | <b>2,399</b> | <b>2,702</b> | <b>-11</b>  |
| Income tax charge                                                                  | (260)        | (351)        | -26         |
| <b>Profit for the year</b>                                                         | <b>2,139</b> | <b>2,351</b> | <b>-9</b>   |

1. Performance has been adjusted to exclude items viewed as exceptional by management and which management view as distorting comparability of performance year-on-year. The adjusted performance measure is considered an APM.

## Net interest income

|                                  | 2025<br>€ m | 2024<br>€ m | change<br>% |
|----------------------------------|-------------|-------------|-------------|
| Interest income                  | 4,929       | 5,374       | -8          |
| Interest expense                 | (1,181)     | (1,245)     | -5          |
| Net interest income              | 3,748       | 4,129       | -9          |
| Average interest earning assets  | 137,359     | 130,190     | 6           |
|                                  | %           | %           | change      |
| <b>Net interest margin (NIM)</b> | <b>2.73</b> | 3.16        | -0.43       |

### Net interest income €3,748m

Net interest income decreased by €381 million or 9% compared to 2024.

The reduction primarily reflected lower average interest rates in 2025 compared to 2024 and an increase in interest expense on customer deposits partially offset by higher average interest earning assets.

Interest income of €4,929 million in 2025 decreased by €445 million or 8% compared to 2024 primarily due to:

- Reduced asset yields driven by lower average Euro, Sterling and US Dollar interest rates reflecting the graduated reduction in official interest rates by central banks over the last 18 months, with the impact mitigated through the Group's structural hedging programme (SHP)<sup>1</sup> and partially offset by:
- Higher average customer loan volumes primarily driven by an increase in new lending and the completion of loan acquisitions from Ulster Bank in the second half of 2024.
- Increase in loans and advances to banks and investment security volumes.

Interest expense of €1,181 million in 2025 decreased by €64 million or 5% compared to 2024. The decrease in funding costs was primarily due to:

- Lower other debt issued and subordinated liabilities funding costs due to the impact of lower interest rates and credit spreads, partially offset by:
- Higher interest expense on customer deposits as customers avail of higher yielding term products.

### Net interest margin 2.73%

NIM decreased by 43 basis points to 2.73% in 2025 compared to 3.16% in 2024 primarily driven by the impact of lower interest rates, partially mitigated by SHP.

Average interest earning assets of €137.4 billion in 2025 were €7.2 billion or 6% higher compared to 2024 underpinned by growth in customer deposits and other debt issued.

## Average balance sheet

|                                                   | Year ended<br>31 December 2025 |                 |                      | Year ended<br>31 December 2024 |                 |                      |
|---------------------------------------------------|--------------------------------|-----------------|----------------------|--------------------------------|-----------------|----------------------|
|                                                   | Average<br>balance<br>€ m      | Interest<br>€ m | Average<br>rate<br>% | Average<br>balance<br>€ m      | Interest<br>€ m | Average<br>rate<br>% |
| <b>Assets</b>                                     |                                |                 |                      |                                |                 |                      |
| Loans and advances to customers <sup>1</sup>      | 71,131                         | 3,129           | 4.40                 | 68,300                         | 2,817           | 4.11                 |
| Investment securities                             | 20,035                         | 632             | 3.15                 | 18,011                         | 841             | 4.66                 |
| Cash, loans and advances to banks <sup>2</sup>    | 46,193                         | 1,168           | 2.53                 | 43,879                         | 1,716           | 3.90                 |
| <b>Average interest earning assets</b>            | <b>137,359</b>                 | <b>4,929</b>    | <b>3.59</b>          | 130,190                        | 5,374           | 4.12                 |
| Non-interest earning assets                       | 7,689                          |                 |                      | 7,816                          |                 |                      |
| <b>Total average assets</b>                       | <b>145,048</b>                 | <b>4,929</b>    |                      | 138,006                        | 5,374           |                      |
| <b>Liabilities &amp; equity</b>                   |                                |                 |                      |                                |                 |                      |
| Deposits by banks <sup>2</sup>                    | 1,548                          | 45              | 2.93                 | 1,328                          | 60              | 4.50                 |
| Deposits and advances from customers <sup>1</sup> | 54,032                         | 523             | 0.97                 | 49,242                         | 468             | 0.95                 |
| Other debt issued                                 | 9,039                          | 439             | 4.86                 | 8,563                          | 539             | 6.29                 |
| Subordinated liabilities                          | 1,738                          | 88              | 5.04                 | 1,645                          | 112             | 6.80                 |
| Lease liabilities                                 | 248                            | 10              | 3.87                 | 268                            | 9               | 3.30                 |
| <b>Average interest earning liabilities</b>       | <b>66,605</b>                  | <b>1,105</b>    | <b>1.66</b>          | 61,046                         | 1,188           | 1.94                 |
| Non-trading derivatives (economic hedges)         |                                | 76              |                      |                                | 57              |                      |
| Non-interest earning liabilities                  | 63,185                         |                 |                      | 62,010                         |                 |                      |
| Equity                                            | 15,258                         |                 |                      | 14,950                         |                 |                      |
| <b>Total average liabilities &amp; equity</b>     | <b>145,048</b>                 | <b>1,181</b>    |                      | 138,006                        | 1,245           |                      |
| <b>Net interest income</b>                        |                                | <b>3,748</b>    | <b>2.73</b>          |                                | 4,129           | 3.16                 |

1. The Group's structural hedging programme resulted in a negative impact of €82m on income from Loans and advances to customers in 2025 (2024: €618m), and a positive impact of €70m on income from Deposits and advances from customers (2024: €37m), arising from cash flow and portfolio fair value hedges. See notes 4 and 5 to the consolidated financial statements.

2. Cash, loans and advances to banks and Deposits by banks include Securities financing.



## Business Review

### 1. Operating and Financial Review *continued*

| Other income <sup>1</sup>                      | 2025<br>€ m | 2024<br>€ m | change<br>% |
|------------------------------------------------|-------------|-------------|-------------|
| Net fee and commission income*                 | 692         | 666         | 4           |
| Net trading income                             | 9           | 50          | -82         |
| Net gain on financial assets measured at FVTPL | 48          | 82          | -41         |
| Other income/(expense)                         | 7           | (19)        |             |
| <b>Total other income</b>                      | <b>756</b>  | <b>779</b>  | <b>-3</b>   |

| *Net fee and commission income             | 2025<br>€ m | 2024<br>€ m | change<br>% |
|--------------------------------------------|-------------|-------------|-------------|
| Customer accounts and payment services     | 264         | 268         | -1          |
| Card income                                | 165         | 148         | 11          |
| Customer related foreign exchange          | 87          | 91          | -5          |
| Wealth and insurance                       | 84          | 79          | 7           |
| Lending related fees                       | 58          | 56          | 3           |
| Investment banking                         | 31          | 18          | 77          |
| Other fees and commissions                 | 3           | 6           | -51         |
| <b>Total net fee and commission income</b> | <b>692</b>  | <b>666</b>  | <b>4</b>    |

1. Other income before exceptional items. A gain of €7m on exceptional items in 2025 comprises: a net gain of €7m on disposal of loan portfolios. A gain of €20m on exceptional items in 2024 comprises: net fee and commission income of €15m, other operating income of €4m and €1m net gain on disposal of loan portfolios.

#### Other income €756m

Other income decreased by €23 million or 3% compared to 2024 as higher fee and commission income was more than offset by lower equity investment gains and other items.

Net trading income of €9 million decreased by €41 million compared to 2024, primarily reflecting the non-recurrence of income from loan acquisition forward contracts in the current year and lower income on non-customer foreign exchange contracts.

Net gain on financial assets measured at fair value of €48 million in 2025 decreased by €34 million compared to 2024 driven by a lower gain on equity investments.

Other income of €7 million in 2025 increased by €26 million compared to an other expense of €19 million in 2024, primarily due to a lower loss on disposal of investment securities in the current year.

#### Net fee and commission income €692m

Net fee and commission income increased by €26 million or 4% compared to 2024 primarily reflecting higher card, investment banking and wealth & insurance income partially offset by lower customer related foreign exchange income.

## Operating expenses<sup>1</sup>

|                                           | 2025<br>€ m  | 2024<br>€ m  | change<br>% |
|-------------------------------------------|--------------|--------------|-------------|
| Personnel expenses                        | 966          | 980          | -1          |
| General and administrative expenses       | 735          | 690          | 6           |
| Depreciation, impairment and amortisation | 291          | 301          | -3          |
| <b>Total operating expenses</b>           | <b>1,992</b> | <b>1,971</b> | <b>1</b>    |

## Staff numbers<sup>2</sup>

|                             |        |        |    |
|-----------------------------|--------|--------|----|
| Staff numbers at period end | 10,207 | 10,469 | -3 |
| Average staff numbers       | 10,347 | 10,655 | -3 |

## Cost income ratio

|                                | %  | %  | change |
|--------------------------------|----|----|--------|
| Cost income ratio <sup>1</sup> | 44 | 40 | 4      |
| Cost income ratio (IFRS basis) | 47 | 45 | 2      |

## Bank levies and regulatory fees

|                                              | 2025<br>€ m | 2024<br>€ m | change<br>% |
|----------------------------------------------|-------------|-------------|-------------|
| Irish bank levy                              | 94          | 94          |             |
| Deposit Guarantee Scheme Fees                | (11)        | 11          |             |
| Other regulatory levies and charges          | 31          | 33          |             |
| <b>Total bank levies and regulatory fees</b> | <b>114</b>  | <b>138</b>  | <b>-18</b>  |

1. Before bank levies and regulatory fees and exceptional items. The cost of exceptional items of €8m in 2025 (2024: €86m) comprised: personnel expenses €16m (2024: €4m) and a general and administrative expenses writeback of €8m (2024: €82m expense).

2. Staff numbers are on a full time equivalent (FTE) basis.

## Net credit impairment charge

|                                                    | 2025<br>€ m  | 2024<br>€ m | change<br>% |
|----------------------------------------------------|--------------|-------------|-------------|
| Non-property business                              | (95)         | (14)        |             |
| Personal                                           | (68)         | (80)        | -15         |
| Property and construction                          | (40)         | 1           |             |
| Residential mortgage                               | 33           | 36          | -8          |
| <b>Loans and advances to customers<sup>3</sup></b> | <b>(170)</b> | <b>(57)</b> |             |
| Investment securities and securities financing     | (2)          | 2           |             |
| <b>Total net credit impairment charge</b>          | <b>(172)</b> | <b>(55)</b> |             |

3. The 2025 impairment outcome included a €178m charge on loans and advances to customers (2024: €60m), partially offset by an €8m writeback on off-balance sheet exposures (2024: €3m writeback).

### Total operating expenses €1,992m

Operating expenses increased by €21 million or 1% compared to 2024.

Personnel expenses decreased by €14 million compared to 2024 primarily due to a decrease in the allowance for variable pay, lower severance costs and a reduction in average staff numbers partially offset by salary inflation.

General and administrative expenses increased by €45 million compared to 2024 primarily driven by the impact of inflation, higher business volumes and higher operating expense-related investment spend.

Depreciation, impairment and amortisation decreased by €10 million compared to 2024 primarily due to lower impairments in the current year.

### Cost income ratio 44%

Costs of €1,992 million and income of €4,504 million resulted in a cost income ratio of 44% in 2025 compared to 40% in 2024.

### Bank levies and regulatory fees €114m

Total bank levies and regulatory fees reduced by €24 million compared to 2024. The decrease was driven by the Deposit Guarantee Scheme (DGS), following confirmation that no payment was required to the DGS Contribution Fund for 2024 or 2025, alongside the release of a related prior-year accrual.

### Net credit impairment charge €172m

There was a net credit impairment charge of €172 million in 2025, compared to €55 million in 2024, with the prior year having benefited from writebacks in a small number of exposures in the leisure and property sectors.

For further information see pages 182 to 222 in the Risk Management section.

## Business Review

### 1. Operating and Financial Review *continued*

| Exceptional items                                | 2025<br>€ m | 2024<br>€ m |
|--------------------------------------------------|-------------|-------------|
| Gain on disposal of equity accounted investments | 157         | —           |
| Customer redress and legal claims                | 8           | (46)        |
| Gain on disposal of loan portfolios              | 7           | 1           |
| Restructuring costs                              | (16)        | (4)         |
| Inorganic transaction costs                      | —           | (32)        |
| Other                                            | —           | 15          |
| <b>Total exceptional items</b>                   | <b>156</b>  | <b>(66)</b> |

| Income tax           | 2025 | 2024 |
|----------------------|------|------|
| Income tax charge €m | 260  | 351  |
| Effective tax rate % | 11   | 13   |

#### Exceptional items €156m

These gains/(costs) were viewed as exceptional by management.

**Gain on disposal of equity accounted investments** reflects a gain on the sale of the Group's minority shareholding in AIB Merchant Services.

**Customer redress and legal claims** reflect a net writeback/(charge) to provisions for remediation payments to customers and associated costs in respect of legacy matters.

**Gain on disposal of loan portfolios** relates to the disposal of non-performing loan portfolios completed in prior years.

**Restructuring costs** reflect termination benefit costs resulting from the implementation of the Group's strategy.

**Inorganic transaction costs** included costs associated with the acquisition and migration of a portfolio of Ulster Bank tracker (and linked) mortgages in 2024.

**Other** included a fee receivable on the exit of a servicing agreement for a non-core legacy business in 2024.

#### Income tax charge €260m

The income tax charge was €260 million in 2025, representing an effective tax rate of 11% compared to a tax charge of €351 million in 2024 (effective tax rate 13%). The reduction in the effective tax rate in 2025 primarily reflected the tax-exempt income earned during the year and the recognition of deferred tax assets in respect of unutilised tax losses incurred in prior years.

For further information see note 13 and note 25 to the consolidated financial statements.

| <b>Assets</b>                     |                                          | <b>31 Dec<br/>2025</b> | <b>31 Dec<br/>2024</b> | <b>change</b> |
|-----------------------------------|------------------------------------------|------------------------|------------------------|---------------|
|                                   |                                          | <b>€ bn</b>            | <b>€ bn</b>            | <b>%</b>      |
| Gross loans                       |                                          | <b>72.3</b>            | 71.2                   | 2             |
| ECL allowance                     |                                          | <b>(1.1)</b>           | (1.3)                  | -15           |
| Net loans to customers            |                                          | <b>71.2</b>            | 69.9                   | 2             |
| Investment securities             |                                          | <b>21.5</b>            | 18.7                   | 15            |
| Cash, loans and advances to banks |                                          | <b>41.2</b>            | 38.6                   | 7             |
| Securities financing              |                                          | <b>7.3</b>             | 6.6                    | 10            |
| Other assets                      |                                          | <b>7.0</b>             | 7.5                    | -7            |
| <i>of which:</i>                  |                                          |                        |                        |               |
|                                   | <i>Deferred tax assets</i>               | <b>2.1</b>             | 2.3                    | -10           |
|                                   | <i>Derivatives financial instruments</i> | <b>1.6</b>             | 2.1                    | -22           |
|                                   | <i>Remaining assets</i>                  | <b>3.3</b>             | 3.1                    | 6             |
| <b>Total assets</b>               |                                          | <b>148.2</b>           | 141.3                  | 5             |

| <b>Summary of movement in loans to customers</b>      |                             |                                 |                               |
|-------------------------------------------------------|-----------------------------|---------------------------------|-------------------------------|
|                                                       | <b>Performing<br/>loans</b> | <b>Non-performing<br/>loans</b> | <b>Loans to<br/>customers</b> |
|                                                       | <b>€ bn</b>                 | <b>€ bn</b>                     | <b>€ bn</b>                   |
| <b>Gross loans (opening balance 1 January 2025)</b>   | <b>69.2</b>                 | <b>2.0</b>                      | <b>71.2</b>                   |
| New lending                                           | <b>14.7</b>                 | —                               | <b>14.7</b>                   |
| Redemptions                                           | <b>(11.7)</b>               | <b>(0.6)</b>                    | <b>(12.3)</b>                 |
| Portfolio disposals                                   | <b>(0.1)</b>                | <b>(0.3)</b>                    | <b>(0.4)</b>                  |
| Net movement to non-performing                        | <b>(0.6)</b>                | <b>0.6</b>                      | —                             |
| Write-offs and restructures                           | —                           | <b>(0.1)</b>                    | <b>(0.1)</b>                  |
| Foreign exchange and other movements                  | <b>(0.8)</b>                | —                               | <b>(0.8)</b>                  |
| <b>Gross loans (closing balance 31 December 2025)</b> | <b>70.7</b>                 | <b>1.6</b>                      | <b>72.3</b>                   |
| ECL allowance                                         | <b>(0.6)</b>                | <b>(0.5)</b>                    | <b>(1.1)</b>                  |
| <b>Net loans (closing balance 31 December 2025)</b>   | <b>70.1</b>                 | <b>1.1</b>                      | <b>71.2</b>                   |

### Gross loans €72.3bn

Gross loans increased by €1.1 billion or 2% compared to 31 December 2024 driven by underlying growth of €2.4 billion or 3%, as new lending exceeded redemptions, partially offset by adverse foreign exchange movements of €0.9 billion and portfolio disposals of €0.4 billion.

### New lending €14.7bn

New lending was €0.2 billion or 2% higher compared to 2024. New lending comprises €13.3 billion of term lending (2024: €13.0 billion) and €1.4 billion of transaction lending (2024: €1.5 billion).

Irish mortgage lending of €4.3 billion, representing a market share of 30% (2024: 36%), was 5% lower compared to 2024 reflecting heightened market competition.

Personal lending was up 4% to €1.4 billion.

Non-property lending of €6.8 billion was in line with 2024 as higher corporate lending was offset by lower Climate & Infrastructure Capital lending.

Property related lending was 25% higher at €2.0 billion reflecting some recovery in real estate lending from a subdued prior year.

### Investment securities €21.5bn

Investment securities, primarily held for liquidity purposes, increased by €2.8 billion or 15% from 31 December 2024 due to increased holdings in government and supranational securities.

### Cash, loans and advances to banks €41.2bn

Cash, loans and advances to banks, including €40.6 billion of cash and balances at central banks, were €2.6 billion higher than 31 December 2024 as the growth in customer deposits outpaced the growth in customer loans, investment securities and securities financing.



## Business Review

### 1. Operating and Financial Review *continued*

#### Credit profile of loan portfolio

The table below summarises the credit profile of the loan portfolio by asset class and includes a range of credit metrics that the Group uses in managing the portfolio. Further information on the Group's risk profile and non-performing loans is available in the Risk Management section on pages 182 to 222.

| Loans to customers<br>at amortised cost                | 31 December 2025                 |                           |                                      |                                      |               | 31 December 2024                 |                           |                                      |                                      |               |
|--------------------------------------------------------|----------------------------------|---------------------------|--------------------------------------|--------------------------------------|---------------|----------------------------------|---------------------------|--------------------------------------|--------------------------------------|---------------|
|                                                        | Residential<br>mortgages<br>€ bn | Other<br>personal<br>€ bn | Property and<br>construction<br>€ bn | Non-<br>property<br>business<br>€ bn | Total<br>€ bn | Residential<br>mortgages<br>€ bn | Other<br>personal<br>€ bn | Property and<br>construction<br>€ bn | Non-<br>property<br>business<br>€ bn | Total<br>€ bn |
| Gross loans to customers                               | 37.5                             | 3.4                       | 8.4                                  | 22.9                                 | 72.2          | 37.0                             | 3.3                       | 8.7                                  | 22.2                                 | 71.2          |
| of which: Stage 2                                      | 1.8                              | 0.5                       | 2.4                                  | 3.1                                  | 7.8           | 1.9                              | 0.6                       | 2.7                                  | 2.8                                  | 8.0           |
| Non-performing loans                                   | 0.7                              | 0.1                       | 0.3                                  | 0.5                                  | 1.6           | 0.9                              | 0.1                       | 0.5                                  | 0.5                                  | 2.0           |
| Total ECL allowance                                    | 0.2                              | 0.1                       | 0.4                                  | 0.4                                  | 1.1           | 0.3                              | 0.1                       | 0.4                                  | 0.5                                  | 1.3           |
| Total ECL allowance cover                              | 0.5 %                            | 3.8 %                     | 5.2 %                                | 1.8 %                                | 1.6 %         | 0.7 %                            | 4.2 %                     | 5.3 %                                | 2.1 %                                | 1.9 %         |
| of which: Stage 2                                      | 2.7 %                            | 8.9 %                     | 9.0 %                                | 6.1 %                                | 6.4 %         | 2.8 %                            | 8.4 %                     | 8.3 %                                | 7.0 %                                | 6.6 %         |
| Non-performing loans                                   | 17.9 %                           | 70.5 %                    | 40.8 %                               | 31.9 %                               | 30.1 %        | 24.1 %                           | 66.0 %                    | 33.2 %                               | 39.2 %                               | 32.4 %        |
| Non-performing loans as a<br>percentage of gross loans | 1.8 %                            | 2.5 %                     | 4.0 %                                | 2.2 %                                | 2.2 %         | 2.4 %                            | 3.1 %                     | 6.1 %                                | 2.2 %                                | 2.8 %         |

#### Non-performing loans ratio 2.2%

Non-performing loans as a percentage of gross loans to customers was 2.2% at 31 December 2025 compared to 2.8% at 31 December 2024. The decrease reflected a reduction in non-performing loan volumes by €0.4 billion or 20% to €1.6 billion at 31 December 2025 driven by disposal and restructuring activity during the year.

#### ECL cover 1.6%

The expected credit loss balance sheet cover was 1.6% at 31 December 2025 compared to 1.9% at 31 December 2024. The movement reflected a decrease in the ECL allowance by €0.2 billion to €1.1 billion at 31 December 2025 driven by the reduction in non-performing loan volumes.

| <b>Liabilities &amp; equity</b>                      |  | <b>31 Dec<br/>2025<br/>€ bn</b> | <b>31 Dec<br/>2024<br/>€ bn</b> | <b>change<br/>%</b> |
|------------------------------------------------------|--|---------------------------------|---------------------------------|---------------------|
| Customer deposits                                    |  | <b>117.2</b>                    | 109.8                           | 7                   |
| Cash collateral advanced from customers <sup>1</sup> |  | <b>0.4</b>                      | 0.1                             |                     |
| Deposits by banks                                    |  | <b>0.2</b>                      | 0.8                             | -81                 |
| Debt securities in issue                             |  | <b>8.2</b>                      | 8.8                             | -7                  |
| Subordinated liabilities                             |  | <b>2.6</b>                      | 1.6                             | 61                  |
| Other liabilities                                    |  | <b>4.9</b>                      | 4.8                             | 3                   |
| <i>of which:</i>                                     |  |                                 |                                 |                     |
| <i>Derivative financial instruments</i>              |  | <b>1.4</b>                      | 1.8                             | -22                 |
| <i>Securities financing</i>                          |  | <b>0.7</b>                      | 0.2                             |                     |
| <i>Remaining liabilities</i>                         |  | <b>2.8</b>                      | 2.8                             | 3                   |
| <b>Total liabilities</b>                             |  | <b>133.5</b>                    | 125.9                           | 6                   |
| Equity                                               |  | <b>14.7</b>                     | 15.4                            | -5                  |
| <b>Total liabilities &amp; equity</b>                |  | <b>148.2</b>                    | 141.3                           | 5                   |
| <b>Movement in equity</b>                            |  | <b>€ bn</b>                     | <b>€ bn</b>                     |                     |
| Opening balance (1 January 2025)                     |  | <b>15.4</b>                     | 15.1                            |                     |
| Profit for the year                                  |  | <b>2.1</b>                      | 2.4                             |                     |
| Distributions paid                                   |  | <b>(2.4)</b>                    | (2.3)                           |                     |
| Cancellation of warrants                             |  | <b>(0.4)</b>                    | —                               |                     |
| Other                                                |  | <b>—</b>                        | 0.2                             |                     |
| Closing balance (31 December 2025)                   |  | <b>14.7</b>                     | 15.4                            |                     |
|                                                      |  | <b>%</b>                        | <b>%</b>                        | <b>change</b>       |
| <b>Loan to deposit ratio</b>                         |  | <b>61</b>                       | 64                              | -3                  |

1. Relates to cash collateral received from derivative counterparties.

### Customer deposits €117.2bn

Customer deposits increased by €7.4 billion or 7% compared to 31 December 2024 driven by an increase in personal and SME balances.

Interest bearing customer deposits of €56.3 billion at 31 December 2025 increased by €4.9 billion or 10% compared to 31 December 2024 driven by an increase in term deposits. The mix between current and interest bearing customer deposits remained in line with 31 December 2024.

### Loan to deposit ratio 61%

The loan to deposit ratio was 61% at 31 December 2025 compared to 64% at 31 December 2024.

### Debt securities in issue €8.2bn

Debt securities decreased by €0.6 billion from 31 December 2024 driven by a decrease in MREL volumes.

### Subordinated liabilities €2.6bn

Subordinated liabilities increased by €1.0 billion compared to 31 December 2024 due to a green Tier 2 capital issuance.

### Equity €14.7bn

Equity decreased by €0.7 billion to €14.7 billion compared to €15.4 billion at 31 December 2024 as profit for the year was more than offset by distributions paid and the cancellation of warrants.

Distributions paid in the year included the buyback of ordinary shares of €1.2 billion, a final dividend payment for 2024 of €861 million and an interim dividend payment for 2025 of €263 million.

## Business Review

### 1. Operating and Financial Review *continued*

#### Segment overview

In July 2025, the Group announced a change in its management structure and the integration of AIB UK into the Retail Banking business line. The Group's performance for the 12 months to 31 December 2025 was managed and reported, in the management accounts, across Retail Banking, AIB Capital Markets (Capital Markets), Climate & Infrastructure Capital (C&IC), AIB UK and Group segments and therefore the announcement did not impact the Group's disclosure of its reportable segments.

Under the Group's cost allocation methodology, substantially all of the costs of the Group's control, support and Treasury functions are allocated to Retail Banking, Capital Markets, Climate & Infrastructure Capital and AIB UK. In addition, certain Bank levies and regulatory fees, such as the Irish bank levy, are allocated to the Retail Banking, Capital Markets and Climate & Infrastructure Capital segments.

Funding and liquidity income/charges are based on each segment's funding requirements and the Group's funding cost profile, which is informed by wholesale and retail funding costs. Income attributable to capital is allocated to segments based on each segment's capital requirement.

#### Retail Banking

The Group's leading Irish retail franchise which provides a comprehensive range of products and services through branch, digital, and phone banking channels. The aim is to provide our customers with a seamless and transparent experience across all channels, while supporting the development of sustainable businesses within their local communities.

#### Capital Markets

Provides institutional, corporate, business banking services and specialised products to the Group's larger customers and customers requiring specific sector or product expertise. Goodbody offers further capabilities in wealth management, asset management and investment banking.

#### Climate & Infrastructure Capital

Serves the Irish, UK, European and North American markets, specialising in lending to large-scale renewable energy and infrastructure projects, which are key drivers for sustainable economic growth.

#### AIB UK

Provides lending, treasury, trade facilities, asset finance and invoice discounting services to large corporates in Great Britain and Northern Ireland and operates a full-service retail franchise in Northern Ireland with a focus on everyday banking, mortgage and business banking.

#### Group

Comprises wholesale treasury activities as well as Group control and support functions. Treasury manages the Group's liquidity and funding positions and provides customer treasury services and economic research while the control and support functions oversee the Group's strategy, establish clear governance and control frameworks and provide management services to the Group.

## Retail Banking

|                                                                 | 2025<br>€ m            | 2024<br>€ m            | change<br>% |
|-----------------------------------------------------------------|------------------------|------------------------|-------------|
| <b>Contribution statement</b>                                   |                        |                        |             |
| Net interest income                                             | 2,380                  | 2,633                  | -10         |
| Other income                                                    | 493                    | 509                    | -3          |
| Total operating income                                          | 2,873                  | 3,142                  | -9          |
| Operating expenses                                              | (1,356)                | (1,353)                | —           |
| Bank levies and regulatory fees                                 | (104)                  | (104)                  | —           |
| Operating contribution before impairments and exceptional items | 1,413                  | 1,685                  | -16         |
| Net credit impairment charge                                    | (47)                   | (28)                   | 68          |
| Operating contribution before exceptional items                 | 1,366                  | 1,657                  | -18         |
| Income from equity accounted investments                        | 14                     | 21                     | -33         |
| Contribution before exceptional items                           | 1,380                  | 1,678                  | -18         |
|                                                                 |                        |                        |             |
|                                                                 | 31 Dec<br>2025<br>€ bn | 31 Dec<br>2024<br>€ bn | change<br>% |
| <b>Balance sheet metrics</b>                                    |                        |                        |             |
| Mortgages                                                       | 4.2                    | 4.5                    |             |
| Personal                                                        | 1.4                    | 1.3                    |             |
| Property                                                        | 0.1                    | 0.1                    |             |
| Non-property business                                           | 0.9                    | 0.9                    |             |
| <b>New lending</b>                                              | <b>6.6</b>             | <b>6.8</b>             | <b>-3</b>   |
| Mortgages                                                       | 36.0                   | 35.5                   |             |
| Personal                                                        | 3.3                    | 3.1                    |             |
| Property                                                        | 0.4                    | 0.4                    |             |
| Non-property business                                           | 2.9                    | 3.1                    |             |
| <b>Gross loans</b>                                              | <b>42.6</b>            | <b>42.1</b>            | <b>1</b>    |
| ECL allowance                                                   | (0.4)                  | (0.5)                  | -19         |
| <b>Net loans</b>                                                | <b>42.2</b>            | <b>41.6</b>            | <b>1</b>    |
| Current accounts                                                | 49.0                   | 47.0                   | 4           |
| Demand and time deposits                                        | 40.9                   | 37.2                   | 10          |
| <b>Customer deposits</b>                                        | <b>89.9</b>            | <b>84.2</b>            | <b>7</b>    |

### Net interest income €2,380m

Net interest income reduced by €253 million compared to 2024 primarily driven by the impact of lower interest rates and higher interest expense on customer deposits partially offset by an increase in average loan volumes.

### Other income €493m

Other income decreased by €16 million compared to 2024. Net fee and commission income increased compared to the prior year, primarily due to higher card and wealth income, partially offset by lower customer foreign exchange income. This increase was more than offset by the non-recurrence of income on loan acquisition forward contracts in the current year.

### Operating expenses €1,356m

Operating expenses were in line with 2024 as higher general and administrative expenses were offset by lower personnel expenses and a reduced charge for depreciation, impairment and amortisation.

### Income from equity accounted investments €14m

Income from equity accounted investments decreased by €7 million compared to 2024 following the sale of the Group's minority shareholding in AIB Merchant Services in the second half of 2025.

### Net credit impairment charge €47m

There was a net credit impairment charge of €47 million in 2025 (2024: €28 million). This comprised a charge on personal lending of €72 million and non-property business of €12 million partially offset by writebacks on mortgages of €29 million and property of €8 million.

### New lending €6.6bn

New lending was €0.2 billion or 3% lower in 2025 due to a decrease in mortgage lending, reflecting heightened market competition, partially offset by higher personal lending.

### Gross loans €42.6bn

Gross loans increased by €0.5 billion or 1% as new lending exceeded redemptions partially offset by the disposal of non-performing loans.

### Customer deposits €89.9bn

Customer deposits increased by €5.7 billion compared to 31 December 2024 driven by higher personal and SME balances.



## Business Review

### 1. Operating and Financial Review *continued*

#### Capital Markets

| Contribution statement                                          | 2025<br>€ m | 2024<br>€ m | change<br>% |
|-----------------------------------------------------------------|-------------|-------------|-------------|
| Net interest income                                             | 787         | 906         | -13         |
| Other income                                                    | 209         | 223         | -6          |
| Total operating income                                          | 996         | 1,129       | -12         |
| Operating expenses                                              | (380)       | (375)       | 1           |
| Bank levies and regulatory fees                                 | (16)        | (19)        | -16         |
| Operating contribution before impairments and exceptional items | 600         | 735         | -18         |
| Net credit impairment (charge)/writeback                        | (12)        | 83          |             |
| Contribution before exceptional items                           | 588         | 818         | -28         |

| Balance sheet metrics        | 31 Dec<br>2025<br>€ bn | 31 Dec<br>2024<br>€ bn | change<br>% |
|------------------------------|------------------------|------------------------|-------------|
| Mortgages                    | 0.1                    | 0.1                    |             |
| Property                     | 1.0                    | 0.9                    |             |
| Non-property business        | 3.5                    | 3.4                    |             |
| <b>New lending</b>           | <b>4.6</b>             | <b>4.4</b>             | <b>5</b>    |
| Mortgages                    | 0.5                    | 0.5                    |             |
| Personal                     | 0.1                    | 0.1                    |             |
| Property                     | 5.3                    | 5.9                    |             |
| Non-property business        | 11.3                   | 11.1                   |             |
| <b>Gross loans</b>           | <b>17.2</b>            | <b>17.6</b>            | <b>-2</b>   |
| ECL allowance                | (0.6)                  | (0.6)                  | -10         |
| <b>Net loans</b>             | <b>16.6</b>            | <b>17.0</b>            | <b>-3</b>   |
| <b>Investment securities</b> | <b>2.8</b>             | <b>2.5</b>             | <b>12</b>   |
| Current accounts             | 10.9                   | 10.4                   | 4           |
| Demand and time deposits     | 6.7                    | 5.2                    | 29          |
| <b>Customer deposits</b>     | <b>17.6</b>            | <b>15.6</b>            | <b>13</b>   |

#### Net interest income €787m

Net interest income reduced by €119 million compared to 2024 primarily driven by the impact of lower interest rates and some loan margin compression reflecting changes in portfolio mix and market conditions.

#### Other income €209m

Other income decreased by €14 million compared to 2024. While net fee and commission income increased compared to the prior year, primarily driven by higher investment banking and wealth income, this was more than offset by lower gains on equity investments and loan disposals.

#### Operating expenses €380m

Operating expenses increased by €5 million compared to 2024 primarily due to higher general and administrative expenses.

#### Net credit impairment charge €12m

There was a net credit impairment charge of €12 million in 2025 (2024: net credit impairment writeback €83 million) driven by a charge on property of €28 million partially offset by a writeback on non-property business of €15 million. The prior year benefited from writebacks on a small number of exposures in the leisure and property sectors.

#### New lending €4.6bn

New lending was €0.2 billion or 5% higher than 2024 driven by selective growth in syndicated lending and an increase in property lending partially offset by lower corporate lending in Ireland.

#### Gross loans €17.2bn

Gross loans decreased by €0.4 billion driven by the adverse impact of foreign exchange movements.

#### Customer deposits €17.6bn

Customer deposits increased by €2.0 billion compared to 31 December 2024 driven by higher Corporate and SME balances.

## Climate & Infrastructure Capital

| Contribution statement                                          | 2025<br>€ m | 2024<br>€ m | change<br>% |
|-----------------------------------------------------------------|-------------|-------------|-------------|
| Net interest income                                             | 140         | 110         | 27          |
| Other income                                                    | 17          | 21          | -19         |
| Total operating income                                          | 157         | 131         | 20          |
| Operating expenses                                              | (46)        | (47)        | -2          |
| Bank levies and regulatory fees                                 | (1)         | (2)         | -50         |
| Operating contribution before impairments and exceptional items | 110         | 82          | 34          |
| Net credit impairment charge                                    | (71)        | (22)        |             |
| Contribution before exceptional items                           | 39          | 60          | -35         |

| Balance sheet metrics    | 31 Dec<br>2025<br>€ bn | 31 Dec<br>2024<br>€ bn | change<br>% |
|--------------------------|------------------------|------------------------|-------------|
| New lending              | 1.6                    | 1.9                    | -16         |
| Gross loans              | 6.3                    | 5.5                    | 15          |
| ECL allowance            | (0.1)                  | 0.0                    |             |
| Net loans                | 6.2                    | 5.5                    | 13          |
| Current accounts         | 0.2                    | 0.2                    | 24          |
| Demand and time deposits | 0.1                    | 0.2                    | -72         |
| Customer deposits        | 0.3                    | 0.4                    | -24         |

### Net interest income €140m

Net interest income increased by €30 million compared to 2024 primarily driven by higher average loan volumes.

### Other income €17m

Other income decreased by €4 million compared to 2024.

### Operating expenses €46m

Operating expenses were broadly in line with 2024.

### Net credit impairment charge €71m

There was a net credit impairment charge of €71 million in 2025 compared to €22 million in 2024.

The increase in the impairment charge in 2025 primarily reflected the identification of elevated credit risks and emerging performance weaknesses across a small number of borrowers involved in the build and roll out of fibre and broadband to customers. The Group has maintained a cautious risk appetite for this sector for a number of years.

### New lending €1.6bn

New lending of €1.6 billion, of which 65% was in Europe and the UK. We continue to finance the transition to renewable energy and social infrastructure.

### Gross loans €6.3bn

Gross loans increased by €0.8 billion or 14% driven by new lending exceeding redemptions.

## Business Review

### 1. Operating and Financial Review *continued*

#### AIB UK (£)

|                                                                 | 2025<br>£ m            | 2024<br>£ m            | change<br>% |
|-----------------------------------------------------------------|------------------------|------------------------|-------------|
| <b>Contribution statement</b>                                   |                        |                        |             |
| Net interest income                                             | 292                    | 321                    | -9          |
| Other income                                                    | 28                     | 22                     | 29          |
| Total operating income                                          | 320                    | 343                    | -7          |
| Operating expenses                                              | (166)                  | (154)                  | 8           |
| Bank levies and regulatory fees                                 | (1)                    | (2)                    | -49         |
| Operating contribution before impairments and exceptional items | 153                    | 187                    | -18         |
| Net credit impairment charge                                    | (36)                   | (76)                   | -53         |
| Operating contribution before exceptional items                 | 117                    | 111                    | 6           |
| Income from equity accounted investments                        | 3                      | 5                      | -49         |
| Contribution before exceptional items                           | 120                    | 116                    | 4           |
| Contribution before exceptional items €m                        | 140                    | 137                    | 2           |
|                                                                 |                        |                        |             |
|                                                                 | 31 Dec<br>2025<br>£ bn | 31 Dec<br>2024<br>£ bn | change<br>% |
| <b>Balance sheet metrics</b>                                    |                        |                        |             |
| AIB GB Corporate                                                | 1.4                    | 1.0                    |             |
| AIB NI Retail                                                   | 0.3                    | 0.2                    |             |
| <b>New lending</b>                                              | 1.7                    | 1.2                    | 40          |
|                                                                 |                        |                        |             |
| AIB GB Corporate                                                | 4.1                    | 3.8                    |             |
| AIB NI Retail                                                   | 1.2                    | 1.2                    |             |
| <b>Gross loans</b>                                              | 5.3                    | 5.0                    | 6           |
| ECL allowance                                                   | (0.1)                  | (0.1)                  | -45         |
| <b>Net loans</b>                                                | 5.2                    | 4.9                    | 7           |
|                                                                 |                        |                        |             |
| Current accounts                                                | 3.7                    | 3.7                    | —           |
| Demand and time deposits                                        | 3.7                    | 3.4                    | 8           |
| <b>Customer deposits</b>                                        | 7.4                    | 7.1                    | 4           |

#### Net interest income £292m

Net interest income reduced by £29 million compared to 2024 primarily driven by the impact of lower interest rates and higher interest expense on customer deposits.

#### Other income £28m

Other income increased by £6 million compared to 2024 driven by higher net fee and commission income and a lower loss on loan disposals.

#### Operating expenses £166m

Operating expenses increased by £12 million compared to 2024 driven by higher personnel and general & administrative expenses.

#### Income from equity accounted investments £3m

Income from equity accounted investments decreased by £2 million compared to 2024 driven by the sale of the Group's minority shareholding in AIB Merchant Services.

#### Net credit impairment charge £36m

There was a net credit impairment charge of £36 million in 2025 (2024: £76 million) driven by a charge of £19 million on non-property business and £18 million on property.

#### New lending £1.7bn

New lending increased by £0.5 billion or 40% compared to 2024 driven by strong growth in property and non-property business, as we continue to focus on our chosen market sectors such as residential investment.

#### Gross loans £5.3bn

Gross loans increased by £0.3 billion or 6% driven by strong new lending partially offset by redemptions and the disposal of legacy loans.

## Group

|                                                                 | 2025<br>€ m            | 2024<br>€ m            | change<br>% |
|-----------------------------------------------------------------|------------------------|------------------------|-------------|
| <b>Contribution statement</b>                                   |                        |                        |             |
| Net interest income                                             | 101                    | 101                    | —           |
| Other income                                                    | 4                      | —                      | —           |
| Total operating income                                          | 105                    | 101                    | 4           |
| Operating expenses                                              | (17)                   | (14)                   | 21          |
| Bank levies and regulatory fees                                 | 8                      | (11)                   | —           |
| Operating contribution before impairments and exceptional items | 96                     | 76                     | 26          |
| Net credit impairment writeback                                 | —                      | 2                      | —           |
| Operating contribution before exceptional items                 | 96                     | 78                     | 23          |
| Loss on equity accounted investments                            | —                      | (1)                    | —           |
| Loss on disposal of business                                    | —                      | (2)                    | —           |
| Contribution before exceptional items                           | 96                     | 75                     | 28          |
|                                                                 |                        |                        |             |
|                                                                 | 31 Dec<br>2025<br>€ bn | 31 Dec<br>2024<br>€ bn | change<br>% |
| <b>Balance sheet metrics</b>                                    |                        |                        |             |
| Investment securities                                           | 18.7                   | 16.1                   | 16          |
| Securities financing                                            | 7.3                    | 6.6                    | 11          |
| Customer deposits                                               | 1.0                    | 1.1                    | -7          |

### Total operating income €105m

Total operating income increased by €4 million compared to 2024, primarily due to a lower loss on the disposal of investment securities, which was largely offset by lower net trading income and a lower gain on equity investments.

### Bank levies and regulatory fees €8m

Bank levies and regulatory fees decreased by €19 million compared to 2024. The decrease was driven by the Deposit Guarantee Scheme (DGS), following confirmation that no payment was required to the DGS Contribution Fund for 2024 or 2025, alongside the release of a related prior-year accrual.

### Investment securities €18.7bn

Investment securities primarily held for liquidity purposes, increased by €2.6 billion from 31 December 2024 due to increased holdings in government and supranational securities.



## Business Review

### 1. Operating and Financial Review *continued*

#### Alternative performance measures

The following is a list, together with a description, of APMs used in analysing the Group's performance, provided in accordance with the European Securities and Markets Authority (ESMA) guidelines.

|                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Average rate</b>                                      | Interest income/expense for balance sheet categories divided by the corresponding average balance.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Average balance</b>                                   | Average balances for interest-earning assets are based on daily balances for all categories. Average balances for interest-earning liabilities are based on a combination of daily/monthly balances, with the exception of deposits and advances from customers which are based on daily balances.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Absolute cost base</b>                                | Total operating expenses excluding exceptional items, bank levies and regulatory fees.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Cost income ratio</b>                                 | Total operating expenses excluding exceptional items, bank levies and regulatory fees divided by total operating income excluding exceptional items.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Cost income ratio (IFRS basis)</b>                    | Total operating expenses divided by total operating income.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Exceptional items</b>                                 | <p>Performance measures have been adjusted to exclude items viewed as exceptional by management and which management views as distorting the comparability of performance year-on-year. The adjusted performance measure is considered an APM. A reconciliation between the IFRS and management performance summary income statements is set out on page 37. Exceptional items include:</p> <ul style="list-style-type: none"> <li>• <b>Gain on disposal of equity accounted investments</b> reflects a gain on sale of the Group's minority shareholding in AIB Merchant Services.</li> <li>• <b>Customer redress and legal claims</b> reflect a net writeback/(charge) to provisions for remediation payments to customers and associated costs in respect of legacy matters.</li> <li>• <b>Gain on disposal of loan portfolios</b> relates to the disposal of non-performing loan portfolios.</li> <li>• <b>Restructuring costs</b> primarily reflect termination benefit costs resulting from the implementation of the Group's strategy.</li> <li>• <b>Inorganic transaction costs</b> included costs associated with the acquisition and migration of a portfolio of Ulster Bank tracker (and linked) mortgages.</li> <li>• <b>Other</b> included a fee receivable on the exit of a servicing agreement for a non-core legacy business.</li> </ul> |
| <b>Loan to deposit ratio</b>                             | Net loans and advances to customers divided by customer deposits.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Net interest margin</b>                               | Net interest income divided by average interest-earning assets.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Non-performing exposures</b>                          | Non-performing exposures as defined by the European Banking Authority, include loans and advances to customers (non-performing loans) and off-balance sheet exposures such as loan commitments and financial guarantee contracts.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Non-performing loans cover</b>                        | ECL allowance on non-performing loans at amortised cost as a percentage of non-performing loans at amortised cost.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Non-performing loans ratio</b>                        | Non-performing loans as a percentage of total gross loans.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Return on Tangible Equity (RoTE)</b>                  | Profit after tax less AT1 coupons paid, divided by targeted CET1 capital on a fully loaded basis. Details of the Group's RoTE is set out in the Capital section on page 40.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Management performance – summary income statement</b> | <p>The following line items in the management performance summary income statement are considered APMs:</p> <ul style="list-style-type: none"> <li>• Total other income</li> <li>• Total operating income</li> <li>• Personnel expenses</li> <li>• General and administrative expenses</li> <li>• Total operating expenses</li> <li>• Bank levies and regulatory fees</li> <li>• Operating profit before impairment losses and exceptional items</li> <li>• Income from equity accounted investments</li> <li>• Operating profit before exceptional items</li> <li>• Profit before exceptional items</li> <li>• Exceptional items</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

## Reconciliation between IFRS and management performance summary income statements

Performance has been adjusted to exclude items viewed as exceptional by management and which management view as distorting comparability of performance year-on-year. The adjusted performance measure is considered an APM. A reconciliation of management performance measures to the directly related IFRS measures, providing their impact in respect of specific line items and the overall summary income statement, is set out below.

|                                                               | 2025                               |                             |              |                                               | 2024                               |                             |              |                                               |
|---------------------------------------------------------------|------------------------------------|-----------------------------|--------------|-----------------------------------------------|------------------------------------|-----------------------------|--------------|-----------------------------------------------|
|                                                               | IFRS<br>Income<br>Statement<br>€ m | Adjustments                 |              | Management<br>performance <sup>1</sup><br>€ m | IFRS<br>Income<br>Statement<br>€ m | Adjustments                 |              | Management<br>performance <sup>1</sup><br>€ m |
| Summary income statement                                      |                                    | Exceptional<br>items<br>€ m | Other<br>€ m |                                               |                                    | Exceptional<br>items<br>€ m | Other<br>€ m |                                               |
| Net interest income                                           | 3,748                              |                             |              | 3,748                                         | 4,129                              |                             |              | 4,129                                         |
| Other income                                                  | 763                                | (7)                         |              | 756                                           | 799                                | (20)                        |              | 779                                           |
| <b>Total operating income</b>                                 | <b>4,511</b>                       | <b>(7)</b>                  |              | <b>4,504</b>                                  | <b>4,928</b>                       | <b>(20)</b>                 |              | <b>4,908</b>                                  |
| Operating expenses                                            | (2,114)                            | 8                           | 114          | (1,992)                                       | (2,195)                            | 86                          | 138          | (1,971)                                       |
| Bank levies and regulatory fees                               | —                                  |                             | (114)        | (114)                                         | —                                  |                             | (138)        | (138)                                         |
| <b>Operating profit before impairment losses</b>              | <b>2,397</b>                       | <b>1</b>                    |              | <b>2,398</b>                                  | <b>2,733</b>                       | <b>66</b>                   |              | <b>2,799</b>                                  |
| Net credit impairment charge                                  | (172)                              |                             |              | (172)                                         | (55)                               |                             |              | (55)                                          |
| <b>Operating profit</b>                                       | <b>2,225</b>                       | <b>1</b>                    |              | <b>2,226</b>                                  | <b>2,678</b>                       |                             |              | <b>2,744</b>                                  |
| Income from equity accounted investments                      | 174                                | (157)                       |              | 17                                            | 26                                 |                             |              | 26                                            |
| Loss on disposal of business                                  | —                                  |                             |              | —                                             | (2)                                |                             |              | (2)                                           |
| <b>Profit before taxation/Profit before exceptional items</b> | <b>2,399</b>                       | <b>(156)</b>                |              | <b>2,243</b>                                  | <b>2,702</b>                       | <b>66</b>                   |              | <b>2,768</b>                                  |
| Exceptional items                                             | —                                  | 156                         |              | 156                                           | —                                  | (66)                        |              | (66)                                          |
| <b>Profit before taxation</b>                                 | <b>2,399</b>                       |                             |              | <b>2,399</b>                                  | <b>2,702</b>                       |                             |              | <b>2,702</b>                                  |
| Income tax charge                                             | (260)                              |                             |              | (260)                                         | (351)                              |                             |              | (351)                                         |
| <b>Profit for the year</b>                                    | <b>2,139</b>                       |                             |              | <b>2,139</b>                                  | <b>2,351</b>                       |                             |              | <b>2,351</b>                                  |

1. Performance has been adjusted to exclude items viewed as exceptional by management and which management view as distorting comparability of performance year-on-year. The adjusted performance measure is considered an APM.

## Business Review

# 2. Capital

### Objectives

The objectives of the Group's capital management policy are to at all times comply with regulatory capital requirements and to ensure that the Group has sufficient capital to cover the current and future risk inherent in its business and to support its future development. Detail on the management of capital and capital adequacy risk can be found in 'Risk management 2.4' on page 233.

### Regulatory capital and capital ratios<sup>1</sup>

|                                                 | Transitional<br>31 December<br>2025<br>€ m | Fully loaded <sup>4</sup><br>31 December<br>2025<br>€ m | Fully loaded<br>31 December<br>2024<br>€ m |
|-------------------------------------------------|--------------------------------------------|---------------------------------------------------------|--------------------------------------------|
| <b>Equity</b>                                   | <b>14,696</b>                              | <b>14,696</b>                                           | 15,437                                     |
| Less: Additional tier 1 Securities              | (1,314)                                    | (1,314)                                                 | (1,239)                                    |
| Proposed ordinary dividend <sup>2</sup>         | (988)                                      | (988)                                                   | (861)                                      |
| On-market share buyback                         | (1,000)                                    | (1,000)                                                 | (1,201)                                    |
| Regulatory adjustments:                         |                                            |                                                         |                                            |
| Deferred tax                                    | (1,932)                                    | (1,932)                                                 | (2,153)                                    |
| Intangible assets and goodwill                  | (626)                                      | (626)                                                   | (548)                                      |
| Cash flow hedging reserves                      | 321                                        | 321                                                     | 121                                        |
| Pension                                         | (17)                                       | (17)                                                    | (26)                                       |
| Other adjustments <sup>3</sup>                  | (197)                                      | (197)                                                   | (154)                                      |
|                                                 | (2,451)                                    | (2,451)                                                 | (2,760)                                    |
| <b>Total common equity tier 1 capital</b>       | <b>8,943</b>                               | <b>8,943</b>                                            | 9,376                                      |
| <b>Additional tier 1 capital</b>                |                                            |                                                         |                                            |
| Additional tier 1 issuance                      | 1,314                                      | 1,314                                                   | 1,239                                      |
| Regulatory adjustments                          | (5)                                        | (5)                                                     | (3)                                        |
| <b>Total additional tier 1 capital</b>          | <b>1,309</b>                               | <b>1,309</b>                                            | 1,236                                      |
| <b>Total tier 1 capital</b>                     | <b>10,252</b>                              | <b>10,252</b>                                           | 10,612                                     |
| <b>Tier 2 capital</b>                           |                                            |                                                         |                                            |
| Subordinated debt                               | 1,681                                      | 1,681                                                   | 1,661                                      |
| Regulatory adjustments                          | (5)                                        | (5)                                                     | 8                                          |
| <b>Total tier 2 capital</b>                     | <b>1,676</b>                               | <b>1,676</b>                                            | 1,669                                      |
| <b>Total capital</b>                            | <b>11,928</b>                              | <b>11,928</b>                                           | 12,281                                     |
| <b>Risk-weighted assets</b>                     |                                            |                                                         |                                            |
| Credit risk                                     | 46,597                                     | 47,776                                                  | 53,806                                     |
| Market risk                                     | 426                                        | 426                                                     | 730                                        |
| Operational risk                                | 7,084                                      | 7,084                                                   | 7,434                                      |
| Credit valuation adjustment and settlement risk | 71                                         | 71                                                      | 60                                         |
| <b>Total risk-weighted assets</b>               | <b>54,178</b>                              | <b>55,357</b>                                           | 62,030                                     |
|                                                 | %                                          | %                                                       | %                                          |
| <b>Common equity tier 1 ratio</b>               | <b>16.5</b>                                | <b>16.2</b>                                             | 15.1                                       |
| <b>Tier 1 ratio</b>                             | <b>18.9</b>                                | <b>18.5</b>                                             | 17.1                                       |
| <b>Total capital ratio</b>                      | <b>22.0</b>                                | <b>21.5</b>                                             | 19.8                                       |

1. Prepared under the regulatory scope of consolidation.

2. An ordinary dividend has been included as a foreseeable distribution, in line with EBA Q&A 2023\_6887.

3. Other primarily includes calendar provisioning, prudential valuation adjustment and IRB shortfall of credit risk adjustments to expected losses.

4. Fully loaded RWA refers to the total risk-weighted assets calculated without applying any transitional or phase-in measures, reflecting the CRR3 requirements (including the output floor) once fully effective.

## Key Points

- The Group is reporting a fully loaded CET1 of 16.2% at 31 December 2025 against a regulatory requirement of 11.29%.
- Distributions of €2.25 billion - interim dividend €263 million, buyback of €1.0 billion to be initiated and proposed final dividend of €988 million.
- The Pillar 2 requirement (P2R) remains unchanged at 2.4% for 2026.
- A CET1 target of greater than 14.0%.

### Capital Requirements

The table below sets out the capital requirements at 31 December 2025.

|                                                          | Actual         |
|----------------------------------------------------------|----------------|
| Regulatory Capital Requirements                          | 31 Dec 2025    |
| <b>CET1 Requirements</b>                                 |                |
| Pillar 1                                                 | 4.50 %         |
| Pillar 2 requirement (P2R)                               | 1.35 %         |
| Capital Conservation Buffer (CCB)                        | 2.50 %         |
| Other Systemically Important Institutions Buffer (O-SII) | 1.50 %         |
| Countercyclical buffer (CCyB) Impact                     | 1.44 %         |
| <b>CET1 Requirement</b>                                  | <b>11.29 %</b> |
| <b>AT1</b>                                               | <b>1.95 %</b>  |
| <b>Tier 2</b>                                            | <b>2.60 %</b>  |
| <b>Total Capital Requirement</b>                         | <b>15.84 %</b> |

Under Article 104a any shortfall in AT1 and Tier 2 must be held as CET1. There is currently no shortfall. The table does not include Pillar 2 Guidance (P2G) which is not publicly disclosed.

The CCyB for Irish exposures is 1.5% at 31 December 2025 (equating to an estimated 1.04% Group requirement). The CCyB for UK exposures remains at 2% (equating to an estimated 0.30% Group requirement). Other jurisdictional exposures equate to a 0.10% Group requirement.

### Capital Ratios at 31 December 2025

The fully loaded CET1 ratio increased to 16.2% at 31 December 2025 from 15.1% at 31 December 2024.

Profit for the year attributable to equity holders of the parent (+3.7%), DTA utilisation (+0.4%), was offset by the proposed ordinary dividend (-1.7%), interim dividend (-0.5%), share buyback (-1.7%), warrant cancellation (-0.7%) and other capital movements (-0.2%).

In addition, Risk Weighted Assets (RWAs) reduced as a result of the implementation of the Capital Requirements Regulation 3 (CRR3) (+1.2%), completion of a second significant risk transfer (SRT) on a portfolio of residential mortgage (+0.2%) and other RWA movements (+0.4%).

The Transitional CET1 and Total Capital ratios are 16.5% and 22.0% at 31 December 2025.

The Fully Loaded Total Capital ratio is 21.5% at 31 December 2025 (19.8% at 31 December 2024).

Basel IV capital regulations were enacted in EU legislation through the CRR3, which came into effect on 1 January 2025. The day 1 impact was a reduction in RWA (Fully Loaded). The key drivers of the reduction were a combination of reduced LGD input factors on certain Foundation IRB exposure classes, the removal of the IRB risk weight scalar of 1.06, new risk weightings for exposures secured by immovable property under the standardised basis and the Operational Risk calculation.

### Capital Actions

In January 2025, the Group issued a perpetual €700 million Additional Tier 1 instrument (first call date 14 July 2031), with a discretionary coupon of 6.00%. The issuance supported the redemption of the €625 million AT1 which was called in June 2025.

On 9 May 2025, following receipt of approval from shareholders at the Annual General Meeting, the Group completed an off-market purchase of 191,671,857 ordinary shares of €0.625 each in the capital of AIB Group plc from the Minister for Finance for the total consideration of €1.2 billion.

On 30 October 2025, the Group agreed with the Minister for Finance to cancel the 271,166,685 warrants held by the Minister for a cash payment to the State of €390 million.

In December 2025, the Group issued a €1 billion Green Tier 2 instrument (first call date 2 December 2031), carrying a coupon of 3.75%. This issuance was to pre-fund the €1 billion Tier 2 with a call date in May 2026.

### Significant Risk Transfer (SRT)

In December 2025, the Group successfully completed its second SRT on a portfolio of mortgage assets totalling c. €2 billion. This transaction forms part of the Group's multi-year, multi-asset SRT programme and follows the inaugural SRT transaction completed in November 2024. The completion of this SRT delivers an initial positive CET1 impact of c. 25bps driven by a reduction in RWAs of c. €0.8 billion. The SRT planned for 2026 is likely to include Project Finance loans.

### Distributions

#### Distribution Policy

The Group has a sustainable ordinary cash dividend policy with 40-60% payout. Interim dividends are set at one third of the prior year's ordinary dividend per share. Above policy payouts are subject to annual review and necessary approvals, with the optionality to utilise share buybacks, special dividends or a combination of both for additional payouts.

#### Ordinary Dividend

In respect of the financial year 2025, the Board has recommended a final ordinary dividend of 46.257 cents per share, which, together with the interim ordinary dividend of 12.328 cents per share (which was paid to shareholders on 11 November 2025) totals 58.585 cents per share. This represents a total ordinary dividend for 2025 of €1,252 million. The final dividend amount is based of the numbers of shares in issue as at 31 December 2025.

#### Additional Distribution

The Board has also announced its intention to implement a share buyback of up to €1 billion, which will commence as soon as is practicable and is expected to be completed by 31 December 2026. The Group has received regulatory approval to undertake the buyback.

### Model Development

A new Project Finance IRB model was implemented in September 2025 which assesses exposures under the slotting approach. This has resulted in a €0.4 billion reduction in RWA as at 31 December 2025. A revised bank exposure model was implemented in April 2025 which also reduced RWA.

As further exposures transition from the standardised approach to IRB as part of a planned further rollout of IRB there is the potential for RWA to change, reflecting differences in risk sensitivity and model-driven parameters.

## Business Review

### 2. Capital continued

#### Leverage Ratio

The fully loaded leverage ratio is 6.7% at 31 December 2025 (7.3% at 31 December 2024).

| Leverage Ratio Metrics (Fully Loaded) | 2025<br>€ m | 2024<br>€ m |
|---------------------------------------|-------------|-------------|
| Total Exposure                        | 152,781     | 145,609     |
| Tier 1 Capital                        | 10,252      | 10,612      |
| Leverage Ratio                        | 6.7 %       | 7.3 %       |

#### Minimum Requirement for Own Funds and Eligible Liabilities (MREL)

At 31 December 2025 the Group has a MREL ratio of 35.2% of RWA (31.7% at 31 December 2024).

The Group's MREL ratio is in excess of the target for 2025 indicating that the Group has sufficient loss absorption and re-capitalisation capability. In the 12 months to 31 December 2025, the Group issued €1.4 billion MREL bonds.

The Group's January 2026 MREL requirement is 28.5% of RWA including the combined buffer requirement.

The Group continues to monitor developments in the Single Resolution Board's (SRB) MREL policy which has the potential to impact the Group's MREL requirements.

#### Ratings

AIB Group plc and Allied Irish Banks, p.l.c. are rated at investment grade with Moody's and S&P Global.

#### AIB Group plc

On 11 September 2025, Moody's upgraded the Group's credit rating by one notch to A2 and revised the outlook to Stable from Positive. This upgrade reflects Moody's assessment of the Group's reduced and contained asset risk, robust capitalisation, significantly improved core profitability, a predominantly deposit-based funding profile, and strong liquidity levels.

On 6 November 2025, S&P Global upgraded the Group's credit rating by one notch to BBB+ and revised the outlook to Stable from Positive. This upgrade reflects S&P Global's expectation that the Group's risk-adjusted profitability will remain solid, supported by a sound risk profile, a healthy balance sheet, enhanced operational efficiency, and revenue diversification.

|                   | 31 December 2025 |            |
|-------------------|------------------|------------|
| Long term Ratings | Moody's          | S&P Global |
| Long term         | A2               | BBB+       |
| Outlook           | Stable           | Stable     |
| Investment grade  | ✓                | ✓          |

|                   | 31 December 2024 |            |
|-------------------|------------------|------------|
| Long term Ratings | Moody's          | S&P Global |
| Long term         | A3               | BBB        |
| Outlook           | Positive         | Positive   |
| Investment grade  | ✓                | ✓          |

#### Return on Shareholder Equity (RoE) and Return on Tangible Equity (RoTE)

|                                    | 2025<br>€ m | 2024<br>€ m |
|------------------------------------|-------------|-------------|
| Profit after tax                   | 2,139       | 2,351       |
| AT1 coupons paid                   | (85)        | (80)        |
| Attributable earnings              | 2,054       | 2,271       |
| Average Shareholder Equity         | 13,792      | 14,078      |
| Return on Shareholder Equity (RoE) | 14.9%       | 16.1%       |
| Average RWA                        | 58,693      | 60,747      |
| RWA * 14% CET1 target <sup>1</sup> | 8,217       | 8,505       |
| Return on Tangible Equity (RoTE)   | 25.0%       | 26.7%       |

1. The Group's CET1 target for 2025 is greater than 14%.

Note: RoTE is considered an Alternative Performance Measure

The Group has a financial target for RoTE of 15%.

#### Return on Assets

The Return on Assets (RoA) at 31 December 2025 is 1.4% (2024: 1.6%).



# Sustainability Reporting

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# Our Approach to Sustainability

We are pleased to present our second Sustainability Statement, prepared in accordance with the Corporate Sustainability Reporting Directive (CSRD). This builds on our strong foundation of transparent sustainability disclosures. With evidence-based reporting, we are measuring, supporting and enabling the integration of sustainable practices right across our business, empowering more people to build a sustainable future.

## Mary Whitelaw

Chief Strategy and Sustainability Officer

Greening our business is one of AIB's three strategic priorities, and sustainability is at the heart of everything we do.

We integrate Environmental, Social and Governance (ESG) factors into all of our decision-making to promote sustainable development, meeting the needs of the present without compromising the ability of future generations to meet their own needs.

As a more sustainable organisation, we believe we will not only thrive economically, we will contribute positively to society and reduce our impact on the environment, helping to build a better future for everyone.

We do this in four key ways: growing our green and transition lending; leading the transition as a financial institution through decarbonising our own operations; embedding sustainable practices across every part of our business; and supporting cutting-edge research and innovation that identifies and develops solutions to the climate and biodiversity crises.

We are committed to complying with regulatory requirements and providing our stakeholders with a fair and balanced view of our material sustainability matters, practices and results for the 2025 financial year, reflecting our belief that open disclosure and accountability promote trust and confidence.

We have prepared our Sustainability Statement for FY2025 in line with the European Sustainability Reporting Standards (ESRS) to comply with the CSRD.

We have included a content index from page 114 detailing our progress against the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. In addition to this Sustainability Statement, you can find our disclosures with reference to the Global Reporting Initiative (GRI) framework, United Nations Environment Programme Finance Initiative Principles for Responsible Banking (UNEP FI PRB) and the Equator Principles on our website.

Companies in scope of the CSRD are required to report on a double materiality basis. This means disclosing both the risks and the opportunities they face from a changing climate and other ESG matters (financial materiality), as well as the impacts they have or may have on people and the environment (impact materiality).

In line with this requirement, we have carried out a detailed Double Materiality Assessment (DMA) to identify our material topics across the value chain. This process is outlined in Our Approach to the Double Materiality Assessment from page 49. Our value chain encompasses a range of activities and relationships with stakeholders across upstream, own operations and downstream components.

As a result of the DMA process, we have identified our seven material topics, which we disclose in this Sustainability Statement.

## AIB Group Material Topics

|                                                                                   |                                                                    |                    |
|-----------------------------------------------------------------------------------|--------------------------------------------------------------------|--------------------|
|  | <b>Climate Change</b>                                              | ESRS E1            |
|  | <b>Financial Wellbeing</b>                                         | ESRS S4            |
|  | <b>Housing</b>                                                     | ESRS S3<br>ESRS S4 |
|  | <b>Own Workforce (Equal Treatment &amp; Opportunities for All)</b> | ESRS S1            |
|  | <b>Corporate Governance, Ethics &amp; Accountability</b>           | ESRS G1            |
|  | <b>Culture &amp; Reputation</b>                                    | ESRS G1            |
|  | <b>Cyber Security &amp; Data Protection</b>                        | ESRS S1<br>ESRS S4 |

## How to read the Sustainability Statement

### BP-2

In line with the ESRS 1 general requirements, our Sustainability Statement is a standalone section of the management report, structured in four parts. The first part includes mandatory information as required by the general disclosures of ESRS 2, including the outcome of the DMA. The other three parts are topical – Climate & Environmental Action, Societal & Workforce Progress and Governance & Responsible Business. Please note that the ESRS 2 requirements in relation to GOV-1, GOV-2, GOV-3, GOV-4 and GOV-5 disclosures can be found in the Governance & Responsible Business section from page 93.

In line with the ESRS, the topical sections include information on our seven material topics. We have included material information with respect to the policies, actions, metrics and targets we have adopted to manage the corresponding impacts, risks and opportunities (IROs) of each material topic. You will find details of our material topics throughout the topical sections, within the Our policies, Our actions and Our performance measures categories, including key metrics that we have highlighted for your reference.

**Key performance measures/metrics are indicated by this icon:**



Some of the required information is incorporated by way of reference to other sections of this report, including the Annual Review, Governance Report, and Risk Management, as we believe this information is best read in conjunction with the financial information and overview of our other activities. We have indicated clearly where this is the case.

Additionally, given that the ESRS are sector-agnostic, we have included entity-specific metrics to disclose material information for the reader. The index tables in Appendix 1 summarise where the ESRS Disclosure Requirements (DR) can be found in this report.

We have utilised visuals and diagrams to facilitate understandability of information, and, where applicable, have included a reference to the corresponding DR within the text.

Throughout this report, 'sustainability matters' and 'sustainability topics' are used interchangeably.



# Basis of Preparation

We have prepared our Sustainability Statement on a consolidated basis and the scope of consolidation aligns with that of the Group's consolidated financial statements, available from page 241 of this report.

## General basis of preparation

### BP-1, BP-2

Within AIB Group plc, the material subsidiaries as of 31 December 2025 are:

- Allied Irish Banks, p.l.c.;
- AIB Mortgage Bank Unlimited Company;
- EBS d.a.c.; and
- AIB Group (UK), p.l.c.

Page 314 of this report lists our principal businesses and their locations. Further detail on our subsidiaries is available in the financial statements.

Our Sustainability Statement covers our upstream, own operations and downstream value chain, to the extent required to enable an understanding of our material sustainability matters. The Sustainability Statement is prepared in accordance with Part 28 of the Companies Act 2014 and in compliance with the ESRS requirements. In accordance with Article 19a(9) and 20a(8) of Directive 2013/34/EU (as amended by the Corporate Sustainability Reporting Directive), Allied Irish Banks, p.l.c. is exempt from producing an individual sustainability statement. Sustainability information for the Group is included in the consolidated management report of AIB Group plc.

Our materiality assessment has considered IROs that arise through direct and indirect business relationships across the value chain. When reporting on policies, actions and targets, we have covered value chain stakeholders where applicable. We report on metrics associated with our value chain using relevant qualitative and quantitative data and information collected across the business or directly from customers.

For certain environmental metrics related to value chain information, we use proxy information as detailed under estimations. The Group has prepared a policy document outlining the principles, specific measures and methods for collection of all relevant sustainability data and information. Data collection is based on relevant data sources, and the information is aligned with the material data points defined in the ESRS.

We have not omitted any specific information on the basis of intellectual property, know-how, or innovation results, or the basis of negotiation. In line with ESRS 1, Appendix C, we have taken advantage of certain phase-in provisions applicable to AIB, as extended by the July 2025 'quick-fix' Delegated Act,<sup>1</sup> as set out in the Appendix index table on page 107.

Where applicable, a reference to the financial statements indicating direct connectivity is included alongside monetary amounts.

## Disclosures for specific circumstances

### Time horizons

For the purposes of this statement, our time horizons are defined as follows:

- Short term: up to 1 year,
- Medium term: 1 – 5 years, and
- Long term: > 5 years.

We deviate from these time horizons when reporting climate-related physical and transition risks, see page 69: short (1 – 3 years) and medium (4 – 10 years). In line with the Regulatory Guidance from the European Banking Authority (EBA), we define long term as >10 years.

### Estimations

We report certain value chain and quantitative metrics using data that comes indirectly from third party providers or industry averages. These figures may involve estimation factors, which can significantly influence the reported results. The Group does not control the assumptions or methods used by these third party providers.

As real data becomes available and calculation methods develop, the quality of data will improve.

This means that figures in the Sustainability Statement may change over the coming years, and there may also be changes in figures from previous ESG reports. New guidance, industry standards and scientific research are anticipated, and we reserve the right to periodically review and update targets, methodologies and approaches and to restate baselines as necessary.

### Limited assurance

In accordance with section 1613 of the Companies Act 2014, this Sustainability Statement, set out on pages 42 to 109, has been subject to limited assurance by PricewaterhouseCoopers. The elements of this report outside of the Sustainability Statement that are covered by their limited assurance procedures are clearly indicated by the specific '(limited assurance)' reference. Their limited assurance procedures do not extend to links or references to material outside of the Annual Financial Report (AFR) nor to other sections of the AFR unless clearly otherwise indicated to the contrary. Our reported metrics are subject to limited assurance procedures by our assurance provider and are not further validated by another external body unless specifically identified. Their limited assurance report is included from page 111 of the AFR and should be read in conjunction with this Sustainability Statement.



1. Please refer to the Delegated Regulation 2025/4812 on the European Commission website.

# Our Sustainability Strategy

We remain committed to advancing a more sustainable future – strengthening long-term resilience for our business, customers, economy and society.

SBM-1

## Empowering people to build a sustainable future



### Customer first

Building trust and long-term relationships with our customers by providing more connected financial solutions.



### Greening our business

Ensuring sustainable finance and responsible business practices to build our shared future.



### Operational efficiency and resilience

Ensuring we have the appropriate capability, capacity and resilience to support the Group's strategic ambition.

Greening our business is one of AIB's three strategic priorities, along with putting our customers first and making our operations more efficient and resilient. They are all connected and interdependent.

As a financial institution, we have a pivotal role to play in enabling the transition to a more sustainable economy, given the scale of investment required. Government cannot make the transition alone, and we can support the realisation of national and international targets through our lending and investment activities and by supporting and advising our customers as a sustainability thought leader.

Our ambition is to decarbonise our own operations by 2030 and our lending portfolio by 2050. To achieve this, we have refined our ESG principles across three pillars, as illustrated below.

We acknowledge the challenges of implementing this strategy – shaped by an evolving policy landscape, stringent regulatory requirements, limited ESG data, and the global effort to stay aligned with the 1.5°C climate target.

External and regulatory trends, including new sustainability standards and climate-related DRs, directly influence our strategic priorities and require continuous adaptation to maintain compliance and leadership in responsible banking.

We are now in the final year of our current 2024-2026 three-year strategic cycle as we continue to deliver across our three strategic priorities. Our strategy is supported by our three business lines: Retail Banking, Capital Markets and Climate & Infrastructure Capital (C&IC), with operations primarily in the Republic of Ireland (ROI), the UK, and the USA. In July 2025, the Group announced the simplification of its management structure and the integration of the UK into Retail Banking enabling the Group to focus on the three business lines. Further details on these business lines, including significant groups of products and services, can be found on pages 2 to 20 of the Annual Review section. Number of employees by geographical area is reported on page 86 of this statement.

Information on how our material IROs correlate to our strategy and business model is on page 51 of this section.

## Our Sustainability Strategy

### ESG Strategy pillars



### Climate & Environmental Action

### Guided by our ESG principles

by providing responsible green finance, investments and advice to drive structural change and support the transition to a low-carbon future

### Our material sustainability matters



### Climate Change

ESRS E1 – Climate Change



### Societal & Workforce Progress

by maximising positive outcomes for customers and colleagues helping build a brighter and prosperous future for all



### Financial Wellbeing



### Housing



### Own Workforce (Equal Treatment & Opportunities for All)

ESRS S1 – Own Workforce

ESRS S3 – Affected Communities

ESRS S4 – Consumers and end-users



### Governance & Responsible Business

by acting responsibly with integrity and transparency, while embedding ESG capabilities and measures Group-wide



### Corporate Governance, Ethics & Accountability



### Culture & Reputation



### Cyber Security & Data Protection

ESRS G1 – Business Conduct

### Alignment with UN SDGs<sup>1</sup>



1. While AIB supports all 17 United Nations Sustainable Development Goals (SDGs), we believe we can make a most sustained and scalable impact in those listed above.



## Climate & Environmental Action

### Areas of focus for 2024-2026

- Lend responsibly and decarbonise our lending portfolios towards our long-term ambition of 2050.
- Continue to decarbonise our own operations.
- Mature our understanding and management of Climate & Environmental Risks.
- Contribute to protecting nature and safeguarding natural ecosystems/habitats.

Our Climate Transition Plan (CTP) charts how we plan to achieve our decarbonisation ambitions by 2050, by bringing together all elements of our climate journey.

In the decarbonisation of our own operations, we have undertaken a branch refurbishment programme and are aiming to source 100% certified renewable electrical energy by 2030.

Sustainable practices are being embedded across every part of our business, from providing dedicated educational resources designed to support our customers to internal sustainability training for our colleagues.

We offer a range of products and services to deliver on our sustainability ambitions, such as lower-cost green mortgage products across the AIB, EBS and Haven brands, business sustainability loans and green personal loans. In 2025, 62% of new mortgage lending in ROI was to energy efficient homes.

AIB's C&I segment has continued to evolve as it looks to further increase our capability to be a driving force in the transition to a sustainable future and will help deploy AIB's green and transition lending fund.

We also continued to monitor the Science Based Targets initiative (SBTi) financed emissions reduction targets previously set for our most material sectors (based on a 2021 baseline) – Residential Mortgages, Commercial Real Estate (CRE) and Electricity Generation – as well as our Corporate Portfolio Coverage engagement target.

Climate & Environmental (C&E) Risks are integrated into our credit risk management policies and processes, with improved data capture and analysis supporting management of such risks by not lending to companies that are not aligned with our decarbonisation targets. We will continue to further develop our approach to nature and to include such considerations in both our business strategy and risk management approach.

→ Read more in Climate & Environmental Action on p.55 – 73.



## Societal & Workforce Progress

### Areas of focus for 2024-2026

- Put our customers first, always treating them fairly and with respect.
- Continue to proactively contribute to a robust and sustainable economy and society.
- Empower our workforce and foster a safe, inclusive and supportive work environment.
- Support our communities and local initiatives in a sustainable way.

At AIB, our purpose is to empower people to build a sustainable future by putting our customers first and fostering a people-first culture.

Our commitment to diversity, inclusion and skill development is reflected in our workforce policies, actions and in the AIB Sustainability Academy which is a hub for all ESG learning, sustainability resources and education opportunities. We engage with staff and product owners when developing new green and transition products.

We develop tailored financial products that meet our customers' needs, promote financial wellbeing, and ensure accessible, equitable services for all. Our financial literacy initiatives, together with dedicated support for vulnerable customers, help safeguard our customers' interests. Our fraud awareness campaigns help protect customers from potential scams and emerging threats.

We provide sustainability advice through in-house research, sector innovation and by leveraging partners like Goodbody Clearstream.

We continue to fund new residential developments and support social and affordable housing programmes to improve housing availability and affordability for our customers and the wider community.

Stakeholder awareness drives our strategic ambitions, supported by academic and scientific research, innovation, and our annual Sustainability Conference, which brings together exceptional international and Irish leaders to accelerate the global transition to a more sustainable future.

We continued with our contribution to the wider community and society through the annual AIB Community €1 Million Fund, part of our €12 million Community Investment (FY2024: €11.3 million).

→ Read more in Societal & Workforce Progress on p.75 – 90.



## Governance & Responsible Business

### Areas of focus for 2024-2026

- Facilitate a culture that promotes our values and fosters engagement.
- Ensure that the Board, management and all employees work to the highest standards to deliver long-term value.
- Operate responsibly at all levels, while managing cyber security, data security and operational resilience risks.

Our governance framework ensures oversight and ownership of the Group's sustainability strategy and management of IROs at Board and Executive levels.

We foster accountability through our Code of Conduct, corporate governance rules, compliance monitoring and dedicated training across the organisation.

Our policies protect against threats like insider trading, corruption, bribery, and money laundering, while upholding our principal values of integrity, transparency and accountability.

We act sustainably throughout our business, including our supply chain. Suppliers are expected to meet the standards set in our Responsible Supplier Code by applying their own policies and practices.

Safeguarding data and maintaining cyber resilience is essential. We continually enhance cyber, artificial intelligence (AI) and data security to protect customers, our colleagues and the Group.

We maintain a proactive and adaptive cyber defence posture, leveraging real-time threat intelligence, automation, and advanced analytics. Our controls are regularly tested and enhanced in line with international standards, including the NIST Cybersecurity Framework. We conduct annual business continuity and incident response exercises, including cyber simulations, to ensure preparedness for extreme scenarios. Our approach is dynamic, enabling us to anticipate and respond to emerging threats and maintain the security of critical services.

International recognition of our sustainability leadership is strengthened by our range of international commitments, partnerships and ratings record from agencies like Morningstar Sustainalytics, MSCI, Carbon Disclosure Project (CDP) and S&P.

→ Read more in Governance & Responsible Business on p.92 – 106.



# Our Value Chain

Our ability to create long-term value is deeply interconnected with our value chain and our stakeholders.

## SBM-1

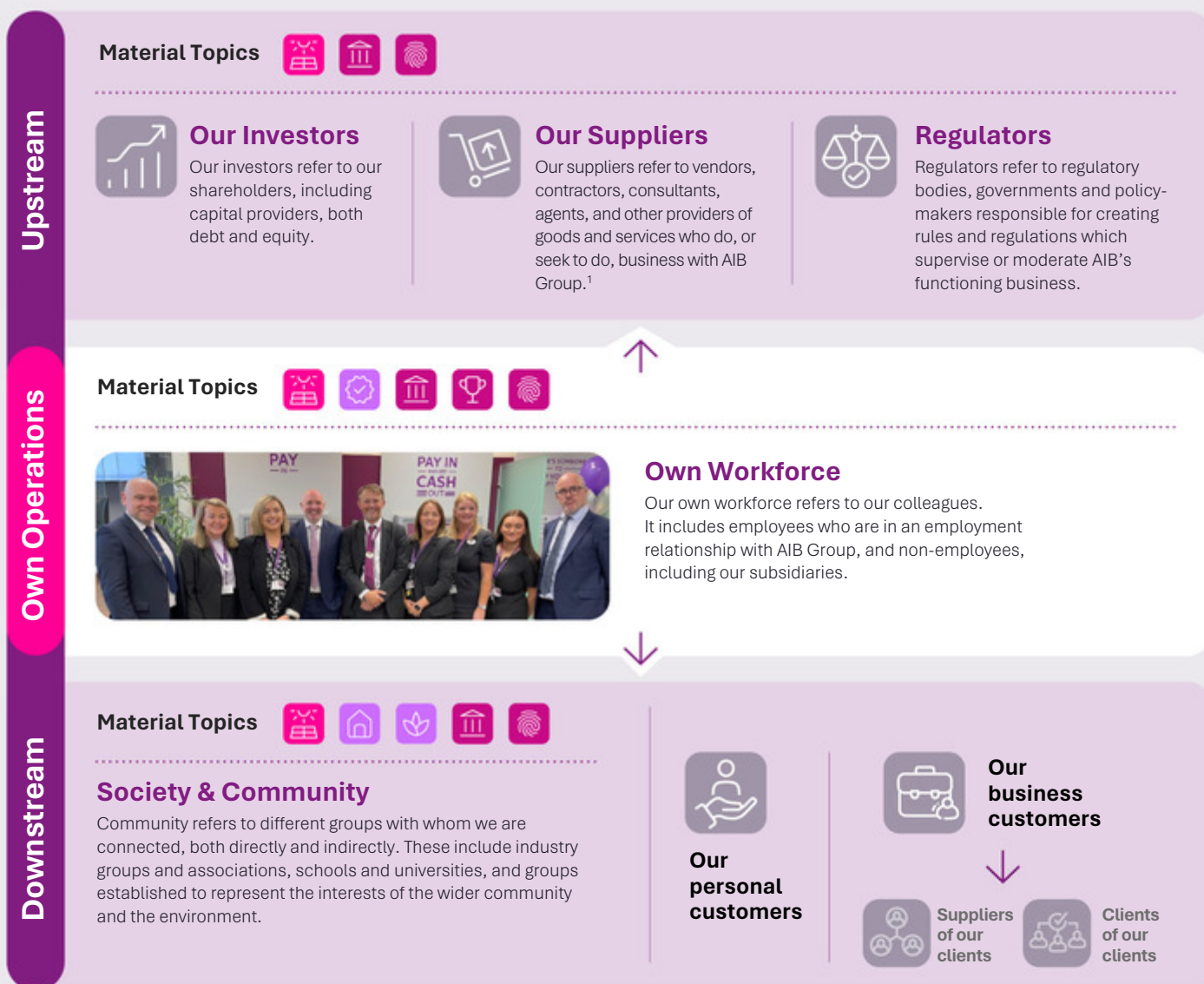
Our value chain encompasses a range of activities and stakeholder relationships, which we rely on to provide banking products and services.

We have identified our key stakeholder groups along the upstream, own operations and downstream activities of our value chain, and, in line with the ESRS, we group them into:

- Affected stakeholders, who are individuals or groups whose interests are affected, or could be affected, by our activities, either directly through contractual relationships (e.g. employees and customers) or indirectly through our value chain (e.g. community and society).
- Users of the Sustainability Statement, who are primary users of general-purpose financial reporting and other users (e.g. investors and regulators).

The nature of our business means that we have a complex value chain. It extends beyond direct contractual business relationships. Our business customers have their own value chains, through which we may be associated with impacts on the wider society and the environment. As an employer, we have a direct relationship with our own workforce, who are part of our own operations. As a regulated business, funded by debt and equity, and as a procurer of goods and services, we are connected to stakeholders in our upstream value chain.

For each of our roles we perform due diligence processes. The diagram below is a high-level depiction of our intricate value chain and our relationships with our key stakeholder groups.



Our seven material topics are represented in our value chain above with the below icons:



Climate Change



Financial Wellbeing



Housing



Own Workforce



Corporate Governance, Ethics & Accountability



Culture & Reputation



Cyber Security & Data Protection

1. This definition does not include individual contractors, agents, or intermediaries.

# Creating Value through Our Business Model

## Our value creation model

### SBM-1

We are committed to creating value for our stakeholders through a robust and dynamic Group business model. In 2025, AIB Group operated three business lines, Retail Banking, Capital Markets and C&IC, predominantly in the ROI, the UK, and the USA, as described on pages 4 and 5. Our ambition as a Group is to be at the heart of our customers' financial lives. Our value creation model depends on inputs across our three strategic priorities, including key intangible resources such as brand reputation, employee expertise, intellectual property, and technology innovation.

These key intangible resources drive strong relationships with our customers and other stakeholders. By leveraging these resources, we strive to empower people to build a sustainable future, while driving our business growth and competitive advantage. The diagram below includes a non-exhaustive list of the key inputs that we rely on to deliver value for our stakeholders, in the form of outputs and outcomes.

### Guided by our ESG strategic pillars



**Climate & Environmental Action**



**Societal & Workforce Progress**



**Governance & Responsible Business**

### With three strategic priorities



**Customer first**



**Greening our business**



**Operational efficiency and resilience**

### Inputs include the resources and relationships that we rely on to operate our business and deliver value for our stakeholders

**€117bn**

Customer deposits

**€8.2bn**

Green and Social Bonds issued since 2020

**10,207**

Employees (Actual Full Time Equivalent)

**236**

170 AIB branches and 66 EBS offices in ROI<sup>1</sup>

**92%**

Of our own electrical energy needs sourced through our renewable energy VPPA

**99.99%**

IT service availability

### Our business model includes the activities, products and services through which we deliver value for our stakeholders

#### Our purpose

Empowering people to build a sustainable future

#### Our values

- Put customers first
- Be one team
- Show respect
- Own the outcome
- Drive progress
- Eliminate complexity

#### Our business lines

- Retail Banking
- Capital Markets
- Climate & Infrastructure Capital

#### Our material topics

- Climate Change
- Own Workforce (Equal Treatment & Opportunities for All)
- Housing
- Financial Wellbeing
- Corporate Governance, Ethics & Accountability
- Culture & Reputation
- Cyber Security & Data Protection

#### Supported by our relationships with

**key stakeholders across the value chain**

- Our Investors
- Our Suppliers
- Regulators
- Own Workforce
- Society & Community
- Our Customers

### Outputs include the results that our business activities create for our stakeholders

**€14.7bn**

New lending

**€22.9bn**

Cumulative new green and transition lending since 2019

**13,693**

Employee survey responses in 2025<sup>2</sup>

**2.35m**

Digitally active customers

**100%**

We are reducing our own carbon footprint with an ambition to source our own electrical energy needs through certified renewable energy by 2030

**€4.5bn**

Total operating income

### Outcomes include longer-lasting impacts and benefits for our stakeholders

Developing deeper, more enduring relationships with our customers by better serving their financial needs through integrated propositions.

- ✓ Know our customers
- ✓ Respond to their needs
- ✓ Deliver service excellence
- ✓ Educate and innovate

Mobilising capital to support climate action, be a catalyst for positive change and continue to build on our sustainability leadership.

- ✓ Grow green
- ✓ Support transition
- ✓ Enable sustainable practices
- ✓ Invest for the future

Ensuring the appropriate capability, capacity and resilient platform are in place to support the Group's strategic ambition.

- ✓ Resource efficiency
- ✓ Process efficiency
- ✓ Measure and manage
- ✓ Harness new technology

1. Personal and business banking services are available in our network of 7 AIB NI branches, and in the ROI An Post, and NI and GB Post Office networks.

2. Employee survey responses are the total of two online engage surveys issued during 2025.

# Our Stakeholder Engagement

Effective, systematic, and continuous stakeholder engagement is a key focus of our approach to sustainability.

## SBM-2

Stakeholders' views, interests and expectations are integral to our strategy and business model, and are considered by the Board in all its deliberations. To understand our stakeholders' views, we engage with them through a range of regular engagement channels, including our due diligence processes and industry representative groups.

The way the Board engages with its stakeholders varies and ranges from direct engagement to receiving management reports and updates on relevant stakeholders matters, which assist the Board in understanding the impacts of the Group's operations on its key stakeholders. Information on the key engagement outcomes and how they informed the Group's strategic decisions are included from page 136 in the Governance Report.

When engaging with stakeholders, we pay particular attention to human rights and promote a culture of accountability and inclusivity. We conduct appropriate checks as part of our due diligence and onboarding processes, and ensure that we have channels for all of our stakeholders to raise any concerns.

We have a Whistleblowing Policy in place with the sole purpose of facilitating the reporting and effective management of Protected Disclosures. Further details on this policy are included on page 96 of this statement. Our respect for human rights is embedded in our Human Rights Commitment and it is shaped by the UN Guiding Principles on Business and Human Rights. It operates alongside AIB's Code of Conduct and Responsible Supplier Code. Further details on our Human Rights Commitment are included on page 88 of this statement.

As part of the DMA process, we engaged with our key stakeholders, the outcome of which was communicated to the respective Executive Leadership Team (ELT) and Board Committees. This process is outlined in Our Approach to the Double Materiality Assessment from page 49.

We will continue our annual stakeholder engagement process in a responsible manner to build strong relationships and continuously inform our strategy, while delivering long-standing outcomes.

The Sustainability Statement highlights, along with a link to the full report, are shared with all of our colleagues following publication. Senior leaders are also provided with key messages for their teams to further ensure channels of communication are available to raise any questions.

We are members of and actively participate in:

- Banking and Payment Federation Ireland (BPFI)
- Business in the Community Ireland
- European Banking Federation
- Financial Services Union
- Irish Business and Employers' Confederation (IBEC)<sup>1</sup>
- Irish Banking Culture Board
- Irish Paper Clearing Company
- Irish Payments Council
- Institute of Bankers (IOB)<sup>1</sup>
- Cyber Defence Alliance<sup>1</sup>
- UNEP-FI

1. AIB holds a governance position with these organisations.

Our engagement approach extends beyond customers, communities, and employees to include our suppliers, who play a critical role in delivering on our sustainability commitments.

As part of our material topic on Corporate Governance, Ethics & Accountability, we recognise that responsible and sustainable business practices across our supply chain and investments, and responsible tax engagement are essential to managing IROs. Later in this report, under Management of Our Supplier Relationships on page 99, we outline how we work with suppliers to uphold these principles and drive positive environmental and social outcomes throughout our value chain.



Colin Hunt, AIB CEO, speaking at 2025 Climate Finance Week Ireland.

# Our Approach to the Double Materiality Assessment

## Double Materiality Assessment process

### IRO-1 (E1-E5, G1)

The DMA is the starting point for preparing our Sustainability Statement.

We define impacts as the positive or negative effects we have or could have on people and the environment, connected with our own operations and our upstream and downstream value chains across time horizons.

From a financial materiality perspective, we define risks and opportunities as the financial effects that affect, or could reasonably be expected to affect, our financial position, financial performance, cash flows, access to finance or cost of capital across time horizons.

Collectively, the impacts, risks and opportunities are referred to as IROs.

The DMA process was first carried out in 2023. We conducted an annual review in 2024 for FY2024 CSRD reporting and, in 2025, our second annual review concluded that the foundational work from 2023 continues to provide a reliable basis for our sustainability reporting on these material topics, and strategic decision-making processes. Seven material topics were identified through our DMA process as per page 51 to 54.

The DMA process is inherently dynamic, reflecting the evolving landscape of sustainability and stakeholder expectations. This approach ensures that the DMA remains a living process, reviewed each year, that not only supports compliance but also informs strategic decision-making.

The 2025 DMA annual review was conducted on the same basis as our 2023 and 2024 assessments and in line with the ESRS which were first published in November 2022. The Group continues to use the most up-to-date ESRS (July 2023), and European Financial Reporting Advisory Group (EFRAG) guidance. This five-step process is detailed on page 50 below.

We noted no material changes to the organisational and operational structure of AIB, and no material changes in the external factors that would generate any changes to AIB's material IROs other than the additional AI risk referenced in the paragraph below. Please refer to page 46 for an overview of our value chain analysis which remains unchanged from FY2024. Several IROs were merged and streamlined in our FY2025 CSRD reporting to reduce duplication and improve clarity. These updates are editorial in nature and result in no changes to the underlying intent, scope or context of the disclosures.

We have examined Principal Risks of AIB Group, and evolving and emerging risks identified through the Group's Material Risk Assessment (MRA) as detailed on page 17 to 19. Our analysis concluded with the identification of an additional risk regarding AI. Please refer to page 54 for details. We will continue to monitor these emerging risks through the next full DMA assessment in 2026.

## Methodologies and assumptions

### Scope of the assessment

We conducted the DMA process for AIB Group plc. Given that the Bank's operations are based in developed markets, mainly Ireland, the UK, and the USA, where the socio-economic and environmental factors do not vary materially, disaggregation was not deemed necessary. This was confirmed throughout the process with our colleagues across the Group.

### Stakeholder engagement methodology

The internal engagement process required the bank-wide involvement of our colleagues, including the highest level of governance – the Board and ELT. They were involved in identifying, assessing and validating the results of the DMA, based on impact and financial materiality parameters.

In our initial DMA process, the external engagement process was carried out through an online survey and focus group discussions through a sample population of customers, investors and suppliers.

We also engaged through working sessions with representatives of industry associations and non-governmental organisations in relation to the interests and views of the wider community and the environment. These included the Climate Change Advisory Council, Open Doors Initiative, International Financial Services Centre of Excellence, IBEC, BPFI, and Sustainability Works. These organisations were also involved in validating the DMA results.

Affected stakeholders provided input from an impact materiality perspective, while users of the Sustainability Statement provided input from both impact and financial materiality perspectives.

### Scoring and thresholds

For detail on scoring methodology, please see Steps 3 and 4. We set our materiality threshold to include topics ranked from the high-end of important up to critical. IROs scoring above this threshold and the associated topics are deemed to be material. Please see below for the validation process as per Step 5.

## DMA and MRA connectivity

### IRO-1 (E1-E5)

We carry out an annual MRA where risks such as C&E Risks are identified and assessed. The MRA is an annual top-down process, identifying the Group's material risks in line with the Risk Management Framework (RMF). It is a key input into the risk management processes, including the Risk Appetite Statement (RAS). Please see further detail from page 178 of the Risk Management Report.

The outcomes of risk management processes are an important input factor in the DMA process, informing the alignment and calibration of results. The Group is continuously working on integrating the DMA process, including the identification of risks and opportunities, into the overall planning, risk management and internal controls as applicable.





## Our Approach to Double Materiality Assessment *continued*

### Step 1

#### Business context

We analysed our strategy and business model to inform the context for the DMA, including the key markets in which we operate and the sector exposures associated with our financial products and services. We mapped our value chain by considering the direct and indirect business relationships that we depend on and identified key internal and external stakeholders. In line with the ESRS guidance, we categorised them as affected stakeholders or users of the Sustainability Statement. No changes were noted to our business context for the 2025 annual review.

### Step 2

#### Identification of the list of sustainability matters

The ESRS provides a list of sector-agnostic sustainability matters to consider. To ensure a comprehensive assessment that took the nature of our business into account, we examined additional inputs to identify potential sector and entity-specific topics across different categories. These inputs were:

|    |                                          |
|----|------------------------------------------|
| 01 | Peers and competitors                    |
| 02 | ESG-focused regulations relevant for AIB |
| 03 | ESG frameworks                           |
| 04 | Industry publications and media          |
| 05 | Company documents                        |

For each category, we scored topics based on their frequency and relevance to our business. This resulted in a list of 24 preliminary material sustainability topics across our ESG pillars, which were challenged and reviewed by senior leadership. No changes were noted to our list of material sustainability topics in the 2025 annual review.

### Steps 3 & 4

#### Assessing impact and financial materiality

Through desktop research, we identified the IROs for each of the 24 topics identified in Step 2.

#### Identifying impacts

We categorised all identified impacts as positive or negative, actual or potential in relation to ESG matters. To understand how environmental impacts relate to our business activities, sector exposures and geographical locations, we consulted company documents and publicly available databases. We also consulted representatives of non-governmental organisations representing the views of affected stakeholders, and those regarding nature.

Impacts related to business conduct were considered in relation to our own operations and associated impacts for stakeholders along the value chain. They were mainly informed by the regulatory framework in place. The correlation between negative impacts and their potential to trigger regulatory and reputational risks was considered.

#### Identifying risks and opportunities

After identifying impacts across the ESG pillars, we considered risks and opportunities, including factors that could trigger them, such as impacts, or dependencies on business relationships and natural resources.

Opportunities were mainly informed by desktop research and strategic documentation. The outcomes of the DMA, including opportunities identified, inform the strategic orientation for the Group.

Risks were considered in relation to physical and transition channels related to our operations and value chain. To ensure overall alignment, the existing risk management processes were an important input factor to the DMA. We conducted the analysis through desktop research, including analysis of the MRA framework, Annual Reports, Pillar 3 disclosures and credit rating reports.

#### Materiality of impacts, risks and opportunities

After the IROs were identified, our colleagues from across different areas, including subsidiaries and entities, assessed them based on the impact and financial materiality parameters prescribed by the ESRS. The assessment methodology was defined on a scale of 0 – 5, ranging from

not material to critical, including a time horizon lens of short, medium and long term.

In line with impact materiality parameters, impacts were assessed based on:

- **Scale:** We assessed how grave the negative impact is, or how beneficial the positive impact is, for people or for the environment.
- **Scope:** We assessed how widespread the negative or positive impacts are. For environmental impacts, the scope may be understood as the extent of environmental damage or a geographical perimeter. For impacts on people, the scope may be understood as the number of people affected.
- **Irremediable character of the impact:** For negative impacts, we assessed whether, and to what extent, we could remediate the impacts by restoring the environment or affected people to their prior state.
- **Likelihood:** For potential impacts, we assessed how likely the impact is to occur.

In line with financial materiality parameters, risks and opportunities were assessed based on:

- **Magnitude of the financial effect:** The potential current or anticipated financial effect of the risks and opportunities.
- **Likelihood:** How likely a risk or opportunity is to occur.

#### Assessing human rights impacts

For human rights impacts, the severity of the impact takes precedence over its likelihood. While we identified certain potential negative impacts, their severity scored below our materiality threshold. Severity comprises scale, scope, and the irremediable character of the impact. The right to privacy is recognised by the Universal Declaration of Human Rights and falls within 'Cyber Security & Data Protection', which is a material topic for AIB. Our Human Rights Commitment also compels us to safeguard our customers' right to privacy. More information on our commitment to protecting human rights can be found on page 88.

#### Consolidation of results

To arrive at a prioritised list of material topics, the input received by our colleagues and by our stakeholders was consolidated and validated through a series of working sessions. We prioritised material topics, and their corresponding IROs, based on their final score and materiality threshold.

### Step 5

#### Validation and sign-off

In terms of the decision-making process and related internal controls procedures, the overall process is reviewed by senior leadership and overseen by our senior management through the Group Sustainability Committee (GSC) and the Group Disclosure Committee (GDC). The outcome is ultimately discussed at the Sustainability Board Advisory Committee (SBAC) and approved by the Board Audit Committee (BAC).

#### Our seven material topics – outcome of the DMA process

As a result of the DMA process, we have identified seven material topics:

- Climate Change and Own Workforce (Equal Treatment & Opportunities for All) are material from both impact and financial (risk and opportunity) perspectives.
- Cyber Security & Data Protection is material from both impact and financial (risk) perspectives.
- Culture & Reputation is material from a financial perspective only (risk).
- Financial Wellbeing, Housing, and Corporate Governance, Ethics & Accountability are material from an impact perspective only.

Details on the corresponding material IROs for each topic are included in Our Material Impacts, Risks and Opportunities on pages 51 to 54.

#### Materiality of information

Once the material topics were determined, they were mapped to the corresponding ESRS. A materiality of information process was carried out to identify material DRs and data points to be included in the Sustainability Statement. Please see Appendix 1 from page 107 for further information.



# Our Material Impacts, Risks and Opportunities

Our materiality assessment identified the sustainability matters that we believe have the most impact for our stakeholders, including the risks and opportunities arising from our strategy and business model.

## SBM-3

This section provides an overview of our seven material topics and their corresponding IROs. It discusses the effects on people and the planet, and how we can best manage and monitor these effects, including any effects on our business.

This section discusses how our material IROs relate to our strategy and business model, which is designed to be resilient in addressing impacts and risks, while leveraging opportunities.

## Impacts

We operate predominantly in Ireland, the UK, and the USA, financing a large part of the economy through retail and corporate lending.

Our main impacts originate from these activities, particularly in supporting customers' financial wellbeing through responsible lending and inclusive banking practices. Housing is a strategic priority with lending to first-time buyers and social housing financing helping to enhance financial stability and quality of life for our customers and communities.

We also support corporate clients, including those in sectors impacting society and the environment, by offering green and transition lending and financing energy efficient infrastructure to support climate change mitigation and adaptation solutions. Recognising our financed emissions, we are committed to decarbonising our loan book, setting financed emission targets and integrating ESG criteria into our lending and investment strategies.

Internally, our most material impacts relate to our own workforce, where we focus on inclusion, diversity, and development to improve employee satisfaction, engagement and retention. From a time horizon perspective, actual impacts generally occur during the reporting period. Many impacts (both positive and negative) may also be expected to continue in the medium to long term. Potential impacts tend to have a medium to long term time horizon, while some potential impacts could occur at any time, such as those related to Cyber Security & Data Protection.

## Risks

The Group's RMF ensures effective governance of our strategy and operations, as well as mitigation of related material risks. Enhanced management of climate, environmental and wider ESG risks is central to our sustainability strategy. C&E Risk has been identified as a Principal Risk, with robust processes in place to manage physical climate risks, transitional climate risks, and C&E-related liability risk.

We handle significant amounts of sensitive personal and financial data, making strong data protection and secure technology infrastructure (including AI systems) critical. Cyber security and data protection remain central to AIB's strategy and operational resilience.

Building on the AIB Technology Strategy 2024-2026, approved by the Board in December 2023, we are executing a refreshed Group Cyber Strategy 2025-2026 anchored to our 'Secure Future Ready' vision that was approved by the Board in February 2025. This multi-year programme, aligned to NIST Cyber Security Framework 2.0 and industry benchmarks, addresses evolving threats through enhanced identity, protection, detection, and response capabilities. We also monitor risks associated with AI adoption as digitalisation advances.

Our approach helps maintain customer trust, regulatory compliance, and digital security while preventing cyber and data privacy risks. Oversight by the Technology and Data Advisory Committee (TDAC) ensures alignment of cyber security strategy and monitoring of key operational metrics.

Our strategic success relies on equal treatment and opportunities for our own workforce, with talent attraction and retention as a key risk. By prioritising sustainability, employee development and inclusion, we align our people strategy with our business goals for long-term resilience.

In terms of our strategic resilience, we use scenario analysis and stress testing to assess the resilience of our strategy across each of our Principal Risks, including C&E Risk. The scenarios we use are informed by a number of risk identification and assessment activities including the identification of ESG risk drivers and form part of the Internal Capital Adequacy Assessment Process (ICAAP) and the assessment of our three-year financial plan. See C&E Risk from page 69 for more details on the methodology applied.

## Opportunities

Aligned with our strategy, our material opportunities centre on financing the transition to a sustainable future. We remain focused on attracting and retaining skilled talent to achieve our strategic goals.

Our accountable, open culture and strong governance underpin our business model and strategy, helping us manage our impacts and risks, and capitalise on opportunities.

More information can be found in the relevant topical sections, where we report on our material IROs in line with the ESRS DRs.



Donal Whelton, Head of Agri, Food and Fisheries, Orlaith Ryan, CCO and Colin Hunt, AIB CEO, at the National Ploughing Championships 2025 with Denis Drennan, President of the Irish Creamery Milk Suppliers' Association, and Pat O'Brien, Chairperson of the ICMSA Farm Business Committee.

## Our Material Impacts, Risks and Opportunities *continued*

### A description of our material IROs

SBM-3

The following tables list the sustainability-related IROs that we have identified and assessed as material as a result of our DMA process.

A topic can be material because of the actual impacts that we have or may have on people or the planet (impact materiality), because of the financial effects of sustainability factors, in terms of risks or opportunities, on AIB (financial materiality), or both. An impact may also be positive, or negative, actual, or potential. Impact and financial materiality assessments are closely related. Over time, positive impacts could translate into opportunities and negative impacts into risks, reflecting their interdependencies.

The tables also identify in which part of our value chain the matter originates. Where material risks and opportunities were identified through the DMA process, further analysis was conducted to determine whether they resulted in current financial effects. Where applicable, a summary has been provided to explain further.



### Climate Change

ESRS E1

| IRO                  | Description                                                                                                                                                                                           | Positive/<br>negative | Type of<br>impact | Value chain                   |
|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------|-------------------------------|
| <b>Impacts</b>       | • Efficiency measures in our own operations and prioritising renewable energy finance and investment support the sustainable use of resources and mitigating climate change.                          | +                     | Actual            | Own operations,<br>Downstream |
|                      | • C&IC lends to large-scale renewable and infrastructure projects, which are key drivers for sustainable growth across our markets.                                                                   | +                     | Actual            |                               |
|                      | • Financed emissions from certain lending activities contribute to climate change.                                                                                                                    | –                     | Actual            |                               |
|                      | • Our responsible lending policies support climate change mitigation activities and contribute to environmental protection. This includes our green mortgage products to support sustainable housing. | +                     | Actual            |                               |
| <b>Risks</b>         | • Physical climate-related risks, which can arise from extreme events and from progressive shifts can have a negative financial impact on the Group.                                                  | n/a                   | n/a               | Upstream,<br>Downstream       |
|                      | • Transitioning to a more environmentally sustainable economy can have a negative financial impact on the Group. <sup>1</sup>                                                                         | n/a                   | n/a               |                               |
| <b>Opportunities</b> | • As the global economy seeks to decarbonise and invest in green infrastructure, there is an opportunity for growth through green and transition financing.                                           | n/a                   | n/a               | Upstream,<br>Downstream       |

→ For further information on Climate & Environmental Action: See p.55 – 73.

#### Current financial effects

The following provides a summary in relation to the current financial effects of the risks and opportunities related to climate change, a topic that was deemed material from a financial materiality perspective.

##### Climate Change

In line with our Group strategic priorities, new green and transition lending in 2025 was €6.3bn bringing the total drawdown to €22.9bn. We achieved this through continued growth in green finance, delivered by renewable energy projects, strong performance in mortgages to energy efficient homes (Building Energy Rating (BER) A1-B3/Energy Performance Certificate (EPC) A-B), green mortgage products and lending for green buildings. We plan to steadily increase new green and transition lending, to reach our target of 70% of all new lending being green and transition by 2030 (43% achieved in 2025).

In relation to climate-related risks, we have not identified a material impact on the Group's financial reporting judgements and estimates. There is currently no reasonable and supportable information that indicates a material impact of climate change on expected credit loss at a macro-level, going concern and viability, provisions and contingent liabilities, or impairment of non-financial assets. For more detail, please refer to note 1 to the consolidated financial statements.

1. We manage these risks through our C&E Risk Framework as detailed in the Climate & Environmental Action section.



## Own Workforce (Equal Treatment & Opportunities for All)

ESRS S1

| IRO           | Description                                                                                                                                                                                                                    | Positive/<br>negative | Type of<br>impact | Value chain    |
|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------|----------------|
| Impacts       | • Our Inclusion & Diversity strategy promotes a strong programme of engagement, wellbeing, and universal inclusion initiatives.                                                                                                | +                     | Actual            | Own operations |
|               | • Variable pay based on performance against specific financial and non-financial measures rewards employees, encourages skill development and contributes to enhanced job satisfaction.                                        | +                     | Actual            |                |
|               | • We provide training and skills development for employees to develop their careers, fostering a culture of growth.                                                                                                            | +                     | Potential         |                |
| Risks         | • Failure to upskill our colleagues, recruit and retain talent to support the transition of the Group's loan book could impact our ability to meet customers' expectations and deliver our strategic commitments. <sup>1</sup> | n/a                   | n/a               | Own operations |
| Opportunities | • Attracting top talent can drive innovation in sustainable finance products, leading to increased profitability for the Group. <sup>1</sup>                                                                                   | n/a                   | n/a               | Own operations |



## Housing

ESRS S3, S4

| IRO     | Description                                                                                                                                                                                                                                                 | Positive/<br>negative | Type of<br>impact | Value chain |
|---------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------|-------------|
| Impacts | • We contribute to the greater availability of housing stock, including social and affordable housing – stimulating economic growth, improving access to housing, and enhancing quality of life for residents by enabling them to purchase their own homes. | +                     | Potential         | Downstream  |



## Financial Wellbeing

ESRS S4

| IRO     | Description                                                                                                                                                                                                    | Positive/<br>negative | Type of<br>impact | Value chain |
|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------|-------------|
| Impacts | • We provide access to essential financial resources, promoting financial inclusion and wellbeing by providing tailored financial products and services.                                                       | +                     | Actual            | Downstream  |
|         | • We deliver lasting, innovative solutions that evolve with our customers' banking needs, focusing on addressing their issues and enhancing their experience through proactive product and service excellence. | +                     | Actual            |             |
|         | • We empower customers to make informed financial decisions and improve access to finance through clear, straightforward communication.                                                                        | +                     | Actual            |             |

→ For further information on Societal & Workforce Progress: See p.75 – 90.

1. No material current financial effects are identified for FY2025 in relation to our material topic Own Workforce (Equal Treatment & Opportunities for All).

## Our Material Impacts, Risks and Opportunities *continued*



### Corporate Governance, Ethics & Accountability

ESRS G1

| IRO     | Description                                                                                                                                                                                       | Positive/<br>negative | Type of<br>impact | Value chain                                |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------|--------------------------------------------|
| Impacts | • We help to safeguard our customers, the Group and the wider financial system against financial crime and fraud.                                                                                 | +                     | Actual            | Upstream,<br>Own operations,<br>Downstream |
|         | • The integration of sustainability criteria into our risk management processes, policies, and procedures supports responsible and sustainable business practices, supply chain, and investments. | +                     | Actual            |                                            |
|         | • Our tax principles contribute positively to society through transparent, fair, and responsible tax practices.                                                                                   | +                     | Actual            |                                            |



### Culture & Reputation

ESRS G1

| IRO   | Description                                                                                                                                                                                                                                    | Positive/<br>negative | Type of<br>impact | Value chain    |
|-------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------|----------------|
| Risks | • Misconduct, inappropriate actions or inactions on a systemic scale can cause poor or unfair customer outcomes, and potential failure to meet regulatory expectations can negatively impact our market integrity and reputation. <sup>1</sup> | n/a                   | n/a               | Own operations |
|       | • If the Group's purpose and values are not shared by all colleagues, it could result in poor customer and market outcomes. <sup>1</sup>                                                                                                       | n/a                   | n/a               |                |



### Cyber Security & Data Protection

ESRS S1, S4

| IRO     | Description                                                                                                                                                                                                               | Positive/<br>negative | Type of<br>impact | Value chain                                |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------|--------------------------------------------|
| Impacts | • We take steps to safeguard our customers' information, ensure the continued resilience of our digital channels, and protect against fraud.                                                                              | +                     | Actual            | Own operations,<br>Downstream              |
|         | • Data security breaches in AIB can compromise employees' and customers' data if proper safeguards are not in place.                                                                                                      | —                     | Potential         |                                            |
| Risks   | • Cyber attacks can pose a significant operational risk to the Group, leading to potential financial losses, legal liability, regulatory fines and reputational damage.                                                   | n/a                   | n/a               | Upstream,<br>Own operations,<br>Downstream |
|         | • Errors in the development, implementation, or use of AI systems can pose a significant operational risk to the Group, leading to potential financial losses, legal liability, regulatory fines and reputational damage. | n/a                   | n/a               |                                            |

→ For further information on Governance & Responsible Business: See p.92 – 105.

#### Current financial effects

The following provides a summary in relation to the current financial effects of the risk related to Cyber Security & Data Protection, a topic that was deemed material from a financial materiality perspective.

#### Cyber Security & Data Protection

Cyber risk remained a material and emerging risk for AIB in 2025, reflecting the ongoing evolution, increased frequency, and sophistication of cyber threats globally. AIB continues to prioritise investment in cyber security and data protection, ensuring robust defences and resilience across all operations. Our approach is informed by the latest threat intelligence, regulatory requirements, and industry best practices, with a focus on protecting our customers, employees, and critical business services.

The 'Cyber security spending' entity-specific performance measure,<sup>2</sup> disclosed in FY2024 as a percentage of overall annual IT spend, will no longer be reported externally from FY2025 onwards. The measure was assessed as providing limited decision-useful or comparable information for users of the Sustainability Statement. The Group continues to invest in its technology capabilities, which underpin the resilience of our digital infrastructure and reinforce our capacity to protect our customers, our data and our operations in an evolving threat landscape.

1. No material current financial effects are identified for FY2025 in relation to our material topic Culture & Reputation.

2. Cyber security spending is a subset of the Total Operating Expenses and Intangible Assets. For more detail, please refer to notes 10 and 22 to the consolidated financial statements.





# Climate & Environmental Action

**In this section**

| Material topics | ESRS                     | Page |
|-----------------|--------------------------|------|
| Climate Change  | ESRS E1 – Climate Change | 56   |





## Material Topic: Climate Change

At AIB, our ambition is to be a catalyst for positive change, building long-term value for stakeholders while protecting our environment and contributing to a better society.

**This is one of our seven material topics. For each topic, we report in accordance with the ESRS. We disclose our approach to managing our material IROs through our policies, actions, and performance measures. Value chain: Upstream, Own operations, Downstream**

### Impacts:

- Efficiency measures in our own operations and prioritising renewable energy finance and investment support the sustainable use of resources and mitigating climate change.
- C&I lends to large-scale renewable and infrastructure projects, which are key drivers for sustainable growth across our markets.
- Financed emissions from certain lending activities contribute to climate change.
- Our responsible lending policies support climate change mitigation activities and contribute to environmental protection. This includes our green mortgage products to support sustainable housing choices.

### Risks:

- Physical climate-related risks which can arise from extreme events and from progressive shifts can have a negative financial impact on the Group.
- Transitioning to a more environmentally sustainable economy can have a negative financial impact on the Group.

### Opportunity:

- As the global economy seeks to decarbonise and invest in green infrastructure, there is an opportunity for growth through green and transition financing.

Guided by our purpose of empowering people to build a sustainable future, we are focused on building resilience across our business, the economy, and society. We are committed to supporting our stakeholders on the journey to a low-carbon future and ensuring transparency around our decarbonisation ambition.

- **Financed emissions targets:** In 2020, we committed to decarbonising our customer lending portfolio by 2050. To guide this transition, our SBTi-validated targets align with a 1.5°C pathway, consistent with the Paris Agreement and global best practice. These SBTi-validated targets for Residential Mortgages, CRE, and Electricity Generation cover, along with our Corporate Portfolio Coverage target, 75% of our loan book.<sup>1</sup> We have also set an SBTi climate-related target for our listed equity and corporate bond portfolio. Measurement and data collection processes for this portfolio are being implemented, and progress will be disclosed once available, in line with the requirements of ESRS E1. As we progress towards 2050, we will continue to review and examine the scope of our SBTi coverage.
- **Own operations targets:** In 2020, we announced an ambition to decarbonise our own operations by 2030. We measure and report our Scope 1 and Scope 2 emissions according to the Greenhouse Gas Protocol.

Targets are embedded into the Group's formal review and planning process, including the Annual Business Review, which forms part of the Strategic, Financial and Investment Planning process. We review and publicly disclose progress against targets on an annual basis. Open disclosures and accountability promote trust and confidence among stakeholders.

We integrate climate and environmental impacts into business and financial planning to ensure our strategy aligns with a sustainable economy. Each business area assesses how targets affect revenues, costs and margins, with progress embedded into planning and reported regularly to ELT and the Board.

1. As at baseline year of 2021.

For FY2025, this chapter provides enhanced disclosures on AIB Group's standalone CTP, available in full on our website. The CTP is designed to align with CSRD disclosure requirements and is complemented by the EBA Prudential Transition Plan, effective January 2026, ensuring consistency between sustainability reporting and prudential regulatory expectations.

Our CTP sets out our strategic approach, targets and progress in managing climate-related risks and opportunities. Developed in line with the Transition Plan Taskforce (TPT) Disclosure Framework, and approved in the context of our 'Greening our business' strategic priority, the CTP looks to further embed the Group's 2024-2026 strategic priorities as overseen by the Board. It reinforces our commitment to transparency and gives stakeholders a clearer view of how we are aligning our business with the transition to a low-carbon economy. AIB has <1% lending to non-financial corporates excluded from EU Paris-aligned benchmarks.

Further embedding our CTP is a priority at all levels of AIB. While progress towards our decarbonisation ambition continues, we recognise the need to strengthen transition planning and further integrate sustainable practices throughout the business.

Our CTP outlines key levers with underlying actions, supported by enablers that drive reductions in our own operations and financed emissions. These levers and enablers are highlighted with symbols (as below) throughout the chapter.

Our CTP is reviewed annually and overseen by GSC to take account of new materiality assessments of ESG risks, significant developments in portfolios or counterparties' activities, new scenarios, additional benchmarks or sectoral pathways, and impacts of new or upcoming regulation. We provide updates on progress in implementing the CTP through regular reporting to the GSC, the SBAC and the Board, and in our annual reporting process. Our governance approach to sustainability reporting is aligned with financial reporting and is integrated within our internal control system.



### Levers

|                                                                            |               |
|----------------------------------------------------------------------------|---------------|
| Reducing our direct emissions (Scope 1 and 2 GHG emissions)                | → See page 58 |
| Providing green and transition financing to support climate action         | → See page 61 |
| Offering green products and propositions to meet customers' needs          | → See page 61 |
| Reducing the emissions of our value chain (Scope 3 GHG financed emissions) | → See page 63 |



### Enablers

|                                                                             |                       |
|-----------------------------------------------------------------------------|-----------------------|
| Policies and frameworks guiding our CTP                                     | → See pages 58 and 60 |
| Educating our customers and our colleagues on their sustainability journeys | → See page 62         |
| Collaboration, partnership and thought leadership to support change         | → See page 62         |
| Engaging with our value chain                                               | → See page 62         |

# Our Decarbonisation Journey

## 2022

Launch of the Strategic Banking Corporation of Ireland (SBCI) Energy Efficient Loan Scheme.

Signed a Virtual Power Purchase Agreement (VPPA) with NTR plc allowing the construction of two solar farms in County Wexford.



## 2023

Increase of our green and transition lending fund to €30bn – initially the fund had an allocation of €5bn when it was set up in 2019 with a subsequent increase in 2021 to €10bn and again in 2023.

Acquired Clearstream to enable us to further support our customers in their transition.

SBTi-validated targets for Residential Mortgages, Commercial Real Estate, Electricity Generation and a Portfolio Coverage Target, which covered 75% of the lending portfolio as of 2021.

## 2024

VPPA becomes operational with energy sourced from two solar farms in County Wexford.  
C&IC segment becomes fully operational.

Developed our new Transition Finance Guidance to enhance our transition finance proposition for our corporate and business customers.

Announced investment of over €20m in sustainability education and research.

Established AIB's Sustainability Academy, a hub for ESG learning, research, and training support for all colleagues.

Developing our 'SME Steps to Sustainability', a go-to resource for SME businesses.

## 2025



### €6.3bn

In new green and transition lending in 2025, representing 43% of new lending. This supports our target of 70% of all new lending to be green and transition by 2030.

### €8.2bn of ESG Bonds Issued

Since 2020, AIB has issued 9 Green Bonds, totalling €6.45bn as well as issuing 2 Social Bonds totalling €1.75bn. Additionally, the Socially Responsible Investment Bond Portfolio reached €3.36bn at the end of 2025.

### €22.9bn

A total of €22.9bn drawn down in cumulative new green and transition lending since AIB's green and transition lending fund was launched in 2019. Our target is to reach €30bn of such lending by 2030.

### Business Sustainability Loan

Launched in 2025, our Business Sustainability Loan looks to provide a new low-cost green loan to help businesses, including farmers, clubs, trusts, and charities, transition to a low-carbon economy.

### 92%

Of our own electrical energy needs sourced through our VPPA from the two solar farms in County Wexford in 2025, supporting our target to reach 100% by 2030.

### Greener Branches

Continued a strategic investment programme in our network by upgrading 35 branches to date (26 of which were completed in 2025) as part of our Greener Branches Refurbishment Programme.

**Ambition to decarbonise our own operations by 2030**

**Ambition to decarbonise our customer lending portfolio by 2050**

## 2030

## 2050



# Decarbonising Our Own Operations

As we help customers transition to a sustainable future, we remain focused on reducing our own carbon footprint, including entities in our upstream value chain. Our ambition is to decarbonise our own operations while sourcing 100% of electricity from certified renewable energy sources by 2030. This section outlines how we manage material IROs tied to decarbonising our own operations.

## Our policies

E1-2



*Climate Transition Plan Enabler:*  
Policies and frameworks guiding our CTP

While we have many policies that reference sustainability and ESG factors, there are two primary policies that focus on how we will meet our responsibility to protect the environment, increase our energy efficiency and tackle our operational emissions.

- **Our Group Energy Policy** outlines how we conduct our business and operations as energy efficiently as possible, striving to achieve continual improvement in our energy performance and Energy Management System. This policy is managed and controlled through the implementation of Energy Management Standard ISO 50001.
- **Our Group Environmental Policy** aims to support us to meet our current needs without compromising the ability of future generations to meet their own needs. This principle of sustainable development demands that we accept responsibility for the direct impact of our own operations on the environment. The policy also commits us to supporting initiatives aimed at mitigating, adapting or responding to climate change. AIB takes environmental action into account, in accordance with international standard ISO 14001.

We considered the interests of all AIB stakeholders when setting these policies. The Chief Operating Officer (COO) is accountable for their implementation. The policies are publicly available on our website.

## Our actions

E1-3



*Climate Transition Plan Lever:*  
Reducing our direct emissions (Scope 1 and 2 GHG emissions)

| Sourcing renewable energy |                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Overview                  | In 2022, we entered into a VPPA with NTR plc to create two new solar farms in County Wexford to replace electricity previously purchased on green tariffs and create additional renewable energy for the Irish grid supporting government targets. The agreement also ensures that the Group has a sustainable and secure energy supply at a fixed price for 15 years and will continue to reduce our operational carbon emissions. |
| Actions in FY2025         | In 2025, 92% of AIB’s own electrical energy needs were produced from these solar farms.                                                                                                                                                                                                                                                                                                                                             |
| Priorities                | These solar farms are instrumental for us in meeting our renewable electricity sourcing target of 100% by 2030 as validated by SBTi.                                                                                                                                                                                                                                                                                                |



| Greener Branches Refurbishment Programme |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Overview                                 | In relation to our property, we are continuously improving our building estate to reduce its energy consumption, carbon footprint and reliance on fossil fuels. We are upgrading our branch and office buildings to improve their energy efficiency and, in doing so, remain focused on improving our in-branch customer experience. In 2024, we identified a number of branches for development as part of the investment programme undertaken for the Greener Branches Refurbishment Programme. This initiative is a key element of our ambition to decarbonise our own operations.                                                                               |
| Actions in FY2025                        | <p>Under the Greener Branches Refurbishment Programme, 35 branches have been upgraded to date (26 of which were completed in 2025), with €22.4m invested to date. Key sustainability interventions in 2025 include:</p> <ul style="list-style-type: none"><li>• Heating systems: Replaced 13 fossil fuel boilers (oil and gas) with energy efficient electrical based alternatives.</li><li>• Building fabric: Enhanced energy efficiency across 26 properties through improved insulation and energy performance measures.</li><li>• Lighting: Reduced electrical consumption by installing low-energy LED lighting throughout the refurbished branches.</li></ul> |
| Priorities                               | We will continue to review our branch network to identify further enhancement programmes.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |



## Our performance measures



### Own operations targets

E1-4

We have an ambition to decarbonise our own operations by 2030 and, in doing so, we have set an interim target, validated by the SBTi, to reduce absolute Scope 1 GHG emissions by 34% by 2027. While our detailed Group absolute emissions inventory is presented on page 66, the SBTi target boundary includes biogenic emissions and excludes Goodbody due to its incorporation post SBTi target submission.

Progress therefore against our validated Scope 1 target of a 34% reduction by 2027 is measured against a baseline of 4,800 tCO<sub>2</sub>e in 2019. By the end of 2025, AIB's emissions were 2,168 tCO<sub>2</sub>e (2,885 tCO<sub>2</sub>e in 2024). This represents a cumulative reduction of 55% in 2025 (compared to a 40% reduction noted for 2024). See page 66 for further details of progress made in reducing Scope 1 emissions.

Due to the nature of our business, we have also set an SBTi-validated target to increase our annual sourcing of renewable electricity needs to 100% by 2030 from a 2019 baseline of 1%. In 2025, 92% of AIB's own equivalent electrical energy needs were produced from two solar farms in County Wexford (89% in 2024).

The targets set for decarbonising our own operations (Scope 1 and 2) have used assumptions around the changes within our estate over the period. As we have reached the midpoint of our target delivery period, we will take the opportunity to consider future developments and how these will impact on our target by 2030. When setting these targets stakeholders across the business were engaged through consultation. Our target is relative and measured as a percentage reduction in emissions.



### Energy consumption and mix

E1-5

AIB's energy profile offers insights into our progress towards decarbonisation objectives and energy efficiency. The energy consumption and mix table highlights the total energy use from renewable and non-renewable sources.

|                                                                                                                                                                        | 2025          | 2024          |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|
| <b>Fossil Energy Consumption</b>                                                                                                                                       |               |               |
| Fuel consumption from coal and coal products (MWh)                                                                                                                     | 0             | 0             |
| Fuel consumption from crude oil and petroleum products (MWh)                                                                                                           | 3,372         | 4,712         |
| Fuel consumption from natural gas (MWh)                                                                                                                                | 7,175         | 9,032         |
| Fuel consumption from other fossil sources (MWh)                                                                                                                       | 0             | 0             |
| Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)                                                                   | 492           | 1,465         |
| <b>Total fossil energy consumption (MWh)</b>                                                                                                                           | <b>11,039</b> | <b>15,209</b> |
| <b>Share of fossil sources in total energy consumption (%)</b>                                                                                                         | <b>38%</b>    | <b>45%</b>    |
| <b>Nuclear Energy Consumption</b>                                                                                                                                      |               |               |
| Consumption from nuclear sources (MWh)                                                                                                                                 | 0             | 0             |
| <b>Share of consumption from nuclear sources in total energy consumption (%)</b>                                                                                       | <b>0%</b>     | <b>0%</b>     |
| <b>Renewable Energy Consumption</b>                                                                                                                                    |               |               |
| Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh) | 97            | 132           |
| Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)                                                                | 18,246        | 18,350        |
| – Direct Procurement (VPPA)                                                                                                                                            | 17,151        | 17,319        |
| – Contract with electricity suppliers                                                                                                                                  | 1,095         | 1,031         |
| Consumption of self-generated non-fuel renewable energy (MWh)                                                                                                          | 0             | 0             |
| <b>Total renewable energy consumption (MWh)</b>                                                                                                                        | <b>18,342</b> | <b>18,482</b> |
| <b>Share of renewable sources in total energy consumption (%)</b>                                                                                                      | <b>62%</b>    | <b>55%</b>    |
| <b>Total energy consumption (MWh)</b>                                                                                                                                  | <b>29,381</b> | <b>33,691</b> |
| <b>Total energy consumption (MWh) reported on Net Calorific Value (NCV)</b>                                                                                            | <b>28,497</b> | <b>32,553</b> |

Figures are rounded.

Disaggregating our energy consumption and mix into distinct categories and sources gives us a detailed understanding of the Group's energy profile, providing insights into our approach to energy efficiency and our progress towards decarbonisation targets. AIB does not operate within a high climate impact sector, as defined by ESRS 1,<sup>1</sup> and, as such, this has not affected our energy intensity calculations.

Figures included above for 2024 are updated actual figures where available. For details of previously reported data, as well as other supporting notes for energy consumption and mix, please refer to page 72.

1. High climate impact sectors are those listed in NACE Sections A to H and Section L (as defined in Commission Delegated Regulation (EU) 2022/1288).

# Decarbonising Our Loan Book

Lending is a crucial element of our value chain, with financed emissions making up most of our total emissions. Decarbonising the loan book is key to reducing climate, environmental, and societal impacts, mitigating C&E risk, and supporting the broader transition. This section outlines our approach to managing material IROs related to our financed emissions, responsible lending policies, and financing large-scale renewable and infrastructure projects.

## Our policies

E1-2



*Climate Transition Plan Enabler:  
Policies and frameworks guiding our CTP*

The Group has implemented several policies and frameworks, which are monitored on an ongoing basis.

The policies and frameworks that facilitate green and transition lending and support the decarbonisation of our loan book are our Sustainable Lending Framework (SLF), our Green Bond Framework (GBF) and our C&E Risk Policy. These policies and frameworks will support us in reducing the negative impacts related to financed emissions, to increase our positive impacts and opportunities related to sustainable lending and renewable energy development, and to mitigate both physical and transition C&E risks. The key contents of these policies and their contribution to managing our material climate change mitigation and adaptation IROs are described below.

### Sustainable Lending Framework

The SLF is designed to provide transparent eligibility criteria for classifying and reporting loans as Green, Transition or Social lending. It is subject to regular internal, and periodic external, reviews to ensure alignment with Group strategy, market best practice, evolving regulation and reporting requirements. It is approved by the GSC, with regular internal reporting on new green and transition lending to the ELT, the SBAC and the Board. The SLF is available on the AIB website.

The eligible activities defined in the SLF, to classify new lending as green or transition lending, aim to be aligned to the greatest extent possible with the technical criteria outlined in the EU Taxonomy regulation for relevant activities. There is also an excluded activities list, in place since 2020, which sets out a range of business activities that do not align with our Group strategy for new lending. From a sustainability perspective, in 2025 excluded activities include the exploration, extraction and upgrading of oil sand projects, fracking, deforestation, illegal logging and trading, nuclear waste transportation, unreported or unregulated fishing, and the decommissioning and/or final disposal of high-level nuclear waste.

### Green Bond Framework

The GBF enables AIB to fund projects that support climate change mitigation and the transition to a circular economy.

The purpose of the GBF is to support AIB, and its subsidiaries, in the issuance of Green Bond instruments, which may include covered bonds, senior bonds (either preferred or non-preferred), subordinated bonds, medium term notes, and commercial paper, to finance and/or refinance eligible green loans with a positive environmental benefit.

AIB's Green Bonds fund eligible projects or assets that mitigate climate change by reducing emissions, protecting ecosystems, or have a positive environmental impact. Eligible projects include renewable energy generation, transmission and storage, green buildings, circular economy and waste management assets, and clean transportation.

Our GBF is based on the International Capital Market Association (ICMA) Green Bond Principles of 2021, including the updated Appendix I of June 2022, and defines the portfolio of loans eligible to be funded by the proceeds of Green Bonds issued by AIB. Our GBF is publicly available on our website. The GSC approves material changes to the GBF which are facilitated through work undertaken by a dedicated ESG Bond Forum.

### C&E Risk Framework and C&E Risk Policy

The C&E Risk Framework, and the C&E Risk Policy which sits under the framework, outlines how we identify, assess, manage, monitor and report on C&E Risk. This includes the setting of risk appetite. The policy outlines rules and requirements which influence activities and actions, with the objective to mitigate C&E Risk within agreed thresholds.

The C&E Risk Policy sets out how AIB Group defines, manages, mitigates and measures C&E Risk (physical and transition) and details the roles and responsibilities for identifying, assessing, managing, monitoring, reporting and overseeing C&E Risk. This policy is a component part of the C&E Risk Framework and has been prepared in line with the Group's Risk Policy Governance Framework requirements. The framework and policy are made available to all staff through the AIB intranet.

In recognising the transverse nature of C&E Risk, the policy refers to other risks and how they integrate C&E Risk into their risk frameworks and policies.

The framework and policy apply to all staff, contractors, and third parties providing a service or function across the Three Lines of Defence (3LOD) approach, including senior management and the Board of Directors, and in all jurisdictions in which the Group operates. Our C&E Risk Framework is approved by the Board Risk Committee (BRC) and our C&E Risk Policy is approved by the Group Risk Committee (GRC).

## Our actions

E1-3

To achieve our new green and transition lending target and decarbonisation ambitions, and manage our material IROs, AIB has taken actions and allocated resources for implementation.

The following key actions and resources are grouped by the decarbonisation levers and enablers that best fit with our specific actions. We expect that these actions will help us to achieve our financed emission reduction targets, reduce C&E Risk and support the transition to a more sustainable economy. We want to encourage our customers to go green. We do this by providing a range of products and services that will enable our customers to reduce their own carbon emissions and help AIB deliver its purpose of empowering people to build a sustainable future. AIB does not have large exposures to carbon-intensive activities, and our focus is on mobilising capital towards renewable power generation and sustainable infrastructure.

All actions relate to our lending portfolio and, therefore, our downstream value chain. The impacts of these actions should be considered within the context of our 2030 and 2050 ambition.



#### Climate Transition Plan Lever:

*Providing green and transition financing to support climate action*

Recognising the importance of climate finance in funding the transition, AIB has been rapidly growing its green lending portfolio.

Given the growing importance and complexity of infrastructure and energy requirements in the transition to a low-carbon economy, AIB's C&IC segment has continued to evolve as it looks to further increase our capability to be a driving force in the transition to a sustainable future. C&IC is a growing part of the bank's lending book and, with a strong focus on renewable energy assets that displace fossil fuel-fired generating assets, will help deploy AIB's green and transition lending fund and play a key role in underpinning the Group's Green Bond offerings. AIB has focused on making resources available to support the segment, creating a step change in our ability to finance energy transition and ESG infrastructure.

AIB continues to fund renewable energy assets and ESG infrastructure, either on a bilateral or co-funding basis. These assets are located across ROI, the UK, the EU and North America, and include technologies such as onshore and offshore wind and solar generation.



#### Climate Transition Plan Lever:

*Offering green products and propositions to meet our customers' needs*

AIB has a suite of green products and propositions that support our customers in building a sustainable future. These actions relate to our responsible lending policies which govern the provision of a range of products to support climate change mitigation activities and support us in managing our material IROs.

Green mortgages, with lower interest rates available for energy efficient homes

**Overview** We offer green mortgages across AIB, EBS, and Haven, with lower interest rates available for energy efficient homes. All three entities provide green mortgages to homes with a BER of between A1 and B3 to new and existing mortgage customers, including customers seeking to switch their mortgage.

Customers who are building their own home can choose from the full range of mortgage products, including one of the lowest green rate mortgages in the Irish market (where compliance with nearly Zero Energy Building (nZEB) standards is demonstrated).

**Actions in FY2025** Underpinned by our green fixed rate mortgage products, which reflected a range of green mortgage rate reductions, 2025 has seen continued new mortgage lending to energy efficient homes. In 2025, 62% of new mortgage lending in ROI was to energy efficient homes.

In 2025, self-build customers (as well as those undertaking significant renovations on their home) were able to choose from the full suite of AIB primary dwelling home (PDH) mortgage interest rates, from first drawdown, as long as the home has an energy efficient BER of A2 or better.

**Priorities** We will continue to offer competitive green mortgages to energy efficient homes.

Participating in the Home Energy Upgrade Loan Scheme (HEULS)

**Overview** In partnership with the SBCI, the Irish Government launched the new low-cost HEULS for homeowners in 2024.

**Actions in FY2025** In 2025, AIB continued to participate as a finance provider for customers to avail of HEULS, with performance for AIB being in line with other on-lenders who are participating in the scheme. There has been ongoing engagement with the SBCI in 2025 to support increasing market take-up.

**Priorities** HEULS will be available up to 31 December 2026 or until the scheme is fully subscribed. Customer campaigns are planned to engage customers, with ongoing engagement with the SBCI to drive take-up in 2026.

Business Sustainability Loan

**Overview** Our low rate green Business Sustainability Loan helps businesses transition to a low-carbon economy, invest in sustainability and make important operational savings. It supports a range of green initiatives including renewable energy systems, zero emission vehicles, green buildings, forestry, and circular economy practices.

**Actions in FY2025** We launched the loan in 2025 which now looks to provide a new low-cost green loan of up to €100k/£100k to help businesses, including farmers, clubs, trusts, and charities, transition to a low-carbon economy. It is available to customers across ROI and Northern Ireland (NI).

**Priorities** We will continue to offer our Business Sustainability Loan to help our customers invest in sustainability measures.

Growth and Sustainability Loan Scheme (GSLS)

**Overview** Together with the SBCI, we provide the GSLS, a long-term, low-cost loan scheme for customers in business and agriculture that comprises two differing loan offers. The 'Climate Action & Environmental Loan' is available to businesses who qualify as a green enterprise or who are investing in green measures, and the 'Growth and Resilience Loan' allows for long-term investments in the applicant's business.

**Actions in FY2025** In Q4 2025, we reached our full allocation under this scheme and applications are now closed.

**Priorities** We continue to work with the SBCI in relation to future products to further support eligible businesses, including farmers and fishers, when investing in climate action and environmental sustainability.

Several products listed above, including green mortgages and HEULS are associated with housing. Further details on housing can be found in the Societal & Workforce Progress chapter below, as it is considered a material topic (see page 80).

## Decarbonising Our Loan Book *continued*



### Climate Transition Plan Enabler:

*Educating our customers and our colleagues on their sustainability journeys*

We provide dedicated educational resources on our website to support our customers in their transition journey, including our Sector Sustainability Guides and the AIB Green Living Hub. In 2025, as part of our Sustainability Transformation Programme, we saw the continued operation of our 'Steps to Sustainability' resource for our SME customers (a resource to guide SME businesses to take sustainable action) as well as our AIB Sustainability Academy, a hub where our staff can access ESG-related learning. In 2026, the Sustainability Transformation Programme is expected to continue to support our customers and our staff in their sustainability journeys.

Internally, our colleagues are required to complete the 'Sustainability and AIB' online course, which is updated every year and this gives both context and colour to our sustainability strategy while our Sustainability Transformation Programme continues to oversee our transformation as we embed sustainable practices across our business and enable our customers to meet their own decarbonisation ambitions. We also provide a course on 'Understanding ESG for Business Customers', in partnership with the IOB. This gives an overview of the particular challenges and opportunities facing businesses.



### Climate Transition Plan Enabler:

*Collaboration, partnership and thought leadership to support change*

We collaborate with our customers by advising them on their transition pathway through dedicated sustainability champions, an in-house Sustainability Research function, customer events and webinars and an enhanced sustainability advisory services offering, provided via Goodbody Clearstream.

In 2025, AIB continued to focus on education and research following the announcement in late 2024 that AIB would undertake a €20m investment in sustainability education and research. This investment includes the development of the AIB Trinity Climate Hub in Trinity College Dublin, and further supports our partnership with Global Innovators Ireland (GII) which delivers Innovate for Ireland. They oversee preparations for the launch of Innovate for Ireland's first National Research Centre, 'Decarb-AI: AI-Powered Pathways to Climate Resilience'. The Centre launch is in partnership with AIB and Research Ireland, and aims to harness the power of AI to accelerate Ireland's transition to a climate-resilient low-carbon future. Our 9<sup>th</sup> Sustainability Conference was also held during November 2025 with 14,239 in-person and online attendees joining for impactful discussions with global figures.

We publish reports on our website of research carried out, such as the AIB Homes Retrofit Report, which highlights retrofit options, generous grants and competitively priced loans available to consumers wishing to improve their homes' energy efficiency.

AIB will continue to support transition efforts that are aligned with our strategy and decarbonisation ambitions and engage with organisations to ensure that we can support positive change. To help drive this agenda, we have joined a multitude of voluntary organisations, including the CDP, SBTi, UN Global Compact, and the World Business Council for Sustainable Development (WBCSD).



### Climate Transition Plan Enabler:

*Engaging with our value chain*

We prioritise engagement with our stakeholders. Alongside the collaboration noted above, we also engage with our value chain through our financed emissions process (see page 63) as well as our supplier standards, codes, portal and ESG questionnaire. These are detailed within the Governance section on page 99.

## Our performance measures

E1-4

### Green and transition lending targets

The cumulative new green and transition lending drawdown is a measurement of total cumulative new green and transition lending over the period of 2019-2030, which adheres to criteria outlined in the SLF. We provided €16.6bn of green and transition lending between 2019 and 2024, and in 2025, we provided a further €6.3bn. Cumulative total as at end 2025 is €22.9bn.



### New green and transition lending

FY2025

€6.3bn

FY2024

€5.1bn

**Target: Cumulative green and transition lending fund of €30bn by 2030**

This equates to 43% of total lending in 2025 being classified as green and transition (from a 2019 baseline of 10%), in accordance with criteria outlined in the SLF.



### % of new lending that is classified as green and transition

FY2025

43%

FY2024

35%

**Target: 70% by 2030**

Delivering for our customers whilst steering finance towards green and transition activities is an important way in which we can support the transition to a more sustainable future. Our SBTi-validated targets set a trajectory linked to our green and transition lending ambition and science-based target requirements.

### ESG Bonds & Socially Responsible Investment (SRI) Bond Portfolio

We were the first Irish bank to publish a GBF in 2019 and to issue a €1bn Green Bond in 2020. Since 2020, the Group's ESG Bond issuance has totalled €8.2bn,<sup>1</sup> of which €6.45bn of these are Green Bonds (across 9 Green Bond issuances) and €1.75bn are Social Bonds (across 2 Social Bond issuances). In 2025, €1.8bn worth of Green Bonds were issued with no Social Bonds issued. These proceeds from Green Bonds contribute to the financing of projects with clear environmental and climate action benefits, while further strengthening the Bank's capital position.

Our SRI Bond Portfolio funds domestic and international projects that are aimed at global sustainability, carbon emissions reduction and social improvement, all under the overarching themes of ESG. AIB promotes and supports the transition to a more sustainable global economy and contributes to positive environmental and social change via investment in Green, Social and Sustainability bonds. The SRI Bond Portfolio reached €3.36bn at year end 2025.

In October 2025, our innovative Green and Social Bond Programmes were recognised as the winner of the prestigious FS Sustainable Investment Award at the FS Awards 2025. This award celebrates organisations that lead the way in integrating ESG criteria into financial services, driving positive change and supporting sustainable development.

### Tracking performance measures

Our performance measures are integrated into our Sustainability Dashboard, our Strategic Outcomes Report, Chief Financial Officer (CFO) and Chief Risk Officer (CRO) reports and GSC reporting. Progress towards achieving our targets will also help us mitigate C&E Risks and reach our decarbonisation ambition. Over time, we will steadily increase our new sustainable lending activities to reach our 70% green and transition lending target by 2030.

1. Total cumulative ESG Bond issuances includes instruments which have since been repaid. Total outstanding ESG Bond Issuance totals €7.45bn.





**Climate Transition Plan Lever:**  
**Reducing the emissions of our value chain**  
(Scope 3 GHG financed emissions)

As a financial institution, the emissions associated with loans we provide, our financed emissions, represent the largest share of our climate impact and is a powerful lever for driving real-economy decarbonisation. We have set ambitious targets to deliver an emissions reduction trajectory aligned with 1.5°C sector pathways.

In 2023, we set SBTi-validated financed emissions targets for our three most material sectors, Residential Mortgages, CRE and Electricity Generation, using a 1.5°C aligned Sectoral Decarbonisation Approach (SDA). We also established a Corporate Portfolio Coverage Approach (PCA) engagement target, to drive the adoption of SBTi-validated targets and emissions reductions across all corporates and sectors. Together these targets cover 75% of our loan book in our 2021 baseline year.

### Factors outside of our control

Our financed emissions reduction targets use a decarbonisation reference scenario that aims to limit global warming to 1.5°C. This ambition is considered alongside external interdependencies, requiring a careful balance between strategic and transition risks.

The world, however, is not on track to limit global warming to 1.5°C, with the latest UNEP Emissions Gap Report 2025 noting that global temperatures are likely to exceed 1.5°C above pre-industrial levels within the next decade, despite hopes this threshold would hold for decades – staying below 1.5°C is considered critical to avoiding the worst climate impacts.<sup>1</sup> This trajectory gap between global ambition and reality is also visible in AIB's year-on-year performance against certain targets. While it is important to communicate clearly and transparently to promote stakeholder awareness of this gap, we will not allow this to inhibit our efforts to reduce our financed emissions and will continue to support our customers through the transition.

We do not expect to make linear progress towards our targets each year given our reliance on external levers such as policy, regulation, market trends and consumer behaviours, a large portion of which are outside our direct control. For example, the achievement of our CRE and Residential Mortgages targets relies on the ambition set out in the Government's Climate Action Plan regarding building stock shifts from C+ rated properties to A or B rated properties through obsolescence, new builds and retrofit. We also rely on the speed at which Ireland's electricity grid decarbonises and the resulting decrease in building energy-related emissions.

Strategic progress against decarbonisation reference scenarios is tracked and reported through Executive and Board governance channels. Steps to align our portfolios with our decarbonisation reference scenarios have been embedded into our strategic, financial and investment planning process.

1. [unep.org/resources/emissions-gap-report-2025](https://www.unep.org/resources/emissions-gap-report-2025)



**AIB supports Lotus Homes with their new energy efficient housing development.**

## Financed emissions target setting and measurement

Our SBTi-validated targets use physical emissions intensity and engagement metrics, ensuring an emissions reduction trajectory in line with 1.5°C sector pathways. Emissions intensity-based metrics enables AIB to measure and track the decarbonisation of our customer activities, reflecting real economy emissions reductions rather than changes driven by our portfolio size and composition. To date, we have made significant progress in setting, monitoring and reviewing our targets and decarbonisation reference scenarios. We measure, track and disclose progress against our SBTi-validated targets annually, alongside the absolute financed emissions covered by those targets, as per our SBTi commitments. As part of our decarbonisation journey, we are committed to enhancing transparency by disclosing the share of GHG emissions associated with the loans we provide to our customers. We are continuing to mature our financed emissions measurement and reporting.

In 2025, we expanded the scope of our financed emissions measurement and reporting, applying Partnership for Carbon Accounting Financials (PCAF) methodologies across a number of relevant asset classes. This represents an important step in providing a more complete and transparent view of our exposures to climate-related risks, with further expansion of scope planned in future reporting periods. In doing so, we have presented our in-scope customer loan book in a format that is guided by PCAF Asset Class disaggregation which is detailed on page 68.

AIB calculates its financed emissions using the methodology set out in the industry standard PCAF. The PCAF data hierarchy informs our approach, and we continue to implement measures to enhance data quality across our lending portfolio. For our SBTi sectoral targets, we rely on emissions data sourced from counterparties where available. Given the data-availability challenges associated with financed emissions calculations, proxies are used when direct customer data are not available. For example, in our CRE and residential mortgage portfolios, where a BER certificate or EPC is not available, a proxy median is assigned based on publicly available national information reflecting property size, location and type.

We are continuing to put measures in place to enhance our data across our lending portfolio. For all our portfolios, we continue to systematically review, validate and update customer-level data as necessary, accompanied by a robust quality-assurance process. This ongoing work strengthens our ability to track emissions, targets and the underlying physical activity data. Over time, we aim to replace estimates with actual counterparty or asset-level data and reduce our reliance on proxy information. As more specific data becomes available, we may need to revise our actual emissions, targets and underlying assumptions accordingly.

In addition to the factors noted as being outside of our control, our customer loan book financed emissions are also influenced by a combination of further factors such as changes in portfolio size and composition, data quality and methodology developments. As a result, progress against our emissions targets is not expected to be linear year-on-year. Nonetheless, we anticipate an overall decline in financed emissions intensity over time, supporting delivery of our decarbonisation ambition and our green and transition lending target, while helping to mitigate climate-related risks. We are prioritising the measurement and reduction of our financed emissions as far as possible, focusing on real economy decarbonisation across our portfolios. We plan to develop a credible strategy to neutralise any remaining residual emissions, in line with latest industry standards and best practice.

## Decarbonising Our Loan Book *continued*



### Financed emissions targets

Actual measurements of progress achieved against these targets to date is detailed on page 65.

AIB Group set SBTi-validated targets for Residential Mortgages, CRE, Electricity Generation and Corporate Portfolio Coverage, which cover 75% of the loan book with a baseline year of 2021.



#### Corporate Portfolio Coverage

## 54%

Increase loan volume covered by emissions targets from 12% to 54% by 2030<sup>1</sup>

1. From a baseline of 2021.



#### Residential Mortgages

## 58%

Reduction in emissions intensity required by 2030<sup>1</sup>



#### Commercial Real Estate

## 67%

Reduction in emissions intensity required by 2030<sup>1</sup>



#### Electricity Generation

## Maintain

To maintain at or below 21 gCO<sub>2</sub>-e/kWh

The following are noted as sources of estimation and outcome uncertainty:

Corporate Portfolio Coverage target performance is calculated by multiplying the sum of the exposure to in-scope companies (i.e. companies with > 500 employees) by the SBTi indicator (i.e. 1 = SBTi-validated targets, 0 = does not have SBTi-validated targets) and dividing by exposures to all in-scope companies. The data provided to AIB from external sources is confirmation of SBTi-validated companies (Y/N) & >500 employees (Y/N), which is combined with Exposure (€m) data.

AIB Group Residential Mortgages Financed Emissions Intensity target performance is calculated by taking the sum of (Estimated CO<sub>2</sub> emissions of property divided by Floor Area of the Property) multiplied by the Current Loan Outstanding/Original Property Value.

The calculation proxy information is:

- Property value: If the property value given is less than €20,000, AIB assigns the median value of all Residential Mortgages properties greater than €20,000.
- Floor area: When the property floor area is unknown regarding the minimum threshold of 20 m<sup>2</sup> or above the cap of 500 m<sup>2</sup>, apply the property area at the property sub-type level, calculated from the data provided by the Central Statistics Office (CSO). If the property sub-type level is unknown, blank, or if property sub-type cannot be mapped to CSO property categories, then, apply the overall property average size.
- CO<sub>2</sub> emissions (BER/EPC): When EPC is not known, assign median of kWh/m<sup>2</sup> and KGCO<sub>2</sub>/m<sup>2</sup> of properties by building type. When no other information is available, the 75<sup>th</sup> percentile of KGCO<sub>2</sub>/m<sup>2</sup> is assigned to the Residential Sustainable Energy Authority of Ireland (SEAI) BER table. BER/EPC is assigned based on the kWh/m<sup>2</sup> ratio vs notional building (methodology used by SEAI).

AIB Group Commercial Real Estate Financed Emission Intensity target performance is calculated by taking the sum of (Estimated CO<sub>2</sub> emissions of property divided by Floor Area of the Property) multiplied by the Current Loan Outstanding/Original Property Value.

The calculation proxy information is:

- If the property value is unknown, AIB assigns average property value by property type and sub-type.
- Floor area: A cap of 88,156 m<sup>2</sup> and a minimum threshold of 30 m<sup>2</sup> are applied to the property floor area, based on the maximum and minimum property size registered in the SEAI database for non-residential buildings. Where CO<sub>2</sub> emissions (BER/EPC) are not known, AIB assigns median of kWh/m<sup>2</sup> and KGCO<sub>2</sub>/m<sup>2</sup> of properties by dwelling type. When these data are unknown, AIB assigns the 75<sup>th</sup> percentile of KGCO<sub>2</sub>/m<sup>2</sup> from the SEAI database.

Electricity Generation Financed Emissions Intensity Maintenance target performance is calculated by dividing our counterparty's reported absolute emissions by counterparty's electricity generation data and then multiplied by an attribution factor (outstanding investment/total equity & debt). Absolute emissions data and electricity production generation data is based on data sourced directly from AIB counterparties.

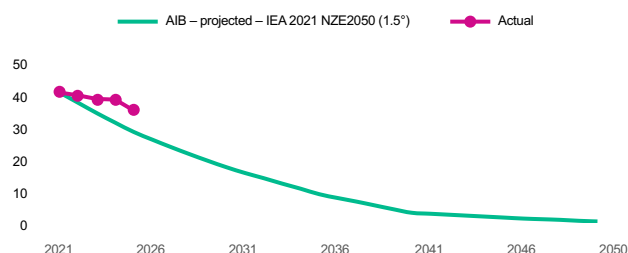


## Financed emissions progress

Progress against our financed emissions reduction targets is tracking in the right direction versus the 2021 baseline:



### Residential Mortgages: Emissions Intensity $\text{kgCO}_2\text{e}/\text{m}^2$

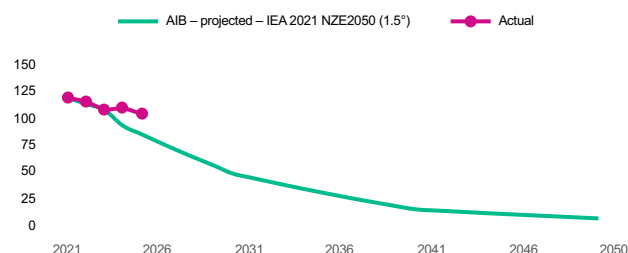


In 2021, we established a baseline physical emissions intensity of  $40 \text{ kgCO}_2\text{e}/\text{m}^2$  for our Residential Mortgages portfolio, utilising the International Energy Agency (IEA) 2021 NZE2050 1.5°C SDA Scenario to reduce our mortgage portfolio GHG emissions 58% per  $\text{m}^2$  by 2030 from a 2021 base year. The scope of our target reflects the total lending within our Residential Mortgages portfolio, which was €29.4bn in 2021, representing 50% of the Group's total lending at that time. By 2025, our Residential Mortgages portfolio had increased to 51% of the Group's total lending, with a total of €37.0bn.

In 2025, the physical emissions intensity of our residential mortgages portfolio decreased by approximately 14%, compared with our 2021 baseline. As previously noted, progress against targets is not expected to be linear on a year-on-year basis given reliance on external factors such as policy, regulation, market trends and consumer behaviours. AIB remains committed to investing in residential mortgage products and propositions to support the achievement of our targets.



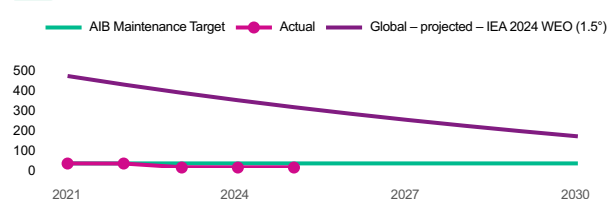
### Commercial Real Estate: Emissions Intensity $\text{kgCO}_2\text{e}/\text{m}^2$



In 2021, we established a baseline physical emissions intensity of  $135 \text{ kgCO}_2\text{e}/\text{m}^2$ , utilising the IEA 2021 NZE2050 1.5°C SDA Scenario to reduce GHG emissions from the CRE sector within its corporate loan portfolio 67% per  $\text{m}^2$  by 2030 from a 2021 base year. The scope of our target reflects the total lending within our CRE portfolio of €5.6bn in 2021, 10% of the Group's total lending. Additionally, in 2024 we also undertook a process to enhance the quality of our data alongside our decarbonisation models and methodologies which resulted in a revised 2021 baseline from  $135 \text{ kgCO}_2\text{e}/\text{m}^2$  to  $116 \text{ kgCO}_2\text{e}/\text{m}^2$ , while maintaining our current IEA pathway. This adjustment allows us to present a more accurate representation of our progress, while retaining our emissions reduction target of 67% by 2030. In 2025, our CRE portfolio accounted for 8% of the Group's total lending, with total lending at €5.5bn. In 2025, the physical emissions intensity of our CRE portfolio reduced by approximately 13% compared with our 2021 restated baseline.



### Electricity Generation: Emissions Intensity $\text{gCO}_2\text{e}/\text{kWh}$



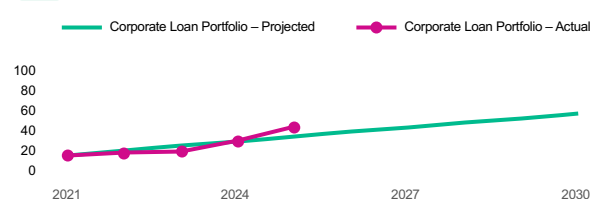
AIB's Electricity Generation portfolio has a significantly low emissions intensity relative to the global average for electricity generation ( $432 \text{ gCO}_2\text{e}/\text{kWh}$  in 2025)<sup>1</sup>, given the high share of renewable energy assets such as onshore and offshore wind energy. In 2021, we established our baseline maintenance target to maintain the emissions intensity of our Electricity Generation Project Finance portfolio at or below  $21 \text{ gCO}_2\text{e}/\text{kWh}$  from 2021 through 2030 and only finance 1.5°C aligned electricity generation projects. The scope of our baseline and target reflects the total lending within our Electricity Generation portfolio of €1.6bn in 2021, comprising 3% of the Group's total lending. Since setting our maintenance target, waste to energy has been excluded from the Electricity Generation target scope, following bilateral guidance received from the SBTi. This is primarily due to the fact that waste-to-energy facilities are not based on fossil fuels, and electricity generation is not their main purpose or revenue source. Consequently, the baseline emissions intensity decreased significantly from  $21 \text{ gCO}_2\text{e}/\text{kWh}$  to  $0.01 \text{ gCO}_2\text{e}/\text{kWh}$ . Note that, financed emissions related to waste to energy will continue to be tracked against our maintenance target internally.

In 2025, the portfolio was 6% of total lending at €4.2bn with an emissions intensity of  $1.14 \text{ gCO}_2\text{e}/\text{kWh}$ . We are committed to maintaining the emissions intensity level of the Electricity Generation portfolio below  $21 \text{ gCO}_2\text{e}/\text{kWh}$  through 2030 by keeping the portfolio focused on renewable electricity generation projects. In addition, we intend to grow AIB's business in renewable energy infrastructure to support the broader transition to a sustainable future.

1. [iea.org/reports/electricity-mid-year-update-2025/emissions-power-generation-co2-emissions-are-plateauing](https://www.iea.org/reports/electricity-mid-year-update-2025/emissions-power-generation-co2-emissions-are-plateauing)



### Corporate Portfolio Coverage: % of corporate portfolio aligning with SBTi



Our Corporate Portfolio Coverage target considers large corporations with >500 employees that have SBTi-validated targets. In 2021, we established a target to increase our corporate portfolio loan volumes covered by emission targets from 12% to 54% by 2030 from a 2021 baseline.

In 2025, we increased our Corporate Portfolio Coverage to 41%.

The percentage of customers with SBTi-validated targets set is expected to increase in the coming years, as new regulations around transition plan disclosures come into force. Key sectors should decarbonise in line with the Government's Climate Action Plan, and corporate customers with >500 employees are expected to set their own emissions targets in the medium term.

*Our Residential Mortgages and Commercial Real Estate targets utilise IEA 2021 NZE2050 1.5°C SDA scenarios and the associated graphs therefore extend to 2050. Electricity Generation emissions intensity is already well below IEA pathways, so our maintenance target, and the associated graph, extend to 2030. The Portfolio Coverage graph extends to 2030 in line with its target.*

# GHG Emissions



## Scope 1, 2 & 3 GHG emissions

E1-6

We generate GHG emissions primarily through our loan book and own operations. Our GHG emissions can be broken down into a number of scopes and categories, as shown below.

### Breakdown of AIB Group Scope 1, 2 & 3 and total GHG emissions

|                                                                                                                          | 2025                         | 2024 <sup>1</sup> | Change %     | Baseline<br>2019/2021 <sup>2</sup> | Milestones and target years                                                              |
|--------------------------------------------------------------------------------------------------------------------------|------------------------------|-------------------|--------------|------------------------------------|------------------------------------------------------------------------------------------|
| <b>Scope 1 GHG emissions</b>                                                                                             |                              |                   |              |                                    |                                                                                          |
| Scope 1 Gross GHG emissions (tCO <sub>2</sub> e)                                                                         | 2,201                        | 2,945             | (25)%        | 4,784                              | Reduce absolute Scope 1 GHG emissions by 34% by 2027 from a 2019 base year. <sup>3</sup> |
| Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)                                          | n/a                          | n/a               | n/a          | n/a                                |                                                                                          |
| <b>Scope 2 GHG emissions</b>                                                                                             |                              |                   |              |                                    |                                                                                          |
| Scope 2 Gross GHG emissions, location-based (tCO <sub>2</sub> e)                                                         | 3,078                        | 4,440             | (31)%        | 10,025                             | Increase annual sourcing of renewable electricity from 1% (2019) to 100% in 2030.        |
| Scope 2 Gross GHG emissions, market-based (tCO <sub>2</sub> e)                                                           | 157                          | 511               | (69)%        | 64                                 |                                                                                          |
| <b>Total Scope 1 &amp; 2 GHG emissions (location-based) (tCO<sub>2</sub>e)</b>                                           | <b>5,279</b>                 | <b>7,385</b>      | <b>(29)%</b> | <b>14,808</b>                      | Decarbonise our own operations by 2030.                                                  |
| <b>Total Scope 1 &amp; 2 GHG emissions (market-based) (tCO<sub>2</sub>e)</b>                                             | <b>2,358</b>                 | <b>3,456</b>      | <b>(32)%</b> | <b>4,848</b>                       |                                                                                          |
| <b>Scope 3 Significant GHG emissions</b>                                                                                 |                              |                   |              |                                    |                                                                                          |
| Category 15 – Investments<br>SBTi-validated Financed Emissions Targets (tCO <sub>2</sub> e) <sup>4</sup>                 | 962,476                      | 1,067,519         | (10)%        | 2,570,000                          | Decarbonise our customer lending portfolio by 2050.                                      |
| Category 15 – Investments<br>Other emissions per in-scope customer loan book reporting (tCO <sub>2</sub> e) <sup>5</sup> | 6,543,900                    | 5,852,380         | 12%          | n/a                                |                                                                                          |
| <b>Total gross indirect (Scope 3) GHG emissions (tCO<sub>2</sub>e)</b>                                                   | <b>7,506,376<sup>6</sup></b> | <b>6,919,899</b>  | <b>8%</b>    | <b>n/a</b>                         |                                                                                          |
| <b>Total Scope 1, 2 &amp; 3 GHG emissions (location-based) (tCO<sub>2</sub>e)</b>                                        | <b>7,511,654</b>             | <b>6,927,284</b>  | <b>8%</b>    | <b>n/a</b>                         |                                                                                          |
| <b>Total Scope 1, 2 &amp; 3 GHG emissions (market-based) (tCO<sub>2</sub>e)</b>                                          | <b>7,508,734</b>             | <b>6,923,355</b>  | <b>8%</b>    | <b>n/a</b>                         |                                                                                          |

- Scope 1 and 2 emissions data for 2024 are updated to actual figures where available. Please see ESG Supporting Notes on page 72 for more details.
- Base year for Scope 1 & Scope 2 is 2019 while base year for Scope 3 Financed Emissions is 2021. Please refer to ESG Supporting Notes on page 72, for calculations, judgements and estimates for more details.
- We have set an interim target, validated by the SBTi, to reduce absolute Scope 1 GHG emissions by 34% by 2027, against a baseline of 4,800 tCO<sub>2</sub>e in 2019 (including biogenic emissions). Please see ESG Supporting Notes on page 72 for more details.
- In 2023, we set SBTi-validated financed emissions targets for our three most material sectors, Residential Mortgages, Commercial Real Estate, and Electricity Generation, using a 1.5°C aligned SDA. The figure included here is a reflection of the absolute emissions for these sectors.
- For FY2025 reporting, we are progressing beyond reporting on our SBTi-validated emissions targets for our most material sectors and are now including absolute emissions data for the remainder of our full in-scope customer loan book.
- Figures are rounded. A further breakdown of our full customer loan book is detailed in the Disaggregation by PCAF Asset Class table on page 68. Year-on-year movements in financed emissions reflect a range of factors, including changes in portfolio size and composition, as well as ongoing enhancements to data quality and methodology.

### GHG intensity based on net revenue

GHG emissions intensity based on net revenue is calculated in the table below. It is calculated as per ESRS requirements by taking the two totals shown above for our GHG Emissions (7,511,654 tCO<sub>2</sub>e location-based and 7,508,734 tCO<sub>2</sub>e market-based). These totals are then divided by total operating income for AIB Group for FY25 (€ 4,511m).

The FY2025 emissions intensity does not differ in any material respect between the location-based and market-based methodologies, due to the immaterial variance in the underlying GHG totals for 2025.

|                                                                                         | 2025    | 2024    | Change from 2024 to 2025 |
|-----------------------------------------------------------------------------------------|---------|---------|--------------------------|
| Total GHG emissions (location-based) per net revenue (tCO <sub>2</sub> e/Monetary unit) | 1,665.2 | 1,405.7 | 18%                      |
| Total GHG emissions (market-based) per net revenue (tCO <sub>2</sub> e/Monetary unit)   | 1,664.5 | 1,404.9 | 18%                      |

Figures for 2024 are revised figures where available as in-scope full book emissions are included in the total. Please see ESG Supporting Notes on page 72 for more details.



## Disaggregation of Scope 1 & 2 GHG emissions data by country

| (tCO <sub>2</sub> e)                                        | Total        | Ireland      |              |               | UK         |            |            | USA       |           |            |
|-------------------------------------------------------------|--------------|--------------|--------------|---------------|------------|------------|------------|-----------|-----------|------------|
|                                                             | 2025         | 2025         | 2024         | 2019          | 2025       | 2024       | 2019       | 2025      | 2024      | 2019       |
| Scope 1 Gross GHG emissions                                 | 2,201        | 2,048        | 2,748        | 4,481         | 150        | 181        | 282        | 3         | 15        | 21         |
| Scope 2 Gross GHG emissions, location-based                 | 3,078        | 2,796        | 4,097        | 9,366         | 256        | 280        | 564        | 26        | 63        | 94         |
| Scope 2 Gross GHG emissions, market-based                   | 157          | 0            | 308          | 0             | 131        | 140        | 0          | 26        | 63        | 64         |
| <b>Total Scope 1 &amp; 2 GHG emissions (location-based)</b> | <b>5,279</b> | <b>4,844</b> | <b>6,846</b> | <b>13,847</b> | <b>406</b> | <b>461</b> | <b>846</b> | <b>29</b> | <b>78</b> | <b>115</b> |
| <b>Total Scope 1 &amp; 2 GHG emissions (market-based)</b>   | <b>2,358</b> | <b>2,048</b> | <b>3,056</b> | <b>4,481</b>  | <b>281</b> | <b>321</b> | <b>282</b> | <b>29</b> | <b>78</b> | <b>85</b>  |

Scope 1 and 2 emissions data for 2024 are updated to actuals where available. Please see ESG Supporting Notes on page 72 for more details.

## Contractual instrument procurement type breakdown

| Procurement type                                                     | Bundled instrument (2025) | Unbundled Instrument (2025) | Total 2025                        | Total 2024                        |
|----------------------------------------------------------------------|---------------------------|-----------------------------|-----------------------------------|-----------------------------------|
|                                                                      | % of total consumption    | % of total consumption      | % of total electrical consumption | % of total electrical consumption |
| Self-generation / On-site generation                                 | n/a                       | n/a                         | 0%                                | 0%                                |
| Direct procurement (contract with generator – VPPA)                  | 0%                        | 92%                         | 92%                               | 87%                               |
| Contract with electricity supplier (supplier-specific emission rate) | 7%                        | 0%                          | 7%                                | 8%                                |
| Energy Attribute Certificates (EACs)                                 | 0%                        | 0%                          | 0%                                | 0%                                |
| Passive procurement (residual mix)                                   | 0%                        | 1%                          | 1%                                | 4%                                |
| Passive procurement (other grid-average emissions factors)           | 0%                        | 0%                          | 0%                                | 1%                                |
| <b>Total</b>                                                         | <b>7%</b>                 | <b>93%</b>                  | <b>100%</b>                       | <b>100%</b>                       |

Data for 2024 is updated to actuals where available. Please see ESG Supporting Notes on page 72 for more details.

## Biogenic emissions

|                                                                        | 2025      | 2024      | 2019      |
|------------------------------------------------------------------------|-----------|-----------|-----------|
| Not included in Scope 1 emissions (tCO <sub>2</sub> e)                 | 23        | 27        | 16        |
| Not included in Scope 2 emissions (tCO <sub>2</sub> e)                 | —         | —         | —         |
| Not included in Scope 3 Significant GHG emissions (tCO <sub>2</sub> e) | See notes | See notes | See notes |
| <b>Total biogenic emissions</b>                                        | <b>23</b> | <b>27</b> | <b>16</b> |

## GHG Emissions continued

### Disaggregation of in-scope customer loan book financed emissions

As outlined in the financed emissions target setting and measurement section on page 63, AIB continues to advance our GHG emissions reporting for Scope 3, category 15 investments. In addition to the disclosure of absolute emissions for our three most material sectors with SBTi-validated targets, consistent with prior year reporting, we are presenting for the first time absolute emissions associated with our full in-scope customer loan book for FY2025.

This expanded disclosure is presented in the table below which shows our in-scope customer loan book disaggregated by PCAF Asset Classes. The four primary PCAF Asset Classes designated for banking institutions and most material to AIB Group are Project finance, Commercial real estate, Mortgages, as well as Business loans and other classified lending. The scope may be expanded to include additional asset classes over time. In accordance with the PCAF standard, emissions in the table below are disclosed based on the customer emission scope classification.

#### Customer loan book disaggregated by PCAF Asset Class

| PCAF Asset Class                                         | 2025 Customer Loan Book (Full Book) |                           |                             |                     | 2024 Customer Loan Book (Full Book) |                           |                             |                     |
|----------------------------------------------------------|-------------------------------------|---------------------------|-----------------------------|---------------------|-------------------------------------|---------------------------|-----------------------------|---------------------|
|                                                          | Exposure<br>(€, bn)                 | Scope 1 & 2<br>(CO2e, kt) | Scope 3<br>(CO2e, kt)       | Total<br>(CO2e, kt) | Exposure<br>(€, bn)                 | Scope 1 & 2<br>(CO2e, kt) | Scope 3<br>(CO2e, kt)       | Total<br>(CO2e, kt) |
| Project finance (Electricity Generation)                 | 4.16                                | 9.85                      | n/a                         | 9.85                | 3.61                                | 6.64                      | n/a                         | 6.64                |
| Commercial real estate                                   | 5.46                                | 414.12                    | n/a                         | 414.12              | 5.65                                | 469.48                    | n/a                         | 469.48              |
| Mortgages                                                | 37.01                               | 538.50                    | n/a                         | 538.50              | 36.29                               | 591.49                    | n/a                         | 591.49              |
| Business loans and other classified lending <sup>1</sup> | 21.89                               | 1,713.25                  | 4,830.65                    | 6,543.90            | 21.92                               | 1,534.53                  | 4,317.85                    | 5,852.38            |
| <b>Total<sup>4</sup></b>                                 | <b>68.52<sup>2</sup></b>            | <b>2,675.73</b>           | <b>4,830.65<sup>3</sup></b> | <b>7,506.38</b>     | <b>67.46<sup>2</sup></b>            | <b>2,602.14</b>           | <b>4,317.85<sup>3</sup></b> | <b>6,919.99</b>     |

1. 'Business loans' comprise all on-balance sheet lending and lines of credit provided to listed and unlisted businesses, nonprofits, and other organisational structures for general corporate purposes. 'Other classified lending' refers to remaining lending activities that fall within the scope of financed emissions calculations but sit outside the project finance, commercial real estate, and mortgage asset classes.

2. 'Total Exposure' does not include a balance of €3.82bn of loans and advances to customers within AIB's total gross loan figure for the financial year (€3.77bn for FY2024). It is out of scope for emissions calculations, as it relates to general consumer finance not linked to a specific use of proceeds (e.g., credit cards or personal loans) as per PCAF guidance.

3. Scope 3 emissions of our customers are not included for 'Project finance', 'Commercial real estate' or 'Mortgage' asset classes, in accordance with the financed emissions PCAF standard.

4. Figures are rounded.

The table above presents the in-scope customer loan portfolio, including associated exposures and financed emissions. Year-on-year movements in financed emissions reflect a range of factors, including changes in portfolio size and composition, as well as ongoing enhancements to data quality and methodology. While a downward trend in financed emissions intensity is anticipated over time, this trajectory is not expected to be linear across all sectors. We continue to prioritise the measurement and, where possible, the reduction of financed emissions, with a focus on supporting real-economy decarbonisation across its portfolios.



David O'Donnell, Commercial Director at Cool Runnings Events with AIB's business adviser for Cork, David Cotter, at its Ziplt Forest Adventure, Farran Wood.

# Climate & Environmental Risk

As part of the overarching risk management process described in the Risk Management section of our Annual Report from page 177, Climate & Environmental Risk is recognised as a principal risk for the group. Its underlying drivers are actively monitored through the Group's Top & Emerging Risk Survey.

## SBM-3, IRO-1

Climate Change is identified as a material topic through our DMA process, from both an impact and a financial materiality perspective. Our Material Impacts, Risks and Opportunities section from page 51 outlines the material IROs across our value chain, as well as their interaction with our strategy and business model. In addition to the DMA process, C&E Risk is identified as a Principal Risk for the Group through the MRA risk management processes, as detailed further in the Risk Management Report on page 179.

C&E Risk is defined as any potential negative financial or non-financial (e.g. reputational) impact on the Group stemming from climate and environmental change and the transition to a sustainable economy.

- Climate risk is defined as potential negative impacts due to climate change on the Group. This includes risks posed by direct exposure to climate change and indirect exposure through customers and suppliers. Climate risk includes the impacts that the Group, its customers, and suppliers have on climate, and the impact from climate on the Group, its customers, and suppliers.
- Environmental risk is defined as potential negative impacts of the activities or actions of the Group, its customers or suppliers, either directly or indirectly, on the naturally occurring living and non-living components of the Earth which together constitute the biophysical environment. Changes in the state of nature (quality or quantity) may act as drivers on the Group's financial performance through risk events and could result in changes to the capacity of nature to fulfil social and economic functions.

The following details some of the analysis exercises undertaken regarding C&E Risks. Further details regarding the identification and management of climate-related physical and transition risks are also included in the Risk Management section of this AFR on page 236.

## Transmission Channel Analysis

Transmission Channel Analysis, conducted annually, examines how C&E Risk drivers transmit through micro and macroeconomic factors to impact the Group's Principal Risks. It considers how risk drivers such as the Group's geographic footprint – credit, market, third party providers, sectors, and asset classes – are overlaid with insights from the Business Environment Scan (BES), heatmaps, and internal research and how these impact across each material risk. For each driver, transmission channels and first- and second-order impacts are assessed. The Group's Materiality Matrix (GMM) determines the impact's materiality across risk types, factoring in reputational, regulatory, financial, and business objectives.

The 2025 assessment considered nine drivers over the short (1 – 3 years), medium (4 – 10 years) and long term (>10 years) to recognise the changing impacts of C&E Risk drivers over different time horizons. These drivers are broken down into the following categories:

|                                        |                                                                                                                          |
|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------|
| <b>Climate (Physical Risk)</b>         | Includes climate change patterns and extreme weather events.                                                             |
| <b>Environmental (Physical Risk)</b>   | Includes biodiversity loss and degradation, water stress and management, raw material shortage as well as air pollution. |
| <b>Climate (Transition Risk)</b>       | Includes consumer and investor sentiment, climate policy and regulation as well as technological change.                 |
| <b>Environmental (Transition Risk)</b> | Includes environmental policy and regulation.                                                                            |

In mapping these risk drivers against the Group's Principal Risks, the Transmission Channel Analysis identifies controls in place which mitigate impacts identified and provides insight into how C&E Risk can be managed within AIB.

## Business Environment Scan

BES provides a strategic, macro-level view of how the business environment evolves under C&E Risks. It tracks government policy, climate targets, carbon pricing narratives, regulation, key technologies, demographic and social trends, competitive dynamics, and priority sector developments. The latest climate science is monitored to assess how new insights on physical impacts may shift risk perceptions across geographies where the Group operates. Identified risk drivers feed into the Transmission Channel Analysis to evaluate their effect on material risks.

## C&E Risk heatmap tools

Using external studies, global tools, regulatory guidelines and internal knowledge, three heatmaps, covering physical, transition and environmental risks, were developed to identify prevalent C&E Risks and where they may crystallise. These are key tools for understanding our C&E Risk profile.

## Deep dive on sectors – 'house view'

Granular research is periodically conducted on sectors material to the Group's balance sheet, producing 'house views' on how sustainability factors affect key sectors. This helps identify IROs, and informs customer engagement. At a national level, input from climate scientists, academics, and customers shapes expert views on sector pathways, while local business areas with sector specialists contribute to research and debate on current and future developments. Sectoral research outputs guide internal debate and strategy, while key insights may be adapted into customer-focused materials to broaden stakeholder engagement and help customers understand transition pathways.

## Protecting nature and biodiversity

Nature and biodiversity are essential for planetary health, providing resources like wood, minerals, and food, and services such as pollination, water purification, and climate regulation. Yet they are in crisis, with scientists warning that seven of nine planetary boundaries may be breached. Nature's services contribute an estimated \$44 trillion annually, over half of global GDP (World Economic Forum).

At AIB, we recognise nature as everyone's responsibility and the need for collective action to halt biodiversity loss. Banks play a key role by financing businesses that invest in nature-positive actions and reducing flows that harm nature. We integrate biodiversity into credit assessments to encourage positive outcomes for communities and environments. Through our SLF, we consider environmental factors and funding with Green Bonds supporting projects that enhance biodiversity.

As outlined above, we have several tools that support annual and ad-hoc analyses, some of which also address nature-related risks. In 2025, we developed heatmaps for physical, transition, and environmental risks as core tools to understand, track, and respond to our C&E Risk profile. These heatmaps incorporate nature and will help target nature-related elements in future work. Also, our annual BES identifies areas where AIB and customers most impact nature and depend on ecosystem services (e.g., freshwater, soil quality). One C&E Risk driver assessed through this process is biodiversity loss and soil degradation. We have also carried out detailed mapping exercises to identify any of our own premises located in areas of biodiversity sensitivity.



## Climate & Environmental Risk *continued*

### Climate stress testing

C&E Risk is integrated into the Group's stress testing framework through scenario analyses assessing potential impacts on credit, treasury portfolios, operations, and overall financial position. These tests capture interconnected risks, including physical and transition risks from market shifts, investor sentiment, and regulation.

C&E stress testing has been embedded in ICAAP for a number of years, with annual enhancements such as adding Environmental Risk. The Business Model, Capital Adequacy Framework and the Stress Testing Policy embed C&E Risks into the Group's stress testing operations. The Group's Stress Testing Policy outlines processes for stress testing, including C&E Risk impacts. The climate stress testing approach and models assess physical and transition risks across scenarios for the Group's credit exposures.

The initial scope of climate stress testing activities and climate modelling in the Group is primarily focused on the credit risk implications for the loan portfolio, via both transition and physical risk. This is where the most material impact of C&E stresses impact the Group, with the approach covering all customer loans and advances on the balance sheet.

The impacts of climate risk under various climate scenarios are not expected to manifest in the short term and therefore there is no requirement to make any related adjustments to the financial statements.

Aside from the indirect macro-impact stemming from the climate scenarios (e.g., interest rate trajectories), direct transmission channels or direct upstream impacts are excluded from these stress scenarios.

### Flood risk modelling

Flooding is the Group's most material physical risk. In recent years AIB has advanced its enhanced flood risk model, first introduced in 2023, delivering greater granularity and flexibility.

The new model maps individual properties against river, coastal, and surface water flood maps for multiple return periods (e.g., 1-in-20 or 1-in-1000 years) to calibrate probabilities. It estimates damage by flood and building type, applying rebuild costs to calculate repair expenses. Using this approach, the model quantifies flood-damage impacts across varying severities and calculates 'Expected Annual Damage' as the probability-weighted average of costs. It can reflect current climate conditions or apply Intergovernmental Panel on Climate Change (IPCC) scenarios for projected conditions.

The scenarios currently available are Representative Concentration Pathway (RCP) 2.6, 4.5, 6.0 and 8.5 at 5-year intervals until 2100. RCP 8.5 assumes by far the greatest CO<sub>2</sub> concentration and temperature anomalies, whereas RCP 2.6 assumes a far lower amount. RCPs work intuitively; the greater the RCP value, the stronger the physical risk signal will be for the scenario. Some RCPs map closely to the Network for Greening of the Financial System (NGFS) scenarios being used by the regulators for climate stress testing.

The model quantifies flood risk under multiple climate scenarios, including high-emission pathways to 2055. It supports ICAAP and broader stress testing, informing short-, medium-, and long-term flood risk materiality so timely mitigation can be implemented. It also estimates flood probabilities for individual properties but cannot calculate joint probabilities across multiple properties. This limitation is addressed by stressing individual property risks within a plausible, geographically-based scenario.

The flood risk model's layered approach enables analysis of key drivers and their relevance to Group exposure, breaking acute impacts down by flood type, building type, customer type, and location.

### Climate scenario analysis

C&E risk scenarios focus on macroeconomic drivers used in stress testing to produce a climate-focused three-year ICAAP forecast. Three scenarios assess physical and transition risks in the short to medium term.

- The physical risk scenarios, **Tipping Points**, features the Earth breaching multiple climate tipping points, accelerating global warming and chronic physical risks. Extreme weather events increasingly damage economic productivity, while weak policy responses lead to severe, persistent disruption in the real economy.
- The first transition risk scenario, **Paris-aligned**, assumes that governments pursue incentives to reduce carbon emissions. They do this in a carefully structured way, with incentives geared towards a reduction that is systematically implemented.
- In the second transition risk scenario, **Sudden Realisation**, it is assumed that a limited number of actions have taken place, with the 'shock' coming from an unstructured and significant implementation of carbon-reduction levies and taxes. The resultant volatility is caused by the sudden implementation of climate-positive policies to 'make up' for time when they weren't in place.

In these scenarios, forecasts of those factors that drive increased risk in the Group's credit portfolios have been made. These factors are implemented in the ICAAP credit stress testing engine and are applied to the Group's balance sheet, with business plans integrated into growth forecasts in credit exposures and the existing International Financial Reporting Standards (IFRS) 9 risk parameters.

Both 'stressed' climate transition risk scenarios model impacts of hypothetical carbon emissions charges driven by market changes and government policies or incentives.

For the retail model, this tax would affect the disposable incomes of customers, which may present challenges for customers and the Group, depending on how unexpected they are and how punitive the taxes. The stress test output is an analysis of the potential impacts of this scenario on the mortgage book, where charges are applied based on the carbon emissions of homes, which leverages data on property BER.

For business customers (corporates and SMEs), the model reflects the borrower's affordability by reducing profits and increasing costs. Charges are applied in this model based on the scope of the carbon emissions of the NACE sector in which the borrower operates.<sup>1</sup> The stress test output provides an analysis of the potential impacts of this scenario on the Non-Retail borrowers.

The stress tests described above were included in the ICAAP process, which provided assurance that the Group had adequate capital to withstand these risks.

1. NACE is a pan-European classification system that groups organisations according to their business activities.



# EU Taxonomy

AIB Group has been reporting EU Taxonomy disclosures since their introduction and remains committed to providing clear and transparent information on our Taxonomy-eligible and Taxonomy-aligned activities. Our FY2025 reporting reflects the evolving requirements under Article 8 of the EU Taxonomy Regulation and the latest interpretative guidance issued by the European Commission, with our Green Asset Ratio (GAR) presented on a consistent basis with prior years.

For FY2025, AIB has applied the transitional option permitted under Article 4, third subparagraph, of Commission Delegated Regulation (EU) 2026/73 (Omnibus Delegated Act), thereby continuing to report in accordance with the Disclosure Delegated Act as it applied until 31 December 2025. In line with Article 10(5) of the Disclosures Delegated Act, as amended by Article 1(8) of the Omnibus Delegated Act, AIB will not report the Trading Book KPI or the Fees and Commission KPI (Sections 1.2.3 and 1.2.4 of Annex V) until their revised application date of 1 January 2028.

The preparation of the EU Taxonomy reporting is based on prudential consolidation of AIB Group plc. The prudential consolidation is in accordance with the supervisory reporting of financial institutions as defined in Regulation (EU) No 575/2013. Supervisory reporting data prepared in accordance with Commission Implementing Regulation (EU) 2024/3117 (FINREP) is used as a primary data source for the calculation of the Taxonomy key performance indicators.

The EU Taxonomy is a sustainability classification system that translates the EU's climate and environmental objectives into criteria for categorising specific economic activities for investment purposes. It aims to redirect capital flows to support the transition and help generate sustainable and inclusive growth.

The EU Taxonomy Regulation (Regulation (EU) 2020/852) specifies that financial undertakings must disclose how and to what extent their activities are associated with economic activities that qualify as environmentally sustainable. To qualify as EU Taxonomy-aligned, an economic activity must substantially contribute to one or more of the six EU environmental objectives under the technical screening criteria, while doing no significant harm (DNSH) to the other five objectives and complying with minimum safeguards. The six EU environmental objectives are:

1. climate change mitigation (CCM);
2. climate change adaption (CCA);
3. sustainable use and protection of water and marine resources (WTR);
4. transition to a circular economy (CE);
5. pollution prevention and control (PPC); and
6. protection and restoration of biodiversity and ecosystems (BIO).

Our SLF, detailed on page 60, provides transparency on the types of activities we consider to be green, transition or social activities. EU Taxonomy-aligned lending is a subset of the green lending category determined by the SLF.

As at 31 December 2025, the GAR is 4.5% (2024: 4.3%) which equates to total taxonomy aligned exposure of €4.4bn (2024: €4.1bn) over total covered assets of €98.7bn (2024: €97.2bn). The GAR has increased since December 2024 as a result of the Group implementing changes in data collection and data remediation activities.

The EU Taxonomy criteria are strict and exclude many lending activities that contribute to the transition to a greener economy. For AIB, EU Taxonomy-aligned exposure mostly comprises residential mortgages, where the underlying assets meet the technical screening criteria for Climate Change Mitigation, including an assessment of DNSH to Climate Change Adaptation. Lending to counterparties subject to the CSRD is also EU Taxonomy-aligned but is a small portion of the total lending activity, at c. 1%.

In determining alignment for residential mortgages, we have utilised the property's BER or EPC to identify those assets contained in the top 15% of national stock (constructed pre-2020) or those with energy performance that is at least 10% lower than the national threshold set for the nZEB requirements (constructed post-2020).

In applying the EU Taxonomy requirements for FY2025, AIB has adopted the CSRD scope for identifying in-scope counterparties. Certain template references continue to use historical Non-financial Reporting Directive (NFRD) terminology; this reflects the wording in the delegated templates rather than the applicable reporting framework. A screening exercise was performed to identify counterparties subject to CSRD using the most recent published annual financial reports. The EU Taxonomy regulation is subject to ongoing updates and refinements in taxonomy criteria that may influence the calculation of the GAR over time.

The flow methodology has been revised in line with the clarification provided in the Third Commission Notice (C/2024/6691), ensuring that the flow GAR captures only the gross carrying amount of exposures newly incurred within the year, with no offset for repayments or disposals. This includes newly originated loans and advances, debt securities, and equity instruments.

We acknowledge the importance of ESG data to inform reporting, support decision-making and enhance product development. Our data continues to evolve in line with industry developments, AIB policies and internal data strategy.

The Group does not lend to nuclear energy related activities in accordance with the Group exclusion policy and has no exposure to activities outlined under sections 4.26, 4.27 and 4.28 of Annexes I and II to Delegated Regulation 2021/2139. The Group has an exposure related to facilities that produce electricity using fossil gaseous fuel under section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 and have been disclosed in accordance with Annex XII of the Delegated Act.

Please refer to our supporting tables from page 344 in General Information for the full disclosure templates required under EU Taxonomy specifications.



## Green Asset Ratio

|        |      |
|--------|------|
| FY2025 | 4.5% |
| FY2024 | 4.3% |

# ESG Supporting Notes

## Calculations, judgements and estimates

### Supporting notes for Energy consumption and mix

#### E1-5

- Estimations are used where the Group does not hold the energy supply contract, for example at service charge locations. Additionally, FY2025 data includes nine months of actual data from January to September, while Key Performance Indicators (KPIs) are then used to estimate the final three months of data from October to December. FY2024 data has been updated to incorporate 12 months of actual data where available.
- The energy consumption and mix table figures have been prepared in alignment with the organisational and operational boundaries used for Scope 1 and Scope 2 reporting.
- All quantitative energy-related information is shown in megawatt-hours (MWh). Under NCV totals, 'Fuel consumption from crude oil and petroleum', 'Fuel consumption for renewable sources' and, 'Natural Gas' usage is converted from Gross Calorific Value (GCV) to NCV using published country-specific conversion factors.
- All quantitative energy-related information are final energy consumption figures, and refer to the amount of energy that AIB actually consumes.
- AIB does not receive any steam, heat or cooling as 'waste energy' from a third party's industrial processes.
- The split of electricity, heat, steam or cooling between renewable and non-renewable sources aligns with market-based Scope 2 GHG emissions calculations.
- AIB has entered into a VPPA, which, from 2024, has enabled us to report fully traceable renewable electricity for Direct Procurement.
- Figures are rounded.

### Supporting notes for AIB's GHG emissions

#### E1-6

- A GHG source is any physical unit or process that releases GHG into the atmosphere:
  - Scope 1 (Direct) GHG emissions are from sources that are owned or controlled by AIB. AIB's Scope 1 (Direct) emissions include combustion of stationary and mobile sources and fugitive emissions.
  - Scope 2 emissions are indirect GHG emissions associated with the purchase of electricity, steam, heat or cooling. AIB Scope 2 emissions include the consumption of purchased electricity and heat.
  - Scope 3 includes category 15 emissions. No other Scope 3 categories are deemed to be significant under CSRD for FY 2025. Other Scope 3 categories relevant to our business activities account for less than 1% of our total Scope 3 emissions and as such are not deemed significant in accordance with ESRS E1 paragraph 51. We will continue to monitor and report these emissions internally. Emissions tied to these categories (1, 2, 3, 5, 6, 7 and 13) will be reported as part of our CDP disclosure.
- The methodologies used for calculating this data are aligned with the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard (revised edition) and the ISO 14064-3:2019 standard. Emission factors were sourced from recognised national and international databases, applicable to the reporting years. Market-based emissions sourced from supplier-specific factors, contractual instruments (VPPA) and residual mix factors where applicable.
- For Scope 1 & Scope 2 data where the Group does not hold the energy supply contract, consumption is estimated for service charge locations.
- For Scope 1 & Scope 2 FY2025 data represents nine months of actual data (January – September). The remaining three months (October – December) are estimated using relevant KPIs.
- FY2024 data has been updated to incorporate 12 months of actual data where available. This exercise was completed in accordance with the GHG Protocol guidance.

- Verification statements are publicly available at [aib.ie/sustainability](http://aib.ie/sustainability).
- Scope 3 category 15 GHG emissions include our three most material sectors namely: Residential Mortgages, CRE, and Electricity Generation where AIB have SBTi-validated financed emissions reduction targets based on a 2021 baseline. The accounting and reporting of category 15 emissions associated with lending is described in PCAF Part A Standards on financed emissions from lending and investment activities.
- We are applying a phase-in provision for Scope 3 category 15 absolute value emissions, while we focus on adopting transitional measures for value chain information.
- In line with the GHG Protocol, our emissions are presented in tonnes of carbon dioxide equivalent units (tCO<sub>2</sub>e) and cover seven greenhouse gases when available: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, hydrofluorocarbons (HFC), perfluorocarbons (PFC), sulphur hexafluoride (SF<sub>6</sub>) and nitrogen trifluoride (NF<sub>3</sub>).
- The Global Warming Potentials (GWPs) used in the calculation of CO<sub>2</sub>e are based on the IPCC Assessment Reports over a 100-year period.
- These Group figures reflect gross location-based absolute emissions, unless flagged otherwise.
- We do not currently purchase carbon credits. We also do not have an internal carbon pricing mechanism in place
- Figures are rounded.

### Supporting notes for Contractual instruments

#### E1-6

- The disaggregation of information is in accordance with the Greenhouse Gas Protocol and RE100 guidance on the use of contractual instruments for market-based Scope 2 reporting.
- Progress towards our SBTi renewable sourcing target is derived from annual electricity data (partially estimated), with progress assessed by comparing the volume of eligible Guarantee of Origin certificates cancelled to date against the corresponding annual electricity consumption.
- There are two types of contractual instruments: 'Bundled', which refers to renewable energy and any associated certificates that are purchased together under the same contract, and 'Unbundled', which refers to the separate purchase of energy and renewable certificates.
- Total electrical consumption used to determine the VPPA percentage comprises purchased electricity for Group Estate and the EV fleet. This is measured relative to the generation from the VPPA, taking into account the geographical market in which the PPA is located.
- FY2024 data has been updated to incorporate 12 months of actual data where available.

### Supporting notes for Biogenic emissions

#### E1-6

- Biogenic emissions are CO<sub>2</sub> emissions from the combustion, processing and distribution phase of bioenergy.
- Biogenic emissions from combustion or biodegradation within the value chain are excluded from the financed emissions table due to data constraints.

## Calculations, judgements and estimates *continued*

### Supporting notes for progress against milestones and targets

#### E1-6

- For the interim target we have set, which has been validated by the SBTi, to reduce absolute Scope 1 GHG emissions by 34% by 2027, this was set against a baseline of 4,800 tCO<sub>2</sub>e in 2019. This baseline figure of 4,800 tCO<sub>2</sub>e includes biogenic emissions as these emissions were included during the validation process. These emissions however are excluded from the Breakdown of AIB Group Scope 1, 2 & 3 and total GHG emissions table as they are instead captured in the biogenic emissions table. Since Goodbody was only consolidated for the final four months of 2021, it was not included within the target boundary and its data was excluded from the GHG inventory submitted to SBTi.
- For our target to increase annual sourcing of renewable electricity from 1% (2019) to 100% in 2030. The electricity usage of Goodbody falls outside the defined boundary of this SBTi target. In 2025 AIB's annual sourcing of renewable electricity increased to 92% (excluding Goodbody). When rounded, the figure for the full AIB Group also comes to 92%. In 2025 annual sourcing of renewable electricity was updated to actual 89% from 85% stated in FY2024.

### Supporting notes for in-scope customer loan book financed emissions

#### E1-6

- Our in-scope customer book financed emissions are influenced by a combination of factors, including changes in portfolio size and composition, data quality and methodology developments.
- Where relevant proxies are used given the data-availability challenges associated with financed emissions calculations, such proxies are used when direct customer data are not available.
- Emissions for our Electricity Generation portfolio are based on actual data sourced from customers.
- Where actuals are not available, third-party data provider economic emissions intensity factors provide an estimate of the emissions profile (Scope 1, 2 and 3) of activities by NACE code.
- Over time, we aim to replace estimates with actual counterparty or asset-level data and reduce our reliance on proxy information. As more specific data becomes available, we will need to revise our actual emissions, targets and underlying assumptions accordingly.
- The majority of reported financed GHG emissions (outside of our SBTi-validated portfolios) are estimated using sector-based economic emissions intensity factors sourced from a third party provider. These factors are applied at the most granular NACE Level 4 classification to ensure that emissions estimates accurately reflect the underlying economic activity of each borrower. Applying emissions factors at this level enhances the specificity and robustness of calculated financed emissions by aligning each exposure to its closest available sectoral emissions profile.
- Figures are rounded.

### Supporting notes for revised comparative year figures

#### E1-5

#### E1-6

- Total fossil energy consumption for FY2024 actual value was 15,209MWh (FY24 estimated data: 16,491MWh) which accounts for 45% of total energy consumption (FY24 estimated data: 50%).
- Total renewable energy consumption for FY2024 actual value was 18,482MWh (FY24 estimated data: 16,537MWh) which accounts for 55% of total energy consumption (FY24 estimated data: 50%).
- Total energy consumption for FY24 actual value was 33,691MWh (FY24 estimated data: 33,028MWh) and total energy consumption reported on NCV was 32,553MWh (FY24 estimated data: 32,209MWh).
- 2024 actual values for Scope 1 & 2 emissions were as follows:
  - Gross Scope 1 GHG emissions were 2,945tCO<sub>2</sub>e (FY24 estimated data: 2,875tCO<sub>2</sub>e)
  - Gross location-based Scope 2 GHG emissions were 4,440tCO<sub>2</sub>e (FY24 estimated data: 4,391tCO<sub>2</sub>e) and gross market-based Scope 2 GHG emissions were 511tCO<sub>2</sub>e (FY24 estimated data: 813tCO<sub>2</sub>e)
  - Total actual FY2024 GHG location-based emissions from Ireland were 6,846tCO<sub>2</sub>e (FY24 estimated data: 6,712tCO<sub>2</sub>e) and total actual GHG market-based emissions were 3,056tCO<sub>2</sub>e (FY24 estimated data: 3,213tCO<sub>2</sub>e).
  - Total actual FY2024 GHG location-based emissions from the UK were 461tCO<sub>2</sub>e (FY24 estimated data: 470tCO<sub>2</sub>e) and total actual GHG market-based emissions were 321tCO<sub>2</sub>e (FY24 estimated data: 390tCO<sub>2</sub>e).
  - Total actual FY2024 GHG location-based and market-based emissions from the USA were 78tCO<sub>2</sub>e each (FY24 estimated data: 85tCO<sub>2</sub>e).
- 2024 actual values for Contractual Instruments for Direct procurement (contract with generator – VPPA) were 87% (FY24 estimated data: 84%), for contract with electricity supplier 8% (FY24 estimated data: 9%) and for passive procurement (residual mix) 4% (FY24 estimated data: 7%). FY24 estimated data remained at 1% for passive procurement (other grid-average emissions factors).
- 2024 actual values for GHG intensity based on net revenue were 1,405.7 for location-based intensity (FY24 estimated data: 218) and 1,404.9 for market-based intensity (FY24 estimated data: 217). Figures for 2024 have been revised as in-scope full book emissions figures are now included in the total emissions.



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# Societal & Workforce Progress

## In this section

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| Equal Treatment & Opportunities for All | ESRS S1 – Own Workforce                                             | 82   |



# Societal & Workforce Progress

We are committed to playing a positive role in society, and contributing meaningfully to the economy. We work hard to ensure our colleagues feel supported and empowered, enabling us to deliver on our customer commitments and strengthen our impact in the communities we serve.

## SBM-3

Three material topics from our DMA are the primary focus of this section:



**Financial Wellbeing**



**Housing**



**Own Workforce**

(Equal Treatment & Opportunities for All)

This section details our approach to managing the corresponding material IROs in terms of policies, actions and performance measures.

Alongside our Human Rights Commitment, we address other ESRS social pillar requirements, detailing impacted stakeholders, our engagement with them, and our processes for raising and remediating concerns. Our DMA and our stakeholder engagement channels help us consider aspects such as gender, diversity, and vulnerability, focusing on our customers, colleagues, and the wider community.

The first of our material topics, **Financial Wellbeing**, is explored through three themes: tailored financial products, innovative solutions and informed financial decisions.

We support and empower our customers, who are at the heart of everything we do, to manage their personal finances with confidence, with additional supports for customers in vulnerable circumstances. We serve consumers, SMEs, and large corporates through tailored products, solutions, and partnerships, adapting our services to meet changing needs.

Our approach supports improving access to financial services, including updated design solutions, providing financial education and enhancing the customer experience through simplicity, agility, safety, and self-service. Strong customer relationship management is central to maintaining trust and satisfaction.

As part of our commitment to being a Customer first organisation, in 2025 we completed an exercise to segment our AIB ROI consumer base, using customer data and market research insights. The ambition was to categorise our customer segments, deepen our understanding of who they are, and align our proposition planning to ensure we are meeting and anticipating customer needs. Building on this, we are planning to undertake a similar exercise for Business Markets and AIB NI in Q1 2026, further enhancing our ability to adapt our services and propositions to evolving customer expectations.

At AIB, our ambition is to help customers achieve the life they're after by meeting their needs at every life stage. AIB supports a substantial customer base, and we are constantly working to improve their experience with us by deepening our understanding of their ever-evolving needs.

**Housing** is also one of our material topics, vital for community resilience, wider society and future generations.

As a leading mortgage provider, we offer lower-cost green mortgages for energy efficient homes and lower-cost loans for retrofitting, which are detailed in the Climate & Environmental Action section above.

We support social and affordable housing programmes, which impact affected communities in our downstream value chain and viewing housing through both customer and affected communities' perspectives.

Our social pillar also prioritises our colleagues. Investing in our workforce ensures it has the skills and support needed to deliver the best outcomes for our customers.

Our third material topic in this section is **Own Workforce** (Equal Treatment & Opportunities for All). We foster an inclusive workplace where everyone feels empowered, promoting gender equality, training and development initiatives, inclusion of people with disabilities, anti-harassment measures, and diversity among colleagues. We support work-life balance, variable pay, and career development, all of which positively impact colleagues.

Recruiting and retaining skilled people – and providing ongoing development – are essential to our sustainability commitments and customer service. A strong sustainability approach (as detailed in Climate & Environmental Action) helps attract and retain a talented workforce, supporting our strategy for operational efficiency and resilience. See pages 44 to 45 for details.



## Material Topic: Financial Wellbeing

In line with our strategy, we put customers first and their financial wellbeing is at the heart of what we do. We aim to continually adapt our service and product offerings to meet the needs of our customers, throughout their life stages, while always being fair, transparent, and accessible, and consistently delivering the best value we can offer.

This is one of our seven material topics. For each topic, we report in accordance with the ESRS. We disclose our approach to managing our material IROs through our policies, actions and performance measures.

### Value chain: Downstream

#### Impacts:

- We provide access to essential financial resources, promoting financial inclusion and wellbeing by providing tailored financial products and services.
- We deliver lasting, innovative solutions that evolve with our customers' banking needs, focusing on addressing their issues and enhancing their experience through proactive product and service excellence.
- We empower customers to make informed financial decisions and improve access to finance through clear, straightforward communication.

## Our policies

### S4-1

The policies described below apply to all employees, contractors, consultants, agents and third parties throughout the Group, in all jurisdictions who have direct or indirect access to our information or systems. They are applicable to all legal entities and subsidiaries in AIB Group, including Goodbody and, where relevant, our suppliers within our value chain. Payzone is not covered by these policies as it maintains its own suite of policies.

#### Tailored financial products and Innovative solutions

We support customers at every financial and life stage, from education to planning for and entering into retirement. This section details initiatives related to tailored financial products for different life stages, which include our investment, pension products, initiatives to support women and student lending products.

In supporting our customers, we aim to continually improve their banking experience with us by delivering innovative design offerings that keep pace with our customers' financial requirements, and we track the effectiveness of this with our Customer Experience surveys. We also undertake substantial customer research with the design of new products and propositions to ensure that we take into account customers' needs when delivering on those products.

#### Product and Propositions Risk Policy

This policy outlines our approach to managing and mitigating risks in developing products, propositions, services and customer solutions, aligning with our Group Risk strategy and RAS.

The policy covers consumer and wholesale products, customer solutions and product fees or charges and is owned by the Head of Operational Risk and sponsored by the CRO. The policy ensures products are designed with a target market in mind and that customers' needs are considered throughout the product development and management stages. The policy should be read in conjunction with the AIB Group Culture Risk and Conduct Risk Framework and is available to all of our colleagues internally. Goodbody has a separate product governance model in place in line with its business model.



Adam Harris, CEO of AsI Am, with Geraldine Casey, Managing Director of Retail Banking.

#### Informed financial decisions

We are committed to helping all customers make better-informed financial decisions. We do this by ensuring that our communication is clear and straightforward, through education initiatives, and we also recognise that some customers require additional care, support or protection to meet their banking needs.

#### Group Conduct Risk Policy

We believe that all forms of customer communications, including our advertising, should be clear, fair, accurate, and not misleading, in line with our Group Conduct Risk Policy. The policy sets out our approach to identifying and managing conduct risks, ensuring customer impacts and fair customer outcomes are central to management of these risks. Our Group Conduct Risk Policy encompasses both Retail and Wholesale Market Conduct Risk and aligns to the Group's Risk Strategy and risk appetite. It is owned by the Group Chief Compliance Officer, sponsored by the CRO and available to all of our colleagues internally on our intranet. Under our Conduct Risk Policy, each ELT member is responsible for the effective implementation of Customer Vulnerability processes in their business and for monitoring their effectiveness.

#### Customer Vulnerability Guidelines

We understand that vulnerability can affect anyone during periods of stress or difficulty, impacting a person's ability to manage our finances and make decisions. We consider a customer to be in vulnerable circumstances when they require additional care or support to prevent poor or unfair customer outcomes. This can include customers with an accessibility need, a language barrier, customers facing a time of stress and difficulty, or our younger customers.

Our Customer Vulnerability Guidelines help manage conduct risk for customers in vulnerable circumstances and support the Group Conduct Risk Policy, for both personal and business customers. Customers who are experiencing vulnerable circumstances may be less able to represent their own interests and more likely to suffer harm; therefore they require additional support.

The guidelines apply to all customers, are owned by the Head of Customer Vulnerability, and sponsored by the Head of Customer Care. Going forward, we will consider developing a specific policy to manage our impact in relation to financial literacy.

## Financial Wellbeing *continued*

### Our actions

S4-4

#### Tailored financial products

We provide comprehensive support to customers across a range of financial needs. This section outlines initiatives offering tailored products and services, including our savings, investments and pension products, initiatives supporting women and student lending solutions.

#### Savings, investments and pension products

AIB life offers protection, investment, and pension solutions to help customers achieve financial security, supported by our financial planning service where dedicated financial advisers offer personalised consultations to assess individual circumstances and recommend appropriate strategies for protection, investment, and retirement planning.

Sustainability is embedded in our Investment Fund Range, which includes Article 8 and Article 9 funds under the Sustainable Finance Disclosure Regulation (SFDR). These funds prioritise investments in climate, environmental, health, and societal initiatives while excluding companies that negatively impact environmental objectives.

The AIB life hub (on the AIB mobile app) provides access to policy documents, fund performance, investment and retirement calculators, and educational content on financial planning topics.

Complementing our life and investment offerings, AIB provides a range of savings accounts accessible via our mobile app or through our branch network, each of which has a Savings and Deposits Adviser to support customers in creating tailored savings plans.

We held our first National Savings Week across the branch network in May 2025. This included new supports and training to frontline teams to improve our service and inform savings conversations with customers.

We recently launched digital investment advice through the AIB mobile app, enabling customers to assess the suitability of a regular saver investment to their unique needs, and to begin investing with an amount that suits their financial capacity and risk appetite. The customer can opt to speak with an adviser for additional support at any point.

#### Tailored initiatives to support women

We promote financial inclusion by sponsoring the AIB Mentoring Access Initiative for Women in SMEs, offering 20 places in a year-long mentoring programme as part of the IMI/30% Club Ireland, targeting diverse women leaders. For the second consecutive year, we were the title sponsor of the Women in Business All-Ireland Female Entrepreneurs Conference, with the 2025 theme being 'You've Got This' which focused on the skills and support required to grow a thriving business.

We continued our partnership with AwakenHub, a female entrepreneurship body that has a community of female-led businesses, and as official partner of Network Ireland in 2025, an organisation focused on advancing the professional and personal development of women in business. Key highlights included the International Women's Day event in Croke Park, and the annual National Conference.

We continue to empower women in business, through partnership between Goodbody and 'THE GLOSS' with the new 'Invest in You' section on thegloss.ie, which provides free financial education including an 'Introduction to Investing Masterclass', profiling senior women, and facilitating conversations on finance.

In 2025, the partnership hosted the 'In Women We Trust' series, including a panel in Kilkenny in October, where guests explored the future of women in leadership, the evolving role of AI, and strategies for personal and professional investment. Earlier in May, guests attended a panel on leadership in publicly listed companies at the historic Irish Stock Exchange.

#### Supporting education

In 2025, we continued to support access to education through student loans at discounted rates for full-time third-level students with a Student Plus account, including tailored loans to cover fees.

In 2025, we introduced a Standard Care Account for customers who are 16 or 17 years old and who are unable to make decisions in relation to their finances and require support from a carer (parent or legal guardian) to open and operate the account on their behalf.



#### Innovative solutions

We focus on innovative solutions that enhance customer experience.

- In 2025, our Customer Credit Transformation Programme (CCTP) expanded to give Business customers faster, more transparent access to credit in a secure digital environment. These changes mean quicker cash availability and same-day fund transfers.
- In accordance with regulatory requirements, we also introduced SEPA instant payments, enabling Euro transfers within ten seconds, 24/7 across the SEPA zone, improving speed and convenience. Additionally, Verification of Payee strengthens security by reducing fraud and misdirected payments. Customers can now both receive and send SEPA instant payments to other banks.
- In 2025, we introduced Abi, our new Digital Assistant, as part of our ongoing commitment to enhance customer service. Abi is supporting our customers with regular service-related queries and needs.
- Our savings calculator helps customers to estimate interest they can earn and compare savings account options. We've also introduced dynamic interest rate displays across savings product pages on the website, so our customers can more easily view the rate that applies to the product.
- A significant enhancement to our mobile platform, launching in 2026, will support personal customers. This will change how we deliver our digital services by consistently evolving to meet our customers' needs. The new mobile platform will include a personal financial management tool, offering customers key insights to manage their daily spending. The 'Zippay' solution, a fast and secure way to make payments, will be integrated into AIB's existing app at launch.

Our design improvements in 2025 were influenced by external market research, 'Voice of the Customer' programme (see page 90 for more details), app store ratings and the analysis of customer calls.

#### Informed financial decisions

We help customers make confident financial choices and enhance access to finance through clear, simple communication, and pay particular attention to customers who require additional care or support.

#### Clear, simple, accessible communication

We aim to empower all our customers to make confident financial decisions. In 2025, we reviewed our new communications in line with the European Accessibility Act to make sure they are accessible to all. We have also reviewed our brand's tone of voice guidelines, and we are preparing to meet stricter regulations on clear language, coming into force in 2026, so that we communicate with our customers more effectively across emails, letters, webpages, and apps. To ensure the effective implementation of our communications principles, we have created a customer base management team who will centralise our direct communications to ensure we interact with customers at the best time for them with a message that makes sense.

We use social media to promote financial wellbeing and fraud awareness. In 2025, AIB expanded its 'Wait a Sec, Double Check' campaign, urging customers to pause and review for fraud, and ran a LinkedIn campaign educating SMEs on cyber crime. Influencer activity highlighted new scams and ways to spot fraud, while content for young people focused on risks around concerts, Black Friday and Cyber Monday.



In April and November 2025, AIB in collaboration with MABS (Money Advice and Budgeting Service), NALA (National Adult Literacy Agency), ALL (Adult Literacy for Life), Cork Education and Training Board and Ludgate (a social enterprise and co-working hub), hosted a number of community events focused on money management and fraud prevention. Local banking professionals and community representatives provided guidance on budgeting, preparing for financial emergencies and recognising scams.

The CX Pod Club podcast was expanded in 2025 to include both branches and Customer Engagement Centres. This podcast was created with behavioural psychologist Pádraig Walsh and supports staff in building empathetic, meaningful customer connections and is accessible to all AIB employees.

Promoting financial literacy

In 2025, Goodbody published a series of guides on its website to help inform customers on financial planning for the future:

- The Investment Tax Guide, prepared in partnership with Chartered Accountants Ireland, is a go-to resource for a clearer understanding of the tax implications of specific investments.
- The Inheritance and Estate Planning guide is a comprehensive resource to help people manage the efficient transfer of wealth to the next generation, with advice relating to estate planning around gift and inheritance tax, business succession planning, family governance, and the changing nature of families in an inheritance plan.
- The Retirement Playbook looks to demystify retirement planning, offering clear, tailored advice for a wide range of individuals including private and public sector workers, the self-employed, divorcees, and those retiring abroad or facing health challenges. It highlights common pitfalls and provides actionable strategies to help people prepare for a financially secure retirement.

With a view to improving financial literacy, we have emailed customers directly with our ‘Top five savings habits’. There has been continued focus in 2025 to remove the barriers to savings for customers and in developing savings plans and achieving a return on customer savings.

Customers in vulnerable circumstances

We provide dedicated support for customers in vulnerable circumstances where everyone can take control of their financial wellbeing:

- A dedicated additional support helpline which supported customers and carers via 18,096 (2024: 10,331) calls and an additional support flag system for assistance to customers in need.
- A dedicated internal vulnerable customer support team.
- ATM accessibility with voice-guided functionality enabled on all our ATMs, and cash and cheque lodgement machines.
- A full annual training and awareness programme (including four new courses introduced in 2025) for colleagues supporting customers in vulnerable circumstances, with 66,028 hours of training completed (2024: 42,334). In 2025, a new mandatory training course was introduced, ‘Additional Support for our Customers’, which empowers our colleagues to support customers in vulnerable circumstances.
- Customers with a hearing impairment can contact us via sign language interpretation services: IRIS in Ireland and Convo in the UK. Furthermore, in the UK, customers who are deaf, hard of hearing or have a speech impairment can contact us using the Relay UK Service.
- We provide bank statements in braille and large print in Ireland and the UK. In the UK, we are expanding the service with a partnership with the Royal National Institute of Blind People (RNIB) to include audio. In Ireland, we expanded the braille service via the partnership with The Big Word.
- A language translation and interpretation service is now available for customers in our 170 branches network across the country in over 120 languages.
- We continue to be JAM-Card Friendly in Ireland and the UK, and we partner with Dementia Inclusive in Ireland and Alzheimer’s Society in NI.
- We partnered with AsIAm, becoming the first Irish Bank to receive Autism Friendly Accreditation for all its branches and EBS offices. The enhancements include the provision of sensory maps for each location, quiet areas and sensory kits as well as support training for frontline colleagues.

- AIB UK provides supports to customers and staff experiencing domestic abuse. In 2025, AIB NI continued to partner with Hestia and the Say No More UK charity to make all NI branches Safe Spaces. This provides a private room to an individual who is experiencing domestic abuse for the support they require. The room can be used by anyone who wishes to use it.
- In line with the European Accessibility Act (EAA), Payzone terminals offer sight impaired functionality, making it easier for customers with sight impairment to go about their daily purchases more easily.
- Payzone and St. Vincent de Paul partner to support people struggling with their energy bills, leveraging Payzone payment technology in order to support energy vouchers.
- In 2025, AIB continued to support TU Dublin’s pioneering programme to empower people with a disability to start their own business through a free 12-week course delivered by the Continuing Professional Development programme, with the support of the Open Doors initiative.

Support for customers in financial difficulty

We have a strong history of supporting customers experiencing financial difficulty. Our resolution process considers each customer’s ability to repay, considering their assets and sustainable income levels, and is guided by a robust governance and policy framework.

Using early warning indicators, we proactively identify and contact those customers most at risk of going into arrears each month across AIB mortgages, personal and SME, as well as EBS mortgages. We have a dedicated ‘Worried about Payments’ section across our ROI websites which offers simpler navigation, a webchat function for mortgages and enhanced sections on repayment options and support.

We regularly review our forbearance solutions to ensure they remain appropriate to customers’ circumstances, fair, consistent, and compliant. In 2025, we reviewed our household expenditure guidelines, to reflect macroeconomic factors so that our solutions remain sustainable for our customers.

Our performance measures

S4-5

Tailored financial products

In 2025, qualified advisers carried out 34,100 financial planning consultations, and this is measured against an internal target. All financial planning consultations are recorded on a dashboard, with a four-eye review performed. No judgements or estimates are applied.

We continue to track customer service progress and finance volumes, and are exploring ways to better measure our impact on customers’ financial wellbeing, especially for those needing extra support. Our goal is to introduce new initiatives to help customers make informed, responsible financial decisions.





## Material Topic: Housing

As an Irish mortgage provider, we are attuned to the unique complexities facing the Irish housing sector and the needs of our customers.

This is one of our seven material topics. For each topic, we report in accordance with the ESRS. We disclose our approach to managing our material IROs through our policies, actions and performance measures.

### Value chain: Downstream

#### Impact:

- We contribute to the greater availability of housing stock, including social and affordable housing – stimulating economic growth, improving access to housing, and enhancing quality of life for residents by enabling them to purchase their own homes.

A home is one of life's most basic and essential needs. Secure housing underpins better health and education outcomes and provides people with a safe place to build their lives and families. Beyond individual wellbeing, housing is a cornerstone of social cohesion and economic resilience. Adequate supply supports labour mobility, attracts investment, and enables sustainable urban development.

Through our Customer first strategic pillar in particular, our housing strategy contributes to a robust and sustainable economy and society.



Irish TV Presenter Brendan Courtney hosted the 'My First Home with AIB' event series in The Dean, Cork City.

## Our policies

S3-1, S4-1

This section outlines our main policies governing our provision of finance for residential mortgages and residential developments, including Build-to-Rent (BTR), Private Rented Sector (PRS) and social housing developments. The policies cover all our customers in Ireland and the UK, and excludes Goodbody and Payzone. We review each policy periodically, so that we can continue to meet our customers' housing needs and support government-led initiatives. These reviews also incorporate key stakeholders' interests and feedback from across the organisation.

The Chief Credit Officer owns these internal policies, which are available for our colleagues on our intranet.

### ROI and UK Residential Mortgage Policy

Our ROI and UK Residential Mortgage policies set out rules for all residential mortgage-related lending we perform in both our key markets, including lending to first-time home buyers.

### Group Residential Development Policy

The Group Residential Development Policy governs lending for residential development in the ROI and the UK. This includes funding the development phase of BTR, PRS and residential developments, and the development phase of social housing.

### Group Commercial Investment Policy

Our Group Commercial Investment Policy covers all lending for commercial property investment in ROI and the UK. This includes funding for both commercial investment property and residential investment property, with repayment based on the net cashflows from rental income generated by the underlying properties.

### Group Social Housing Policy

Our Group Social Housing Policy sets out the relevant lending rules that are applicable in both ROI and the UK. It supports lending to our customers for social housing and helps manage and mitigate the associated risks. This includes lending for the purpose of acquiring and refurbishing units for social housing, or debt funding for social housing providers and approved housing bodies. It can include mortgage-to-rent (MTR), affordable housing, sheltered housing and housing for the elderly.

### Social Bond Framework

Some of the funding that we provide to Approved Housing Bodies (AHBs), authorised scheme providers under the MTR scheme, and to borrowers under the First Home Scheme (FHS) and Local Authority Affordable Purchase Scheme (LAAPS), is included in our social bond pool. This financing is subject to the voluntary transparency requirements detailed in our Social Bond Framework, including annual allocation and impact reporting. Our lending due diligence takes into account AIB's excluded activities list. The Framework is based on the ICMA Social Bond Principles 2023 and is available on our website.

The GSC approves material Social Bond Framework updates, as well as social bond allocation and impact reports.

### Advancing Greener Housing

AIB Group is committed to enabling a more sustainable housing market in Ireland and to supporting a just transition that benefits communities and future generations. At the end of 2025, 62% of new residential mortgages in ROI issued by AIB were for energy efficient homes. Alongside mortgages, we help accelerate retrofitting and refurbishment through associated products and partnerships, such as our role as a preferred finance provider to Electric Ireland Superhomes and participation in the HEULS, giving homeowners practical, low-cost routes to improve BER ratings and comfort while lowering emissions. These efforts underscore the opportunity for AIB to mobilise capital towards greener housing, strengthening community resilience and advancing Ireland's transition to a low-carbon economy. To read more on this and other 'greening our business initiatives', please see the Climate & Environmental Action chapter from page 55.

## Our actions

S3-4, S4-4

### National Housing Agenda

In 2025, we continued to participate in the Irish Government's FHS and LAAPS. The FHS supports middle- to lower-income buyers by bridging the gap between the home price, their deposit and their mortgage, with the number of supported applicants tracked by the scheme. The LAAPS enables customers to buy a home at a discounted market price, helping those who might not otherwise afford a home.

While the pace of inflation has eased, cost-of-living pressures still remain a factor for our customers. Throughout the year, we took a considered approach to changes in monetary policy and interest rates, when monitoring the European Central Bank and Bank of England interest rate trends. We reduced mortgage interest rates in 2025, in AIB, EBS and Haven.

### Increasing housing stock in societies in which we operate

Ireland has experienced profound demographic and economic shifts in recent years, with population growth reaching its highest rate in modern times. While this signals a vibrant and evolving nation, it has placed significant strain on the existing housing system. The supply of homes has consistently fallen short of rising demand.

In Ireland, our Real Estate Finance team within our Capital Markets segment is a specialist lending unit. In 2025, the Real Estate Finance team provided funding for large corporates who build houses, small regional developers, homes for rent and for sale and social and affordable housing.

### Assisting customers in vulnerable circumstances

In 2025, AIB continued to support customers affected by the Defective Concrete Blocks (DCB) issue through a dedicated team that works directly with customers, the BPFI and owner representative bodies, providing tailored support and representation with industry stakeholders and government departments.

For customers facing financial pressures, our dedicated teams offer solutions based on ability to repay, including interest-only periods, fixed repayments, term extensions and arrears capitalisations. The 'Worried about Payments' section across ROI Group websites outlines supports such as cost-of-living information and links to MABS and the Insolvency Service of Ireland (ISI).

In 2025, we introduced AIB mobile app push notifications alerting customers when funds are insufficient for their mortgage direct debit, reducing missed payments among those who opted in.

AIB supports the Government's MTR scheme, enabling eligible customers to sell their home to an MTR Provider and rent it back at an affordable rate. Customers access this through AIB, EBS and Haven. In 2025, we funded iCare's purchase of MTR properties.

## Our performance measures

S3-5, S4-5

We track the measures below and will continue to assess how best to measure our performance across Ireland's housing value chain.

### First-time buyers<sup>1</sup>

We have made a commitment to deliver more than €6bn of cumulative new lending to first-time buyers in ROI by 2026. Our Housing target is guided by our internal target-setting process. Our management teams consider results from scenario analysis models, which are approved by senior leadership, ensuring alignment with our broader Group and sustainability strategy. In 2025, we continued to make progress by providing €2.61bn in new lending to first-time buyers in ROI.



### New lending extended to first-time buyers in ROI

FY2025 €2.61bn

FY2024 €2.79bn

Cumulative €5.4bn as of end-2025, against >€6bn target for 2026

### Supporting residential development

AIB continued to support residential property development throughout 2025 in ROI and the UK. In our FY2024 CSRD statement, we reported the performance measure 'New lending to fund residential developments', reflecting €366m in total facilities to support new homes in Ireland and the UK. For FY2025, we are transitioning to a new metric, 'Funding for new residential developments', to reflect the scale of AIB's support for the Irish residential property market.

The previous new lending metric, which reported only the value of new loan facilities drawn in the year, under-represented the total level of funding advanced to developers. In practice, residential development funding is often drawn down through a combination of term loans and revolving credit facilities (RCFs) over multiple phases of the construction project. As a result, new facility approvals do not fully capture the actual capital deployed into residential construction during the year.

The FY2025 performance measure captures all term and cumulative revolving lending drawdowns during the year for qualifying residential projects in ROI.

It is considered a more accurate indicator of our contribution to Ireland's residential development pipeline and we will continue to report this figure annually to support stakeholder understanding of our impact, while also considering the establishment of external targets for future performance.

Residential development funding includes the amounts advanced for development of all forms of residential homes, including houses, first home scheme, apartments for rent or sale and ROI government-supported social and affordable homes.



### Funding for new residential developments

FY2025 €959m

FY2024 €978m

### Social and affordable housing

AIB supports the national housing agenda directly through various government-led initiatives and support for social housing through AHBs and private developers delivering social and affordable homes in Ireland, and registered providers of social housing in ROI and the UK.

The measure for social and affordable housing includes the development sub-set referred to above, together with investment funding and general corporate lending. As such the FY2025 metric for social and affordable housing in ROI has been similarly updated (2024 performance measure was €135m). While we do not have specific targets related to funding social and affordable housing in ROI, or funding social housing in the UK, we use the performance measures as noted here to track the effectiveness of our actions.



### Funding for social and affordable housing in ROI

FY2025 €139m

FY2024 €147m



### Funding for social housing in the UK

FY2025 £174m

FY2024 £112m

1. Guidance on the definition of first-time buyers can be found on the AIB website.





## Material Topic: Own Workforce (Equal Treatment & Opportunities for All)

This is one of our seven material topics. For each topic, we report in accordance with the ESRS. We disclose our approach to managing our material IROs through our policies, actions and performance measures.

### Value chain: Own operations

#### Impacts:

- Our Inclusion & Diversity strategy promotes a strong programme of engagement, wellbeing and universal inclusion initiatives.
- Variable pay based on performance against specific financial and non-financial measures rewards employees, encourages skills development and contributes to enhanced job satisfaction.
- We provide training and skills development for employees to develop their careers fostering a culture of growth.

#### Risk:

- Failure to upskill our colleagues, recruit and retain talent to support the transition of the Group's loan book, could impact our ability to meet customers' expectations and deliver our strategic commitments.

#### Opportunity:

- Attracting top talent can drive innovation in sustainable finance products, leading to increased profitability for the Group.

Operational efficiency and resilience is one of our three strategic priorities, and we define it as enabling our colleagues to deliver for our customers by investing in their capabilities and capacity.

Own Workforce (Equal Treatment & Opportunities for All), within the ESRS categorisation of ESRS S1 Own Workforce, is a material topic for the Group. While 'Own Workforce' spans a variety of sub-topics as per ESRS S1, we identified two through our DMA process as detailed on page 49: creating a culture of Inclusion & Diversity (I&D), and creating a culture of learning and development. We use the terms 'own workforce' and 'our colleagues' interchangeably.

The following policies relate to own workforce and apply to everyone who is directly employed by AIB in ROI and UK, unless otherwise stated. AIB USA staff refer to Group Policies where applicable, however, in many cases they are governed by their own local policies aligned to USA laws and regulations. Goodbody and Payzone are governed by their own subsidiary policies, and have been omitted from various performance measures due to different operating models; these will be considered for inclusion, where appropriate, in future reporting.

## Our policies

### S1-1

#### Our colleagues – Inclusion & Diversity

##### Inclusion & Diversity Code

Our I&D Code recognises that we should respect, develop and harness the uniqueness of our colleagues, as well as embracing and celebrating our differences, in order to promote equal treatment and opportunities for all. The Code sets out the principles that we live by and underpins our related policies, handbooks, and a year-round employee engagement calendar of awareness and educational events. Governance is overseen by our I&D Council.

The Code specifically covers the following grounds of discrimination: race (including colour, nationality and ethnic and national origin), religion or belief, age, disability, gender and gender identity, sexual orientation, marriage or civil partnership, pregnancy or maternity, family status and membership of the Travelling Community. We do not have specific monitoring in place, but our Raising Other Concerns portal option and our Grievance procedures allow colleagues to report behaviours contrary to the Code, which we then manage through the processes outlined on page 90.

The Chief People Officer (CPO) is ultimately responsible for implementing the I&D Code. It is reviewed periodically via our HR Policy team's central review schedule of all HR policies, and includes engaging with key stakeholders across the organisation. The I&D Code is available on our website.





## Family Leave Handbook and Carer's Policy

To foster an inclusive culture, we support our colleagues as they navigate critical life stages, including having a family and caring for a family member. Family is central to our culture and these policies aim to offer the best support we can, in a fair and truly inclusive way.

Our Family Leave Handbook details available leave – paid or unpaid – for all parents directly employed by the Group. It covers our maternity, adoptive, surrogacy and paternity leave policies, our paid and unpaid parent's leave policies, our UK shared parental leave policy, our fertility and neonatal leave policy, and our foster leave policy. These are important for supporting all of our working parents in achieving a sustainable work-life balance during critical life stages.

Our Carer's Policy outlines our leave entitlements and conditions with respect to:

- Critical Caring Leave (AIB ROI and UK employees);
- Leave for Significant Care/Medical Support (AIB ROI and UK employees); and
- Carer's Leave (AIB ROI employees only).

The CPO is ultimately responsible for implementing these policies. Direct employees of subsidiaries are subject to their subsidiaries' respective policies and are not within the scope of the policies above. The policy is published internally on our intranet.

## Anti-bullying and Harassment Policy

Everyone working in AIB has the right to be treated with dignity and respect, and should be protected from bullying or harassment in the workplace. They should never feel intimidated, victimised or humiliated, or suffer hostility within the workplace.

This policy reflects our commitment to providing a workplace that supports our people to be at their best and make a positive contribution to what we do. It relates to any unwelcome behaviour, whether it happens in the workplace or at a work-related event or social events organised by the Group whether on-site or off-site.

The grounds of discrimination and characteristics are as those defined in both the Irish and UK Equality Acts. The CPO is ultimately responsible for the implementation of the policy.

Further details on AIB's grievance mechanisms are on page 101. The policy is available on our website.

## Our actions

S1-4

### Universal inclusion

We cultivated a culture of universal inclusion in 2025, through the continued implementation of our I&D strategy.

- We successfully retained our Gold Investors in Diversity accreditation, the highest standard awarded by Irish Centre for Diversity. In 2022, AIB was the first bank in Ireland to achieve the Gold standard and is one of only 14 organisations in Ireland to have achieved reaccreditation as of 31 December 2025. Maintaining the Gold standard affirms our commitment to embedding I&D in our culture and reflects progress made over the past two years through our Universal Inclusion campaigns and initiatives.

- We held our fourth annual Universal Inclusion Campaign, to promote an inclusive workplace, one where diversity is embraced and everyone can reach their full potential. This included an interview with advocate and disability leader Sinéad Burke and our Managing Director of Retail Banking, Geraldine Casey, on the subject of the European Accessibility Act and AIB's work towards compliance. It also included a NeuroInclusion Team Talk which more than 2,000 of our colleagues took part in. As part of the campaign, we introduced the opportunity for our employees to voluntarily update their HR profile with diversity data.
- AIB has an I&D Council, made up of leaders from across the organisation and chaired by an ELT member. It helps coordinate and implement I&D efforts and deliver on our commitment to a culture where all employees can perform at their best and reach their potential. In 2025, our Council met regularly and welcomed the CRO as our new Council Chair.
- In 2025, we have launched a long-term Women in Leadership project and working group to tackle career progression challenges facing women in the workplace.

### Employee Resource Groups

Our ERGs (Inclusion Networks) celebrate the diversity of our colleagues and play an important role in fostering an inclusive workplace by promoting awareness, support, and collaboration among employees throughout 2025.

- With the support of our Women's+ Network, we have targeted programmes to empower women at all levels in AIB. The programmes focus on developing leadership, technical skills and career progression strategies. For example, our Mentor Her programme helps mentees to better command their own career path through their mentor's support and contacts across the broader mentee group. Our 2025 programme featured 186 mentors and mentees (2024: 194).
- Our Origins+ Network raises awareness of the experiences of people from ethnic minority groups and celebrates all our employees' heritage throughout the year. They also celebrated a 'Connecting Culture Week' using the theme of cuisine to bring our people together and ignite curiosity.
- Our Pride+ Network organised a variety of events for our colleagues, including a multi-location Pride brunch and representation in Pride Parades around the island of Ireland, and sponsorship of Dublin Pride Run. We held an event to mark 'World Coming Out Day' with a panel discussion which included members of the Pride+ Network talking about their lived experiences.
- Our Abilities+ Network raised awareness around several global initiatives such as World Autism Day, World Sign Language Day and International Day of Persons with Disabilities in December.
- Our Life & Family+ Network partnered with Family Carers Ireland to provide a support package to our working carers, including one-to-one access to expert guidance and support. Our Network also organised a webinar on helping parents create the best family structure they can using practical easy-to-use techniques. This included discussion of topics such as family balance for working parents, and back to school.

### Family leave

In April 2025, we continued to build on the enhancements made to our family leave policies in 2024. Our policies became Day 1 entitlements meaning that all colleagues can avail of benefits from the first day of employment. We also introduced foster leave allowing up to 10 days paid leave for any colleague going through the Foster Care journey. The UK Government introduced neonatal leave and pay, and AIB decided to top up this payment while also extending this fully to colleagues in ROI. Once eligible, employees can take this leave in blocks of a week, for each week their baby is receiving neonatal care, up to a maximum of 12 weeks.

## Own Workforce (Equal Treatment & Opportunities for All) continued

### Our performance measures

S1-5, S1-9

#### Gender diversity

One area of our I&D Code relates to gender. Having been an early signatory of Ireland's first Women in Finance Charter, we aim to have a gender-balanced ELT, management and the Board each year. Specifically, we target between 40% and 60% female representation in ELT and management, which is underpinned by the Equileap annual Gender Equality Global Report and Ranking's definition of 'gender balance'. AIB has an ongoing target for the Board of a minimum of 40% female representation. These targets have been reviewed by the Board. We have maintained a gender-balanced ELT and management in 2025. However, female representation on the Board decreased to 38% as at 31 December 2025, falling below the stated target. The Board remains committed to this gender diversity target, and the selection process for future appointments will take it into consideration to restore compliance with the policy.

HR monitors our performance against our gender diversity target across all management (including ELT) and reports quarterly to senior management and per the Board cycle. The Nomination and Corporate Governance Committee (NomCo) monitors the Board's gender diversity target as part of its overall governance and oversight responsibilities.

We prepare various gender diversity performance measures for internal and external reporting purposes; please find these below. AIB's ELT is its 'Top Management' level (for the purposes of addressing S1-9 requirements). The gender diversity figures also do not include employees noted as Other/Not reported (per page 86). The Board figure refers to the AIB Group Board.



#### Gender diversity

##### Women as % of ELT and Management



Target: 40%

##### Women as % of the Board



Target: 40%

##### AIB's ELT gender diversity

|                   | 2025 | 2024 |
|-------------------|------|------|
| Number of females | 5    | 6    |
| Number of males   | 7    | 8    |
| % females         | 42%  | 43%  |
| % males           | 58%  | 57%  |

##### AIB's age diversity – All employees

|                   | 2025 | 2024 |
|-------------------|------|------|
| <30 years old     | 16%  | 18%  |
| 30 – 50 years old | 62%  | 61%  |
| 50+ years old     | 22%  | 21%  |

1. FY23 comparatives are not subject to limited assurance.

### Gender Pay Gap Report

S1-16

The Gender Pay Gap (GPG) is the difference in the hourly pay of men and women across the organisation. Our GPG reporting has been completed in line with the requirements and methodologies in the jurisdictions in which we operate. We are satisfied that the outcomes are broadly representative of our profile as at 31 December 2025.

Our annual GPG Report for AIB ROI, based on our snapshot date of 30 June 2025, shows a mean GPG of 17.5%. Since our previous GPG Report in 2024, there has been a 0.3 percentage point improvement.

We also published a report for AIB UK, based on legislative snapshot date of 5 April 2025, with a mean GPG of 21.3%. Since our previous report in 2024, there has been a 5.7 percentage point improvement.



#### Gender Pay Gap

##### ROI gender pay gap



##### UK gender pay gap



Similar to last year, the primary reason for our pay gap remains our organisational shape, with a significantly larger number of females in lower-level roles, and higher numbers of males in more senior roles.

The highest paid individual in our organisation is our CEO. The median annual total compensation for all employees (excluding the CEO) for 2025 was €62,391 (2024: €60,406) and, the ratio of the annual total compensation of our CEO to the median annual total compensation of all employees (excluding the CEO) was 12.69 (2024: 10.66). Estimates are used for variable remuneration that relate to 2025 but are not paid until Q2 2026. We will consider the feasibility of using actual data in future reporting.

### Family leave

S1-15

In 2025, 100% of AIB employees are entitled to take family-related leave, with 21% doing so (26% of females and 15% of males). In 2024, 19% took this leave (23% of females and 13% of males).



#### Family leave



## Our policies

### S1-1

#### Our colleagues – Training and skills development

Creating a culture of learning and development is part of our commitment to our colleagues, helping to attract and retain a talented workforce who share the same values. Providing our staff with training and skills development empowers them along their career journey, which ultimately helps us meet our decarbonisation ambitions and put our customers first.

#### Education Policy

Our Education Policy recognises our role in promoting continuous learning and development, so colleagues feel supported throughout their career in AIB and we can fill any identified skills gaps. The policy provides a framework for employees' development and gives their People Leaders financial and non-financial options to support it.

The CPO is the policy's ELT sponsor. Our HR Policy team reviews our policy regularly in consultation with stakeholders, addressing regulatory, legislative, business, management and best-practice requirements, and any changes to the policy are approved through the agreed governance pathways. The policy is available for colleagues on our intranet.

#### People Risk Policy

People Risk is a key aspect of Operational Risk. It refers to the failure to plan for, acquire, develop and retain the appropriate number of people with the necessary skills and capability required to achieve the Group's strategy, as well as the failure to manage, develop, train and engage them to optimise their contribution and progression within the Group. Our People Risk Policy recognises the importance of our people in delivering our strategic objectives and sets out our approach for managing People Risk in line with the RAS.

The policy is available on our intranet and applies to all individuals who work for or provide services to a member of the Group, and who are either:

- direct employees, irrespective of their tenure or working patterns; or
- independent contractors, whether we engage them directly or through their own service company.

Our CPO is the First Line of Defence (1LOD) ELT sponsor and the CRO is the Second Line of Defence (2LOD) ELT sponsor for this policy. The Group Head of Operational Risk reviews this policy annually, in consultation with stakeholders. This policy applies to Goodbody, but not to Payzone, which has its own policy in place. Please refer to the Risk Management section from page 235 for more details.

## Our actions

### S1-4

AIB supported several initiatives during 2025 in relation to training and skills development:

- We supported the further education of our employees by covering eligible fees and study leave as required. This included support for post-graduate programmes and role-specific qualifications, such as the Professional Certificate/Diploma in Financial Advice (APA/QFA), Chartered Banker Institute courses in the UK, and ACCA or CIMA courses for accountants.
- We continued to offer Continuing Professional Development (CPD) Certificates accredited by the IOB. In particular, 'Understanding ESG for Business Customers' empowered our client-facing colleagues to take action and build their ESG knowledge.

- Our colleagues had access to the AIB Sustainability Academy, which is a hub for all ESG learning, signposting sustainability resources and education opportunities. It aligns with our purpose to empower colleagues to build a sustainable future and equips them to more effectively engage with and support customers and suppliers as they navigate their sustainability journey.
- In 2025, we updated our Career Structure to better reflect our evolving organisation and foster a culture of empowerment, performance, and development. The 'Invest in You' initiative focused on helping employees understand the Career Structure, explore career paths, and recognise the value of one-to-one conversations in their development journey.

## Our performance measures

### S1-5, S1-13

To support our colleagues in improving their sustainability knowledge, a completion rate of 90% is required each year for the mandatory 'Sustainability and AIB' training. The figure of 90% is derived from and aligned with the limit included in the RAS, which is reviewed annually by the Risk Compliance team and BRC and approved by the Board.

The 'Sustainability and AIB' training course had a 94% completion rate in 2025.



#### Completion rate of 'Sustainability and AIB' training

|        |     |
|--------|-----|
| FY2025 | 94% |
| FY2024 | 94% |

#### Average training hours per employee

|        | 2025 | 2024 |
|--------|------|------|
| Female | 35   | 32   |
| Male   | 35   | 29   |
| All    | 35   | 31   |

#### Percentage of employees who participated in regular performance and career development reviews

|        | 2025 | 2024 |
|--------|------|------|
| Female | 95%  | 95%  |
| Male   | 95%  | 94%  |
| All    | 95%  | 95%  |

## Own Workforce (Equal Treatment & Opportunities for All) continued



### Supplementary performance measures

#### S1-6, S1-17

##### Characteristics of AIB's employees

We provide information in this section on other ESRS S1 Own Workforce measurement requirements, including the characteristics of AIB's employees, remuneration, and incidents, complaints and severe human rights impacts. AIB is applying a phase-in provision for metrics related to non-employees (S1-7) and the people with disabilities (S1-12) metric for 2025.

The following section includes three tables that are relevant to S1-6. We report the number of employees using full time equivalent (FTE) as at year end, and it is defined as staff in payment only, excluding tied agents, and AIB staff on career break or other unpaid long-term leave. The total year end FTE figure is the same as that noted in the financial statements on

page 330. There are no significant variances in employee numbers during 2025, and FTE figures reflect some rounding. The total number of employees at year end using headcount is 10,467 which is split 5,686 Female, 4,772 Male and 9 Not Reported. Broken down by country this is 9,670 ROI, 763 UK, 34 USA. The total number of employees at year end using headcount in 2024 was 10,721 which was split 5,886 Female, 4,832 Male and 3 Not Reported; broken down by country this was 9,918 ROI, 768 UK and 35 USA. In relation to our material risks and opportunities for our own workforce, we do not have specific targets in place for employee retention, but our related performance measure 'employee turnover rate' shows progress towards retention of our workforce.

#### Employees by contract type, broken down by gender

| Contract type                            | Female | Male  | Other | Not reported | 2025 Total | Female | Male  | Other | Not reported | 2024 Total |
|------------------------------------------|--------|-------|-------|--------------|------------|--------|-------|-------|--------------|------------|
| Number of employees                      | 5,443  | 4,755 | 0     | 9            | 10,207     | 5,647  | 4,818 | 0     | 3            | 10,469     |
| Number of permanent employees            | 5,300  | 4,576 | 0     | 7            | 9,883      | 5,467  | 4,608 | 0     | 3            | 10,078     |
| Number of temporary employees            | 143    | 179   | 0     | 2            | 324        | 180    | 210   | 0     | 0            | 390        |
| Number of non-guaranteed-hours employees | 0      | 0     | 0     | 0            | 0          | 0      | 1     | 0     | 0            | 1          |
| Number of full-time employees            | 4,909  | 4,723 | 0     | 9            | 9,641      | 5,127  | 4,785 | 0     | 3            | 9,915      |
| Number of part-time employees            | 534    | 32    | 0     | 0            | 566        | 520    | 34    | 0     | 0            | 554        |

#### Employees by contract type, broken down by country

| Contract type                            | ROI   | UK  | USA | 2025 Total | ROI   | UK  | USA | 2024 Total |
|------------------------------------------|-------|-----|-----|------------|-------|-----|-----|------------|
| Number of employees                      | 9,430 | 743 | 34  | 10,207     | 9,685 | 749 | 35  | 10,469     |
| Number of permanent employees            | 9,133 | 716 | 34  | 9,883      | 9,327 | 717 | 34  | 10,078     |
| Number of temporary employees            | 297   | 27  | 0   | 324        | 357   | 32  | 1   | 390        |
| Number of non-guaranteed-hours employees | 0     | 0   | 0   | 0          | 1     | 0   | 0   | 1          |
| Number of full-time employees            | 8,912 | 696 | 33  | 9,641      | 9,178 | 703 | 34  | 9,915      |
| Number of part-time employees            | 518   | 47  | 1   | 566        | 507   | 46  | 1   | 554        |

#### Employee turnover data

| Employee turnover                 | 2025  | 2024  |
|-----------------------------------|-------|-------|
| Number of employees who have left | 1,111 | 1,265 |
| Rate of employee turnover         | 11.2% | 12.6% |

##### Incidents, complaints and severe human rights impacts metrics

The Bank has several channels for its own workforce to raise concerns. All concerns are taken seriously, treated confidentially and investigated with the utmost of professionalism.

In FY2025, a total of one incident of discrimination, including harassment, was reported. No complaints were filed through the Group's channels for its own workforce to raise concerns, in relation to the social, including human rights, factors or matters as outlined in paragraph 2 of ESRS S1.

No complaints were made to the National Contact Points for Organisation for Economic Co-operation and Development (OECD) Multinational Enterprises. The Bank faced no fines, penalties or compensation for damages as a result of the incident disclosed in the period.

AIB confirms that no severe human rights issues and incidents were reported with respect to our colleagues in 2025 (2024: 0). See page 88 for more details on human rights impacts metrics.



## Calculations, judgements and estimates

### Supporting notes for Gender diversity

#### S1-9

Women as % of ELT and Management includes Goodbody in FY25. It was not included in the prior year figure and has not been restated because the differing career structures in AIB and Goodbody did not allow for a consolidated Group-level metric. Within AIB's career structure, management is defined as those in Level 4-6 positions including the Executive Leadership Team (ELT) & Goodbody.

The gender and age diversity performance measures in the tables on page 84, which relate to S1-9 requirements, are taken at the year end and do not include Goodbody and Payzone.

### Supporting notes for Gender Pay Gap

#### S1-16

These reports include all employees of AIB ROI and UK on the respective snapshot dates, who have self-identified as male or female on that date. The calculations exclude Goodbody, Payzone and any employees who do not meet the eligibility criteria as defined in the Employment Equality Act 1998 (Section 20A) (Gender Pay Gap Information) Regulations 2022 for Ireland or The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 for the UK.

The ratio of the annual compensation of our CEO to the median annual total compensation of all employees (excluding the CEO) excludes Goodbody, Payzone, and non-active employees.

### Supporting notes for Family leave

#### S1-15

Employees who took multiple types of family-related leave during 2025 were only counted once. This avoids double-counting but means that the figures are a conservative view of how much family-related leave our employees took during 2025. These figures exclude Goodbody and Payzone.

### Supporting notes for Mandatory training

#### S1-5, S1-13

Group-wide mandatory online training must be completed by all employees and contractors across AIB Group, including EBS and Haven and AIB UK. This excludes Goodbody, Payzone and AIB staff on long-term leave. Training completion rates are monitored and managed by the respective course owners across the Bank, who are also responsible for the creation and annual review of training content for each of these courses. A reduction in completion rate would lead to discussions on what improvements are required. Completion rates are generated from Cornerstone, our external learning management system provider.

### Supporting notes for Performance reviews

#### S1-5, S1-13

We track the percentage of employees who have regular performance reviews. The metric reported here uses 2025 interim data because the final year end reviews are completed post year end, and validated completion rates are not available until after the publication of the Annual Report. We will consider the feasibility of using year end career review data in future reporting. The data excludes Goodbody, Payzone, and a senior cohort of AIB ROI and UK employees who currently have different measurement criteria from other employees. We will consider the feasibility of including this cohort in future reporting. See page 102 in Governance & Responsible Business for more details on our Aspire performance management framework.

### Supporting notes for Average training hours

#### S1-5, S1-13

The figure for average training hours includes virtual instructor-led training (virtual classroom), instructor-led training (classroom), web-based training, Session Management Training (AIB internal training), video, and material provided via iLearn LMS. The figure excludes Goodbody, Payzone, and AIB staff on long-term leave.

### Supporting notes for Supplementary performance measures

#### S1-6, S1-17

As of FY2025, AIB is reporting employee gender for each group of 'Male', 'Female' and 'Not Reported', but not for 'Other'. Work is ongoing to HR systems to include voluntary anonymised reporting options on gender diversity (i.e., Other). Goodbody and Payzone are included in these employees by contract type tables.

Employee turnover rate is calculated based on the total number of leavers, divided by the number of FTE staff at the start of the year. Leavers include voluntary attrition, contract expirations, retirements and voluntary severance, and excludes Goodbody and Payzone employees.

# Human Rights Commitment

## SBM-3, S1-1, S1-17, S3-1, S3-4, S4-1, S4-4

This section outlines our human rights policy commitments in relation to our colleagues, our customers and the wider society and community.

AIB is committed to the protection and preservation of human rights. We respect human rights in accordance with internationally accepted standards. Our approach to protecting and preserving human rights is underpinned by our Human Rights Commitment, which is available on our website. This commitment has been shaped by the United Nations Guiding Principles on Business and Human Rights and it is fundamental in guiding our strategic vision, operations and relationships with stakeholders.

Our Human Rights Commitment operates alongside AIB's Code of Conduct and AIB's Responsible Supplier Code, and our commitments are aligned with those laid out in the laws applicable to the jurisdictions in which we operate, the European Convention on Human Rights and, for our business in Ireland, the EU Charter of Fundamental Rights. It was introduced in 2021, when it was approved by the ELT, and reviewed by the SBAC and the Board. It was subsequently reviewed and updated in 2023.

In line with our Code of Conduct, we actively avoid causing, financing or contributing to any business activity that is known to breach human rights or fair practices, including taking steps to address any situations that we become aware of where this has occurred. We have due diligence processes in place to help us identify any material negative impacts or risks in relation to human rights, and these are an input to the DMA process. The protection of human rights in our value chain is supported by customer and supplier questionnaires, adverse media monitoring and grievance monitoring. We will continue to evolve our approach to human rights protection in line with our Human Rights Commitment, for our staff, our value chain workers, our customers and our communities.

When engaging with our stakeholders, we pay attention to respecting their human rights. This is outlined in Our Stakeholder Engagement on page 48.

Due to the nature of our industry and the markets in which we operate, AIB has not identified any significant risk of incidents of forced, compulsory labour or child labour. We are committed to an inclusive, safe and ethical workplace, as demonstrated within our Code of Conduct and this Human Rights Commitment.

The health, safety and wellbeing of employees is of paramount importance to AIB. Safe working is an integral part of our culture, our purpose and our sustainability and is central to our business plans. We are committed to ensuring the safety of our employees, customers, contractors and visitors and our workplaces (including home workplaces).

We are embedding our commitment to human rights in our culture and values and reflecting this in our policies and actions towards our customers, employees and suppliers, and in the communities where we do business.

The Chief Strategy and Sustainability Officer is ultimately responsible for implementing our Human Rights Commitment, with the Sustainability Transformation Programme providing support for designing and improving it.

As part of the DMA process, we did not identify any severe human rights impacts. We confirm that no severe human rights issues or incidents were reported with respect to our colleagues, customers and communities in 2025 (2024: 0). Goodbody has a Modern Slavery Statement and Code of Conduct, and Payzone has a Speak Up Policy, and its Code of Conduct notes their human rights and its grievance processes. These policies align with the principles and values of the Group.

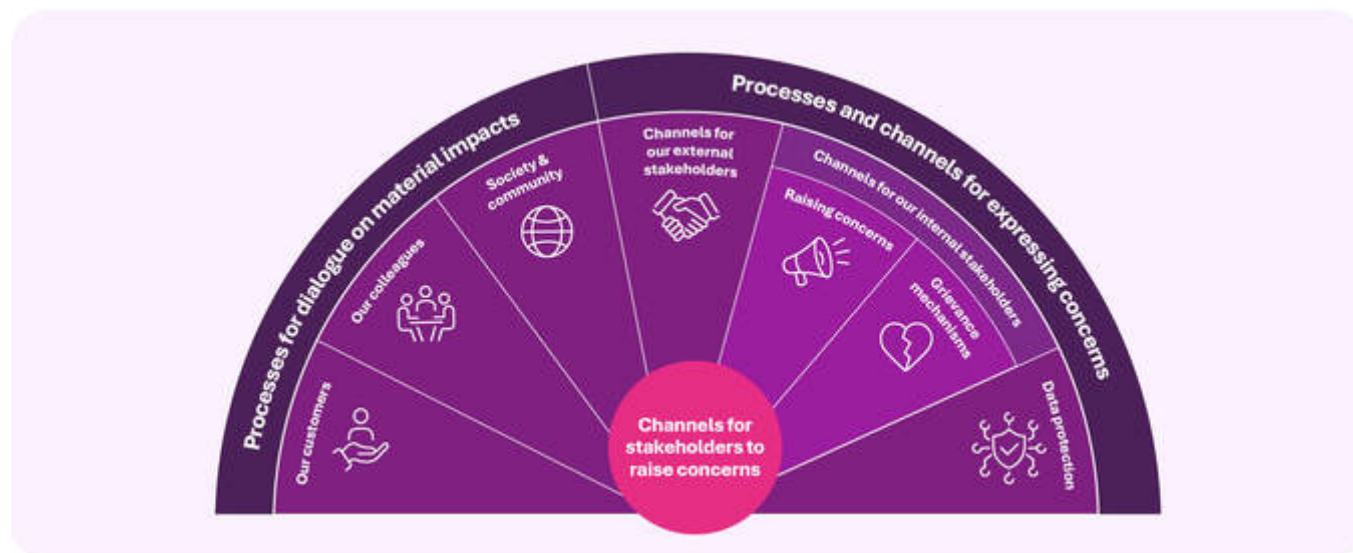
### Modern Slavery Statement

We report annually on our approach to tackling modern slavery in our Modern Slavery Statement, which is available online. The statement explicitly references trafficking in human beings, forced labour and child labour. See Channels for Stakeholders to Raise Concerns from page 89 for details of how we engage with our colleagues, customers and communities and how we remedy negative impacts on these stakeholder groups. Please refer to Corporate Governance, Ethics & Accountability in the Governance section from page 96 for details of how we manage our relationships with suppliers, including engaging with them, and how we address negative impacts concerning our suppliers.



# Channels for Stakeholders to Raise Concerns

We communicate with our stakeholders on material topics, and there are remediation processes and channels for them to raise their concerns.



In line with the specific requirements of ESR S1, S3 and S4, this section outlines the processes we have in place to engage with our colleagues, our customers and the wider society and community regarding material impacts. It provides a description of the channels we have established for our stakeholders to raise concerns, along with processes to prevent, manage and remediate any negative impacts.

## Processes for dialogue on material impacts

### Our customers

S4-2

We engage with customers daily across branches, by phone and online, with 41,636 customers visiting branches each day and 56 easy banking workshops held this year.

Our 'Voice of the Customer' programme collects feedback through our digital channels, and via email and phone, overseen by the Customer Experience Transformation team and Chief Customer Officer (CCO). After campaigns, we conduct quantitative review and annual research on consumers' understanding of our communications.

### Our colleagues

S1-2

We listen to our people through several initiatives. Twice a year, we conduct short online AIB Engage surveys with employees and contractors to gather feedback, overseen by the CPO.

In 2025, our surveys focused on Leadership, Customer, and Culture, receiving a total of 13,693 employee responses (2024:16,023). These yielded 25,302 comments (2024: 30,598) and suggestions received from colleagues on how we can make improvements in these areas. The resulting insights and suggestions from the surveys have formed the basis of action plans and areas of focus as we move into 2026.

We also have ERGs, known as Inclusion Networks, that support colleagues who may be at risk of marginalisation, meeting quarterly and led by employees with senior management sponsorship. More details on the ERGs can be found in Inclusion & Diversity on page 83.

To protect our colleagues, we maintain workplace accident prevention policies; these are our Safety Statement for the ROI and our Safety Policy for the UK.

## Society & community

S3-2

We engage monthly and quarterly with affected communities through partners such as FoodCloud, GOAL, Junior Achievement Ireland, AsIAM, Innovate for Ireland and the AIB Trinity Climate Hub. These discussions inform our Community Framework in Sustainability, Education & Opportunities, and Digital, Innovation & Financial Inclusion. The Director of Corporate Affairs, supported by the Communities and Partnerships team, oversees this engagement.

Our customers, employees and the public were able to nominate charities for our fourth annual AIB Community €1 Million Fund on our website, and in addition our employees were able to nominate on an internal online survey. In 2025, the €1 Million was distributed among 66 charitable organisations across Ireland and Great Britain were supported by this process.

## Processes and channels for expressing concerns

### Channels for our external stakeholders

S3-3, S4-3

While we strive to always provide the most positive experience for our customers, we will not always get it right. When this happens, we believe in accountability. Customers and the community can raise concerns through our robust complaints management process to ensure customers are heard and issues addressed. Any dissatisfaction can be logged as a complaint through multiple channels – branches, phone, post or online. If the complaint cannot be resolved at the first point of contact, it goes to our dedicated complaints team for independent investigation and resolution.

We apply root cause analysis to complaints and errors to improve customer experience and prevent future issues. In line with regulatory obligations, we review complaint and error patterns to identify isolated cases or systemic concerns. To strengthen this, we created a Group Complaints & Errors Committee for greater focus and governance, helping reduce issues and better protect customers.

Analysis and monitoring of complaints is governed by our Complaints Management Policy and applies to all staff and contractors in Ireland and the UK. It is owned by the Head of Customer Care & Outcomes, and is available internally for AIB staff.



## Channels for Stakeholders to Raise Concerns *continued*

We learn a lot from complaints and errors, which gives us the opportunity to reflect and make changes. An example of action we took in 2025 to prevent and manage any potential negative impacts on our customers and communities was to roll out our new cloud-based complaints and errors management system across the Group, which is now live in AIB ROI, EBS, and Haven. This streamlines case handling to boost service quality and efficiency, while supporting our green goals by reducing paper use through secure email and less printing. The system also strengthens compliance, improves customer outcomes, and drives our digital strategy for scalable, sustainable operations.

We also launched the 'Understanding Errors' e-training in 2025. It covers the full error lifecycle – from identification and logging to resolution, closure, and root cause analysis – while embedding obligations under the Consumer Protection Code and AIB's Errors and Management Policy. Through interactive modules, real-world scenarios, and knowledge checks, the course reinforces doing the right thing for customers. This initiative supports our Customer first strategy and equips staff to manage errors effectively and compliantly.

### Channels for our internal stakeholders

S1-3

#### *Raising concerns*

A new Whistleblowing Policy, introduced in January 2025, allows colleagues to report suspected or actual wrongdoing in the workplace in line with Protected Disclosures legislation. Please see page 96 for more details on this policy and the mechanisms for raising concerns.

Staff are also encouraged to raise other concerns, including suspected breaches of our Code of Conduct or related policies, directly with their People Leader, senior management, or via the 'Raise Other Concerns' portal option.

#### *Grievance mechanisms*

Those directly employed by AIB can raise personal grievances, employment-related concerns, bullying, harassment or customer complaints through appropriate channels, namely, the Grievance Policy, the Anti-bullying and Harassment Policy, with the Customer Care team, or with their People Leader. The CPO oversees the Grievance Policy, which is available on AIB's website.

Our Raising Concerns team monitors formal grievances and regularly reviews the Grievance Policy alongside the HR Policy team and in consultation with stakeholders to ensure compliance with regulations and codes of practice in Ireland, Great Britain and Northern Ireland.

To facilitate the effectiveness of the grievance process, we take the following steps:

1. Formal grievances are recorded on a personal case register.
2. A dedicated Grievance & Disciplinary decision-maker panel facilitates the independence and effectiveness of the channel, and appeals are heard by either the CEO or an appointed nominee.
3. The investigator is assigned a dedicated case manager, who oversees fairness and correct procedure.

All AIB employees and contractors in Ireland and the UK must complete annual Code of Conduct training, which outlines expected behaviours. The Group Accountability & Performance team issues reminders, and People Leaders reinforce the importance of compliance with the Code of Conduct.

### Data protection: Governance, transparency & reporting channels

In the Governance & Responsible Business section, we discuss our impacts on customers and colleagues regarding cyber security and data protection, and the processes in place to manage these.

Local Data Protection Officers (DPOs) in Ireland and the UK advise the Group on data protection and ePrivacy obligations, raising staff awareness and providing training, and guiding risk management and personal data breach handling. Our DPOs set our Data Protection Policy, oversee its implementation, and serve as contacts for staff and customer data queries or complaints.

We have channels in place for our stakeholders to raise concerns and processes to prevent, mitigate and remediate potential negative impacts. As required by the General Data Protection Regulation (GDPR), our Data Protection Notices (DPNs) provide contact details for queries on personal data processing. The customer DPNs are publicly available, and the employee DPNs are shared with them during onboarding.

The DPNs outline how we use, share, and retain customer and employee information, with employees informed during onboarding.

Customers are directed to our website's Complaints section for data protection-related complaints. Details of our complaints management process, including whistleblowing and grievance processes available to our employees, are detailed from page 89.

Our personal data breach assessment matrix determines when to notify the Data Protection Commission (DPC) and affected individuals regarding a personal data breach, aligned with GDPR obligations. We keep the matrix under review, using personal data breach data to refine the criteria and enhance its effectiveness. We record all breaches of the Data Protection and ePrivacy policies, as well as personal data breaches, in our internal risk management system, SHIELD. This system enhances the effectiveness of the DPO's personal data breach processes, and also provides the real-time monitoring and centralisation of information on breaches. The system facilitates awareness and the tracking of breaches, supporting the efficient management of breaches towards resolution.

→ See Cyber Security & Data Protection: p.103.









# Governance & Responsible Business

## In this section

| Material topics                               | ESRS                                                         | Page |
|-----------------------------------------------|--------------------------------------------------------------|------|
| Corporate Governance, Ethics & Accountability | ESRS G1 – Business Conduct                                   | 96   |
| Culture & Reputation                          | ESRS G1 – Business Conduct                                   | 101  |
| Cyber Security & Data Protection              | ESRS S1 – Own Workforce<br>ESRS S4 – Consumers and end-users | 103  |



# Governance & Responsible Business

Governance of our sustainability strategy is guided by the principle of transparency, which is fundamental to promoting trust and confidence among our stakeholders. We pride ourselves on acting responsibly, and with integrity and transparency, while embedding ESG capabilities and measures at the heart of our business.

Three material topics from our DMA are the primary focus of this section:



**Corporate Governance, Ethics & Accountability**



**Culture & Reputation**



**Cyber Security & Data Protection**

This section details our approach to managing the corresponding material IROs in terms of policies, actions and performance measures.

We address other ESRS social pillar requirements, detailing our policies, actions, and performance measures, alongside the material DR of ESRS G1.

Strong corporate and ESG governance is vital to our operations. **Corporate Governance, Ethics & Accountability** is embedded throughout every level of the Group.

Our sustainability efforts are driven by our Sustainability Transformation Programme and initiatives outlined in our Climate & Environmental Action.

We will also provide an overview of Our Sustainability Governance in this section, including governance structure, oversight of material matters, sustainability-related skills and expertise and governance of sustainability reporting. You can find more details in our Governance Report in the Annual Report from page 117, with active management of supplier-related impacts to support a sustainable supply chain on page 99.

We meet stakeholder responsibilities by adhering to regulations, preventing financial crime, maintaining tax transparency, and managing lobbying activities.

Our **Culture & Reputation** aligns business activities with stakeholder expectations, mitigating risks, and upholding our reputation as a responsible financial institution.

In a digital environment, robust **Cyber Security & Data Protection** are essential to protect customers and employees. We prioritise securing systems and data, preventing unauthorised access, and safeguarding customer privacy as our online presence grows. From 1 January 2025, Information security (including Cyber) risk was also deemed a principal risk for the Group. This material topic is aligned with the Group's principal risk on Information Security (including Cyber) further reflecting the relevance and importance of this theme for AIB Group.

## Our Sustainability Governance

GOV-1

Our strong governance structures are key to delivering our sustainability commitments. Our governance framework provides clear oversight and ownership of the Group's sustainability strategy and the management of IROs at Board and Executive levels.

This section outlines the responsibilities of the Board and ELT in relation to sustainability matters and business conduct, and notes Committees which are key to delivering our sustainability commitments. The Governance Report further details the overall roles and responsibilities of the Board and its Committees, composition and diversity<sup>1</sup> as well as representation of employees (pages 122 to 131 and 148 to 151).

## Roles and responsibilities

GOV-1

### AIB Group Board

The Board promotes the Group's long-term sustainable performance by approving strategy, financial, and investment plans, including sustainability factors. It approves sustainability targets within strategic planning and regularly reviews progress against the sustainability targets, receiving updates on sustainability twice yearly. The Board is also accountable for overall business conduct as detailed on page 129 of the Governance Report. Our BAC-approved Code of Conduct upholds the Group's values and strategic purpose. As of 31 December 2025, the Board comprised the Chair, who was deemed independent on appointment, ten Independent Non-Executive Directors and two Executive Directors – the CEO and the CFO.

### Board Committees

While the Board retains ultimate responsibility for sustainability, it is supported by several Board and Advisory Committees. These Committees oversee and challenge the Group's sustainability strategy and performance. BAC monitors financial and non-financial disclosures, internal controls and whistleblowing mechanisms. BRC ensures sound risk governance, including ESG-related risks, and receives updates on the effectiveness of policies and programmes managing these ESG risks.

SBAC supports the Board in overseeing sustainability matters and the execution of the sustainable business strategy in accordance with the Group strategy and financial plan. SBAC receives updates on sustainability matters including the sustainability strategy, following review and recommendation from management. TDAC reviews and challenges technology, data and cyber security strategy and execution. The NomCo ensures the Board and ELT have the necessary skills and diversity to effectively guide the Group towards sustained success. The Remuneration Committee (RemCo) oversees the Remuneration Policy, including the variable remuneration scheme. Each Committee operates under Terms of Reference approved by the Board.

1. In line with ESRS 2, gender diversity is calculated as the average ratio for the year. However, due to Board movements during 2025, this differs to the year end figure presented in the Governance Report on page 125.

## Governance & Responsible Business *continued*

### How we define our governance

- Management Body – the Group Board and Board Committees
- Management Body in its Supervisory Function – Non-Executive Directors
- Management Body in its Management Function – Executive Directors
- Senior Management – ELT and, where delegated by ELT, a sub-committee of ELT

#### AIB Group Executive Leadership Team

ELT provides input on purpose, strategy, and values, and oversees daily operations. It is led by the CEO and includes the Managing Directors of the three business lines. It ensures an effective organisational structure, manages senior leadership, and executes the Board-approved strategy, overseeing operational management, compliance and motivation and performance across the Group.

ELT maintains effective internal governance and control frameworks, risk management, compliance and audit functions, evaluating the integrity of financial and sustainability information and the effectiveness of risk controls.

It operates under a defined Terms of Reference, and may delegate authority to executives or sub-committees. Sub-committee Chairs report key activities to ELT, which oversees and regularly evaluates their effectiveness.

#### Group Sustainability Committee

The GSC, chaired by the Chief Strategy and Sustainability Officer, oversees the development and execution of the Group's sustainability strategy, monitoring progress, reviewing key initiatives, and ensuring alignment with strategic, regulatory, risk requirements and sustainability-related performance metrics. The Committee also reviews climate-related risks, emerging trends and sustainability-related performance metrics thereby informing strategic planning and risk management.

It also steers stakeholder engagement, approves major sustainability disclosures, and assesses the appropriateness of sustainability products to ensure alignment to the Group's broader sustainability ambitions. It has specific responsibility for overseeing materiality assessments, including the DMA process, to identify and prioritise the sustainability issues most relevant to the Group, informed by stakeholder perspectives. The DMA outcomes are reported to SBAC and approved at BAC.

#### Group Risk Committee

GRC is the senior management risk committee, accountable to the ELT for setting policy and monitoring all risk types across the Group to enable delivery of the Group's risk strategy. It receives updates on the effectiveness of the policies and programmes for identifying, managing and mitigating ESG risks, including C&E Risk, and ensuring regulatory compliance. GRC also approves the C&E Policy.

#### Group Disclosure Committee

GDC oversees material Group disclosures, including recommending Sustainability Statement disclosures to BAC before Board approval. It reviews key judgements and estimates applied to sustainability disclosures, after consideration by GSC, and assesses the clarity and consistency of the GSC's responses to new legal and regulatory requirements impacting Group ESG disclosures. Sustainability disclosures are also shared with the SBAC for completeness and feedback.

#### Group Customer and Conduct Committee (GCCC)

GCCC oversees customer-impacting and conduct-related issues in the Group, promoting and sustaining a customer-centric culture to demonstrate and evidence consideration of customer outcomes and ensuring approved products and propositions align with the Group's Risk Strategy and risk appetite.

#### Data, Analytics and Technology Committee (DATC)

DATC oversees all material aspects of the Group's data and technology activities, including strategy, data quality, cyber security, ethics and privacy standards.

### AIB Group governance structure



1. The above Committees are key to delivering our sustainability commitments, and is not an exhaustive list of Committees.



## Oversight of material sustainability matters

### GOV-1, GOV-2

Our Board Committees are regularly informed by senior management, supporting their oversight and management of material IROs. We address these material IROs across our business lines through dedicated controls, including policies, actions, metrics and targets. Management and ELT oversee their effectiveness. Enhanced due diligence further supports impact monitoring.

Material risks are managed via our RMF and internal controls, following the 3LOD approach. The Board holds ultimate responsibility for risk management and internal controls, delegating risk governance to various committees. Further details can be found from page 166 of the Governance Report.

Opportunities are incorporated into strategic, financial, and investment planning. Progress towards the Board-approved sustainability targets is tracked quarterly on the Sustainability Dashboard, reported to the GSC and SBAC. The Group continues integrating IRO monitoring and oversight processes across the ELT and internal functions.

### Due diligence assessment

#### GOV-2, GOV-4

Alongside policies, actions, metrics and targets for managing material IROs, we monitor material impacts and risks through enhanced due diligence processes, detailed below and on page 108.

Our due diligence approach demonstrates our commitment to identifying, preventing, mitigating, and accounting for ESG-related impacts on people and the environment. This includes extensive due diligence assessments of clients and business partners. For example, our ESG Questionnaire is used as part of the credit assessment process, subject to criteria, for borrowers operating in sectors which have increased ESG risks.

The ESRS do not impose any conduct requirements in relation to due diligence or require any modification to our governance. Appendix 1 on page 108 maps key due diligence elements in our Sustainability Statement and their practical application.

### Key sustainability matters discussed in 2025

#### GOV-2

The Board and ELT and/or their Committees discussed a broad range of sustainability matters in 2025, including:

- Sustainability transformation and targets
- Sustainability research updates
- Sustainability strategy updates
- Double Materiality Assessment – Outputs and performance measures
- Pillar 3 ESG Disclosures
- Modern Slavery Statement
- Sustainability Key Performance Indicators
- Social strategy and customer vulnerability updates
- Sustainability proposition updates
- Inclusion & Diversity
- AIB's environmental footprint
- Regulatory engagement and expectations
- Stakeholder communications and training on sustainability matters
- Sustainability reporting
- Board succession planning, skills, renewals, composition, and diversity
- Whistleblowing and the Code of Conduct
- Climate & Environmental Risk
- Conduct risk and Culture risk
- Cyber risk updates
- Variable remuneration
- Operational efficiency and resilience
- Data & AI
- Collaboration with community partners
- Supply chain management updates

Further details on areas of focus in 2025 for the Board can be found on page 134 of the Governance Report and in the detailed reports of each Board Committee.

## Sustainability-related skills and expertise

### GOV-1

Acquiring and maintaining knowledge on sustainability matters, including business conduct, is essential to delivering on our commitments.

The Board, Committee, and ELT members are selected through rigorous processes managed by NomCo and equipped with the necessary skills and diversity. Both the Board and ELT include members with specialised sustainability expertise, and the Board members' skills are regularly evaluated, including Climate & Environmental (Sustainability) and Customer & Conduct (including business conduct) areas. The SBAC, involving ELT members such as the CEO, Chief Strategy and Sustainability Officer, Chief Customer Officer and Managing Director of C&IC, supports the Board.

Throughout 2025, several ESG-related training events took place to advance the Board and Board Committees' collective knowledge and skills. The Board has access to an online corporate governance library and a suite of AIB-specific online training courses.

A professional development and continuous education programme ensures Directors remain equipped to lead with integrity and oversee compliance. Further details are available from page 148 of the Governance Report.

## Variable remuneration

### GOV-3

AIB operates a short-term Variable Remuneration Scheme (the Scheme). All employees who participate in the Scheme do so on the same basis. Measures and performance targets are agreed by the Remuneration Committee and align with the Group's ongoing strategy. The Scheme is comprised of six measures, three financial (60% of the award), and three non-financial (40%), the latter covering gender balance, customer satisfaction, and green finance, each weighted equally. The Scheme has a Group Profit underpin requiring a minimum level of profit that must be achieved to trigger an award. The underpin was achieved for the 2025 performance year. The scheme does not currently assess performance against GHG emission reduction targets. Further details are included in the Governance Report, from page 152.

## Governance of our sustainability reporting

### GOV-5

Our governance for sustainability reporting aligns with financial reporting, is part of our internal controls and is governed by the Sustainability Disclosure Policy for all material Group and in-scope entities' sustainability disclosures. Annually, the Chief Strategy and Sustainability Officer recommends the disclosures for review by the GSC, after which they are reviewed by the GDC, the SBAC and approved by BAC as detailed above on page 95.

Risks are identified using risk assessment methodologies and internal controls in line with the 3LOD approach. Key risks include regulatory compliance, minimised by the Sustainability Disclosure Policy and managed within the RMF outlined from page 239. Other risks, such as inaccurate disclosures or lack of regulatory awareness, are mitigated by our Sustainability Disclosure Policy and our internal control framework detailed on pages 178 to 181 of the Governance Report. Our control framework also ensures tightly controlled data origination to support reporting, with controls expected to further strengthen over time as processes and systems continue to mature.

Findings from our assessment of the reporting process are reported to BAC and tracked until closure by First Line Assurance teams. Please see page 142 of the Governance Report.



## Material Topic: Corporate Governance, Ethics & Accountability

Corporate governance is a material topic for AIB, as expected for a financial institution.

This is one of our seven material topics. For each topic, we report in accordance with the ESRS. We disclose our approach to managing our material IROs through our policies, actions, and performance measures.

**Value chain: Upstream, Own operations, Downstream**

### Impacts:

- We help to safeguard our customers, the Group and the wider financial system against financial crime and fraud.
- Our tax principles contribute positively to society through transparent, fair and responsible tax practices.

It is critical that we follow a framework of rules and practices to facilitate accountability, fairness and transparency. Our approach to corporate governance is relevant for all stakeholders. Our colleagues are key to our strong governance structures, and frameworks aim to ensure that everyone who works for us adheres to high ethical standards.

## Our policies

### G1-1

The following policies apply directly to employees of AIB, agency staff, contractors, tied agents, consultants, suppliers, those providing an outsourced service, and the Board members. This includes AIB Mortgage Bank, EBS d.a.c. (incl. Haven), AIB UK and Goodbody and Payzone. They are reviewed annually by internal stakeholders, and our GRC must approve material changes. Goodbody and Payzone maintain their own Conflict of Interest (Col) policies which are aligned to the Group.

### Conflicts of Interest Policy

Our Col Policy outlines how to identify, mitigate, monitor, and manage any actual, potential, or perceived conflicts of interest to ensure that employees and Directors always act in the best interests of our customers, employees, and the Group as an organisation.

### Every year, employees complete mandatory online Conflicts of Interest training.

The policy was set after considering the interests of key stakeholders and was approved by our Regulatory, Culture and Conduct Risk Committee (RCCR). Employees must declare any actual, perceived or potential Cols on an ongoing basis. This includes receiving prior approval from their People Leader to give or receive gifts, benefits or hospitality valued at more than €200/£165/\$205, either individually or cumulatively. All instances above these limits must be recorded on the Col register.

Each business area has a Col Business Coordinator who reviews the Col register to identify any actual, potential or perceived conflicts or corruption risks, ensures that the register complies with our policies, completes quarterly returns to our HR Direct team and reports policy breaches to the policy owner. HR provides training and support to the appointed coordinators.

### Financial Crime Policy (incorporating ABC)

AIB is committed to safeguarding customers from financial crime, supporting its prevention and investigation, and acting with honesty and integrity. Our policies and codes enable us to uphold this commitment.

While effective corporate governance is crucial to mitigate financial crime, strong cyber security measures also protect against digital threats and safeguard sensitive financial data. More details on how we manage financial crime and fraud through our material topic of cyber security and data protection can be found from page 103.

Financial crime can involve money laundering and terrorist financing, corruption in the supply of goods and services, staff incidents of bribery or corruption, breaches of any law or regulation relating to sanctions, and tax evasion. We manage these through our 3LOD approach, with assurance teams reporting regularly to senior management and the Board on the efficacy of our controls.

Our Financial Crime Policy and related standards encompass anti-money laundering, countering the financing of terrorism, anti-bribery and corruption (ABC), and sanctions. These are reviewed annually, and are embedded in operating procedures. Any material updates require Board approval. We publish documents on roles and responsibilities and instruction guides on our intranet to help everyone understand these policies thoroughly.

### In setting our Financial Crime Policy, we consider the interests of key stakeholders.

### Whistleblowing Policy

Our Whistleblowing Policy outlines the process for making disclosures of wrongdoing in the workplace under the Protected Disclosures Act 2014 (ROI) and Public Interest Disclosures Act 1998 (UK). It applies to staff, subsidiaries (excluding Payzone), and contractors. Disclosures can be made via the externally hosted Whistleblowing Portal (with an anonymity option), mailbox, or phonenumber.

Staff may also raise non-protected concerns with their People Leader or senior management, or use the 'Raise Other Concerns' option on the portal. The policy ensures a confidential route to the Whistleblowing team without fear of victimisation or penalisation for doing so.

Whistleblowing disclosures are treated seriously, confidentially, and triaged to ensure that they are promptly, objectively, and independently investigated by HR, business representatives, or Group Internal Audit (GIA). External investigators may be engaged if necessary. Suspected fraud is initially investigated by GIA, and we notify regulatory authorities and the police if necessary.

BAC receives an annual report on whistleblowing issues and approves the policy, which is sponsored by the CPO. The Chair of BAC, who acts as our Group Whistleblowers' Champion, oversees its integrity and effectiveness. Stakeholder interests are considered in setting the policy. The policy is available on our website.

### Our Whistleblowing Policy, in conjunction with our Code of Conduct, supports the identification and handling of potential wrongdoing.

### Tax Principles

Our Tax Principles, approved by BAC and available on our website, outline our approach to tax, management of tax affairs, customer-related tax matters, and associated employee responsibilities. AIB adheres to the Irish Co-operative Compliance Framework and the UK Code of Practice on Taxation for Banks.

Our approach to tax has the following objectives:

- Maintaining high standards of integrity and complying with the letter and the spirit of applicable tax laws, regulations, and any codes of conduct to which we subscribe in all jurisdictions in which we operate; and
- Acting with professionalism, integrity, honesty, and fairness in dealings with customers, suppliers, employees, regulatory and tax authorities and law enforcement agencies.

## Our actions

G1-3

### Financial crime

In 2025, as in every year, we deployed a series of measures to prevent and mitigate financial crime, and to ensure that we effectively implement our Financial Crime and Col Policies.

The Special Investigations Unit (SIU) independently investigates allegations of serious wrongdoing by our employees, including bribery and corruption, and those raised through our whistleblowing channels. The unit is part of GIA, and derives its authority from the Board, through BAC. The SIU is independent and separated from any chain of management involved in a matter that is being investigated. This means that all SIU investigations are conducted in the same professional, impartial and objective manner. Each quarter, or as requested, GIA submit a status report of all investigations to both BAC and GRC.

### Financial crime and Col training

In 2025, we provided our annual bespoke Financial Crime (Anti-Money Laundering (AML) & Sanctions) and Col training to all employees and Directors, which is tailored to the financial crime risks relevant to specific roles. AIB provided one hour of computer-based training to our employees, including managers and the ELT, and our contractors, regarding financial crime (AML, sanctions, and ABC). The training included the definition of corruption, details of our Financial Crime Policy, the procedures regarding suspicion/detection, and the key laws and regulations that place obligations on AIB. In 2025, the Money Laundering Reporting Officer (MLRO) also delivered in-person Financial Crime training (incorporating ABC) to our Board.

### Whistleblowing training

We placed a sustained emphasis on our Whistleblowing agenda throughout 2025. This was achieved through a series of communications, training, and engagement. During 2025, we introduced our Whistleblowing Advocacy Network, a group of colleagues from across the business, who are familiar with the Bank's Whistleblowing arrangements and who can assure our people in relation to making a disclosure under the policy. We made enhancements to our portal for raising concerns as detailed in the policy section on the previous page.

In 2025, through the Whistleblowing process, protected disclosures were made in line with the policy. All disclosures were addressed by dedicated case managers.

### Responsible tax engagement

We are committed to acting responsibly in relation to tax issues and to dealing fairly and honestly with the tax authorities in each territory where we operate. Therefore, we engage regularly with the tax authorities to discuss material business developments, significant transactions, and uncertainties in relation to the interpretation of the law.



## Corporate Governance, Ethics & Accountability *continued*

### Our performance measures

G1-3

#### Financial crime and Col training

The financial crime training was completed by 96% of managers, and employees (2024: 98%). AIB does not assess workers as being at risk of bribery or otherwise for the purposes of assigning this training; it is mandatory for all employees. All employees and business partners (including advisory partners and contractors) are also required to complete Col training annually, with a 94% completion rate in 2025 (2024: 94%).

#### Whistleblowing training

Everyone working in and for AIB Group is also required to complete mandatory training on the Whistleblowing Policy annually. In 2025, the completion rate of this training was 95% (2024: 95%).

For details on our mandatory training calculations and assumptions, including a note regarding employees on long-term leave, see page 87.

#### Incidents of corruption or bribery

G1-4

We assess our operations across the Group annually for risks related to corruption, to identify vulnerable areas, and take preventative actions. We did not identify any significant risks related to corruption in the risk assessment during 2025.

There were 0 confirmed incidents in which we dismissed or disciplined our own workers for corruption or bribery incidents and 0 confirmed incidents of corruption or bribery violations where we terminated or did not renew contracts with business partners.

There were no incidents in our value chain where AIB or our employees were directly involved. Accordingly, no actions have been necessary to address breaches in our procedures and standards.

The incidents of corruption or bribery data are sourced from our risk management system, SHIELD. The report is a point-in-time snapshot and is constantly updated. There are no validation, judgements or estimations applied, as SHIELD is fully automated.



#### 0 Incidents of corruption or bribery

2024: 0

#### Responsible tax engagement

In 2025, the total amount of tax paid and collected was €867m.

'Tax paid' (€385m) refers to taxes borne by the Group, including corporate tax, bank levy, employer social insurance and irrecoverable VAT. 'Tax collected' (€482m) comprises taxes collected from employees, customers and shareholders. See the table below for a breakdown of tax paid and collected by region.

Details of tax payments are collected from multiple teams across the Group and collated in a central file. No significant judgements or estimations are applied.

#### Political engagement (including lobbying activities)

G1-5

The ESRS for business conduct also includes DRs in relation to lobbying activities, to create transparency about the ways in which companies look to influence public policy and their regulatory environments.

Our Col Policy prohibits us from making political donations. We also have a Lobbying Policy, which is approved annually by the RCCR and reviewed annually by the Group Chief Compliance Officer. Lobbying activity in Ireland is recorded on a lobbying register, where AIB is registered as a Lobbyist. Lobbyists must submit returns to the register detailing their activities every four months. In 2025, our lobbying returns focused on seeking clarification that the obligations imposed under the State's Financial Guarantee Legislation were no longer applicable to AIB and a proposed amendment to the Companies Act to allow directors' names to be listed on a company's website rather than on letterheads.

Under the Group's Col Policy, staff are not permitted to make any political donation on behalf of AIB. We are a member of multiple trade associations; however, we do not currently have a process in place to determine which of these are engaged in political activity. We will consider the feasibility of putting a process in place.

No members of our Board or ELT held a comparable position in public administration in the two years preceding their appointment at AIB. AIB is registered on the European Union Transparency Register and its registration number is 885308748162-21.

### Breakdown of tax paid and collected by region

|                                                                        | ROI<br>€ m | UK<br>€ m | USA<br>€ m | 2025<br>€ m | ROI<br>€ m | UK<br>€ m | USA<br>€ m | 2024<br>€ m |
|------------------------------------------------------------------------|------------|-----------|------------|-------------|------------|-----------|------------|-------------|
| <b>Tax paid by AIB</b>                                                 | 349        | 36        | 0          | 385         | 306        | 69        | 1          | 376         |
| <b>Tax collected by AIB from customers, employees and shareholders</b> | 467        | 13        | 2          | 482         | 373        | 12        | 2          | 387         |
| <b>Total tax paid and collected</b>                                    | 816        | 49        | 2          | 867         | 679        | 81        | 3          | 763         |



# Management of Our Supplier Relationships

We want our business to make a positive impact by creating sustainable long-term shared value for all our stakeholders. This includes advancing responsible business practices, such as supporting the transition to a low-carbon environment by choosing suppliers who are aligned with our sustainability strategy.

## G1-2

This section outlines our approach to managing a sustainable supply chain in terms of our policies, actions and performance measures.

### Value chain: Upstream

#### Impact:

- The integration of sustainability criteria into our risk management processes, policies, and procedures supports responsible and sustainable business practices, supply chain and investments.

Managing our supplier relationships is a key aspect of our material topic Corporate Governance, Ethics & Accountability. By implementing responsible and sustainable business practices across our own operations and supply chain, we seek to contribute to wider environmental protection and social wellbeing.

The term 'suppliers' refers to suppliers, vendors, contractors, consultants, agents and other providers of goods and services who do, or seek to do, business with AIB Group. This definition does not include individual contractors, agents or intermediaries. We employ a broad range of suppliers across multiple categories, with 3,924 (2024: 4,003) active suppliers on our database, and we transacted with 2,478 (2024: 2,528) of them in 2025. An active supplier is one that is set-up on our system and currently enabled to receive payment for goods or services provided to AIB Group. The largest cohort of our suppliers are based in Ireland, i.e. 67% (2024: 66%). A further 25% (2024: 26%) are based in the UK, and the remaining 8% (2024: 8%) are in other locations, mostly other European countries and the USA.

We segment our supplier base into five tiers, based on the risk and criticality of the service they provide. We then manage them accordingly, with the closest management accorded to Tier 1 suppliers who provide critical services to us, while Tier 5 suppliers typically provide low-value transactional goods and services.

We use market intelligence, specific selection criteria and best-in-class selection tools to help us choose the most appropriate suppliers. Our due diligence reflects the nature, value, complexity, and criticality of the service we are procuring. For high-value/risk services, we perform specific due diligence checks on the supplier and their proposed service model. We subject lower-value and/or lower-risk suppliers to routine company financial and sanction scanning checks.

## Our policies

### Responsible Supplier Code

The Responsible Supplier Code sets out the minimum standards we expect, and we encourage all suppliers to go beyond these requirements regarding human rights, health and safety, supply chains, I&D, and responsible and sustainable business. The Code uses the term 'supplier' per the definition previously stated, as part of our upstream value chain.

In 2025, the number of suppliers who participated in reporting to the CDP was 106 (2024: 65), which represented 52% (2024: 50%) of the AIB suppliers invited.

Our suppliers must adhere to all legal obligations in each jurisdiction in which they operate or provide services, as well as meeting any specific requirements in our own policies. Specific suppliers must attest annually that they have complied with our policies (or clauses in them that are relevant to our supply chain). These policies include our Code of Conduct, CoI Policy, Financial Crime Policy, Data Protection Policy, Whistleblowing Policy, and our Human Rights Commitment. The GSC reviews and approves the Code as needed.

We inform suppliers of the Code at onboarding and at each transaction via Purchase Order communications. The Code is also an agenda item during Annual Strategic Reviews and is documented through meeting minutes. This reinforces the Code's message and ensures that the supplier is aligned.

We expect our suppliers to maintain similar levels of compliance throughout their own value chain, including any suppliers or approved subcontractors that they work with to supply goods and services to us, and we engage on instances that fall short of requirements.

We require our Accountable Owners and Business Owners to be familiar with the Code. Business Owners represent us when dealing with the supplier, while Accountable Owners typically line-manage the Business Owner and control or authorise the budget.

We expect suppliers to take appropriate measures to secure and protect all confidential information related to their relationship with us, and to use it only for the purpose authorised under our contractual agreement with them.

## Our actions

### Supplier Relationship Management (SRM) standard

Our SRM standard encapsulates best practice SRM, which promotes mutually beneficial relationships, coupled with effective risk management, to deliver the following objectives:

1. A consistent and systematic approach to SRM across AIB Group.
2. A risk-based approach to identifying where to focus SRM resources to maximise customer outcomes.
3. Ongoing oversight of our third party, performance and risks.

## Management of Our Supplier Relationships *continued*

### ESG Questionnaire

ESG factors are increasingly important for our own performance, and for our relationships with suppliers. The ESG Questionnaire covers a broad range of ESG areas, and requires responses and evidence from suppliers on their:

- journey to establishing or achieving their decarbonisation targets;
- annual sustainability reports;
- scope 1, 2 and 3 GHG emissions;
- consideration of physical risks from climate change;
- policies on discrimination, I&D, health & safety, modern slavery, vulnerable persons, greenwashing, and speaking up;
- Code of Conduct and their Responsible Supplier Code for their own supply chain; and
- commitment to ongoing ESG-related training in their organisation.

By engaging with our suppliers through the ESG Questionnaire during the selection process, we benefit in the following ways:

#### 1. Aligning Our Values and Expectations

Asking suppliers to complete an ESG Questionnaire communicates our ESG standards and expectations to them, and ensures that we work with partners that share our values. This can help to build trust and reputation, and avoid potential conflicts or controversies.

#### 2. Identifying Risks and Opportunities

The questionnaire helps us to assess the ESG performance and risks of our suppliers and their supply chains, such as their environmental impact, social responsibility, human rights, labour practices, ethics, and governance. This helps us to identify and mitigate ESG risks, such as regulatory fines, reputational damage, operational disruptions, or legal liabilities. It also helps us to identify and leverage ESG opportunities, such as innovation, cost savings, customer loyalty, or market differentiation.

#### 3. Providing a Baseline and a Roadmap

The questionnaire provides a baseline for measuring and monitoring suppliers' ESG performance and progress, as well as a roadmap for improvement. By using a standardised ESG Questionnaire, we can benchmark and compare our suppliers, and track their ESG performance over time. It also allows us to provide feedback and guidance to our suppliers and encourages them to adopt best practices and achieve continuous improvement.

### AIB's suppliers' webpage

Our webpage creates transparency by providing information on our policies, procedures, and our standard terms of purchase, which explains our payment terms for suppliers.

## Our performance measures

G1-6

Another ESRS requirement connected to business conduct and supplier management concerns payment practices, particularly in relation to SMEs. Our standard payment terms apply equally for SMEs and non-SMEs, and are the same across our geographies.

These terms include payment on receipt of invoices that have been flagged as approved to pay, which account for approximately 81% (2024: 78%) of the invoices received during 2025. The remaining 19% (2024: 22%) of annual invoices are paid once any outstanding elements of the invoice have been settled and flagged as approved to pay.



This calculation is facilitated through the central collection of invoice data containing all relevant information, and excludes Payzone. This is reviewed and signed off by management. No judgements or estimations are applied.

There are no legal proceedings currently outstanding for late payments (2024: 0). All Group employees have an obligation to notify the Litigation and Enforcement legal team of any legal proceedings that are received in their area, and a reminder email is issued annually. Each year, all legal proceedings are recorded, including detail of the date on which the legal proceedings were received, the entity against which they were issued, and the nature of the claim.

We attempt to prevent late payments by aiming to pay immediately on receipt of invoices, the ongoing training and education of users, and monitoring outstanding invoices to business. The average time that AIB takes to pay an invoice, from the date when the contractual or statutory term of payment starts to be calculated, is 26 days (2024: 28 days). We calculate this by taking the average number of days between the invoice date and the clearing date of the payment made. This calculation is based on all invoices received and paid up to 31 December 2025.

We are considering developing a target to measure the results of our supplier management policies and actions to integrate sustainability and ESG criteria into our procedures, to support responsible business practices, including a more sustainable supply chain.



### Payment practices

FY2025 81%

FY2024 78%

Payments aligned with standard payment terms of 30 days



## Material Topic: Culture & Reputation

### Our Values & Behaviours

| <br><b>Be One Team</b> | <br><b>Own the Outcome</b> | <br><b>Drive Progress</b> | <br><b>Show Respect</b> | <br><b>Eliminate Complexity</b> | <br><b>Put Customers First</b> |
|---------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|
| Create connections,<br>Universally include                                                              | Seek excellence,<br>Take accountability                                                                     | Deliver sustainability,<br>Embrace innovation                                                              | Empower others,<br>Speak up                                                                              | Actively simplify,<br>Be decisive                                                                                  | Apply insights,<br>Simplify & solve                                                                               |

This is one of our seven material topics. For each topic, we report in accordance with the ESRS. We disclose our approach to managing our material IROs through our policies, actions and performance measures.

#### Value chain: Own operations

#### Risks:

- Misconduct, inappropriate actions or inactions on a systemic scale can cause poor or unfair customer outcomes, and potential failure to meet regulatory expectations can negatively impact our market integrity and reputation.
- If the Group's purpose and values are not shared by all colleagues, it could result in poor customer and market outcomes.

We often talk about the 'Why', 'What' and 'How' of our business. Our 'Why' is our purpose. Our 'What' is our Group strategy, of which Sustainable communities is a pillar (for further information, see page 44). Our 'How' comprises our values and behaviours – which can make all the difference to outcomes for our stakeholders.

## Our policies

### G1-1

The following policies related to corporate culture apply to everyone who is directly employed by AIB, as well as agency staff, contractors, and the Board members. This includes AIB Mortgage Bank, EBS d.a.c. (incl. Haven) and AIB UK. Goodbody and Payzone are governed by their own policies which are aligned to the principles and values of the Group.

#### Culture Risk and Conduct Risk Framework

The Group Culture Risk and Conduct Risk Framework sets out how the Group identifies, assesses, manages and monitors these risks in line with the Group's RAS. The framework also applies to the operations of Goodbody.

The framework sits within the overall Group Risk Architecture and is one of the Material Risk Frameworks supporting the Group's RMF.

The framework is underpinned by a number of Group policies and the Code of Conduct. See the Risk Summary section on pages 16 to 19 of our Annual Report which provides more detail on how the Group manages risk. The requirements of the Third Party Risk Management Policy and Third Party Service Assessment are respected by implementing the Framework.

Each ELT member is responsible for effectively managing the day-to-day operations of their business segment or function, and for developing and implementing the Group strategy. The ELT as a whole is responsible for considering Culture Risk and Conduct Risk in our strategic planning, and for how the Group formally assesses the conduct risks inherent in the strategy, including having effective procedures for protecting diverse and vulnerable customers.

During annual reviews of the framework, we engage stakeholders across our first and second lines of defence, consider their feedback, and incorporate it as necessary. The BRC approves the framework, which is communicated to all employees and published on our intranet site.

#### Code of Conduct

It is vital that everyone who works in or for the Group understands how they are expected to behave. Our Code of Conduct (the Code), therefore, sets out clear expectations of how we behave and how we do business, and underpins our values and culture. Goodbody and Payzone have their own Codes of Conduct, which are aligned to the standards required in the Group Code.

One of the five standards in the Code is that we act in the best interests of our customers, at all times, and treat them fairly and professionally. We deliver this in a number of ways, including promoting fair customer outcomes by always putting their needs first in our advice and decision-making, designing products and services that are suitable for our customers, and providing customers with information that is both accessible and transparent to help them make informed decisions.

All employees must complete a declaration that they have complied with the Code, as part of the annual Aspire performance management process. We take failure to comply seriously and any employees who breach the Code are managed through a disciplinary process, which can result in sanctions including dismissal. All firms providing outsourced services to the Group, must also agree to comply with this Code, or must have an equally suitable proprietary code of their own.

We ensure sufficient senior management focus on our conduct through our RCCR, which provides oversight of these risks, including within our subsidiaries.

The Board reviews the Code as needed, and the GCCC and BAC review it annually. In setting our Code, we considered the interests of key stakeholders.

The Code is aligned to the Central Bank of Ireland's (CBI's) Individual Accountability Framework and the UK Financial Conduct Authority's (FCA's) Senior Managers and Certification Regime. Further information can be found on CBI's website and the FCA website.

Our Code of Conduct can be found publicly on our website.

**The BAC receives an annual report on awareness levels of the Code, aspects for review, and any breaches identified, including the action taken.**

#### Grievance Policy and customer complaints

The Grievance Policy provides another mechanism for our employees to raise concerns, if they feel they have been mistreated or subject to behaviours contrary to our Code of Conduct.

## Culture & Reputation *continued*

We also have a comprehensive customer complaints process, which is discussed in more detail in Channels for Stakeholders to Raise Concerns on page 90.

### Reputational Risk Framework

Our reputational risk framework sets out the key principles for managing Reputational Risk across the Group. It reinforces standards for identifying, assessing, measuring, and managing reputational risk exposures associated with the Group's material risks. In setting this framework, we consider the interests of our key stakeholders. The framework applies to all employees, contractors, and third parties providing services or functions across AIB Group and its regulated subsidiaries, including Goodbody. It is published on our intranet. This framework aligns with the Basel Committee on Banking Supervision (BCBS) Enhancements to the Basel II Framework (July 2009) on reputational risk and implicit support. The Board approves the framework, and reviews and approves any subsequent changes, as recommended by the ELT.

**Our Reputational Risk Framework supports a consistent, Group-wide approach to safeguarding trust and integrity.**

## Our actions

### Culture and conduct

The Irish Banking Culture Board (IBCB) 'éist Staff Culture' survey is conducted every two to three years, with the latest survey conducted in February 2026. The survey focuses on exploring employee views on a range of issues that lie at the heart of banking culture. Our refreshed Culture Plan focuses on mindset shifts and repositions culture as enterprise-wide. It is being monitored via metrics in the AIB Engage staff survey. This work, together with the Group's focus on reputation management, supports AIB's responsible and sustainable business principles.

Two AIB Engage surveys were conducted, with 73% and 58% response rates, in 2025. Different themes are explored in detail through each AIB Engage survey, with colleagues able to submit comments and suggestions on how AIB can improve.

In 2025, AIB launched our fifth annual Employee Values Awards (EVAs), with 4,546 employees nominated across the Group. These awards are an opportunity to recognise the many outstanding examples of times when our colleagues have stepped up for each other, our customers and our communities. All employees have the opportunity to be involved in the process of identifying these individuals, beginning with an open nominations process that progresses to a voting system. Finalists are then invited to an in-person celebration in November and awards are presented to the winners in each category. The 2025 Awards featured a 'Spirit of Innovation' category designed to recognise and encourage innovative changes implemented by colleagues during the year. We also introduced two new award categories, 'Best Leader' to recognise our leaders who create a positive working environment by role modelling the AIB values and encouraging others to do the same, and 'Community Impact' in recognition of the great community work done by colleagues across the Group.

In 2025, our Aspire performance management framework continued to promote and encourage regular quality one-on-one conversation focused on employee development and feedback, and it applies to every employee in AIB. Based on each employee's annual goals, Aspire enables the equal recognition of not just what each individual has achieved in the year but how it was achieved and thereby encourages the ongoing development of behaviours in line with our values.

### Reputational Risk

As part of the Reputational Risk Framework, several related artefacts and processes support effective reputational risk management. These include:

- Group Risk policies and supporting artefacts – enabling the identification, assessment, and mitigation of reputational risk exposures associated with our material risks.

- Reputational Risk advisory process – ensuring that reputational risk is considered and documented for material change initiatives, programmes, and other strategic activities.
- Corporate Governance templates – guiding us to evaluate the reputational impact of our decisions.

## Our performance measures

Alongside these actions that AIB Group undertakes to enable us to operate our business in a responsible way, all our employees are required to complete our annual mandatory online training curriculum.

The Code of Conduct is a feature of our annual mandatory online training curriculum, educating employees on the expectations of the Code. In 2025, the completion rate of this training was 95%. For details on our mandatory training calculations and assumptions, including a note regarding employees on long-term leave, see page 87.



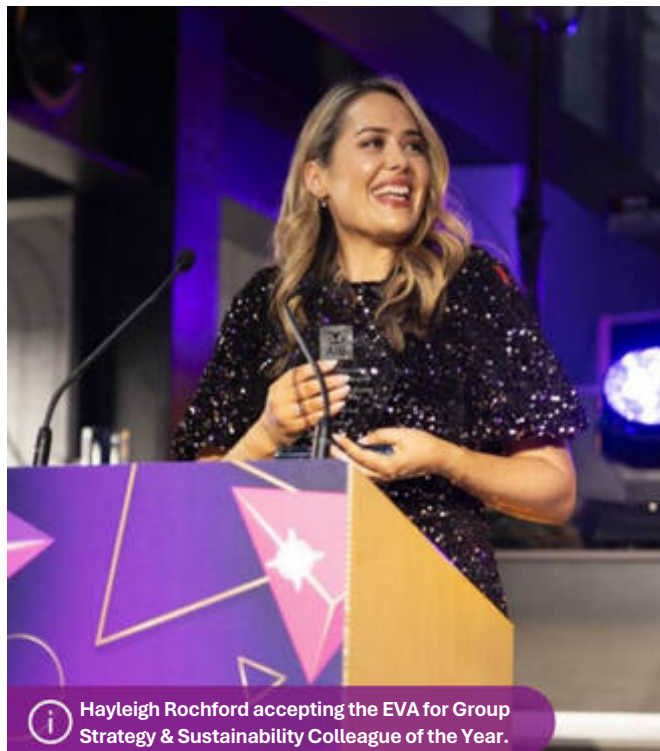
### Code of Conduct training

|        |     |
|--------|-----|
| FY2025 | 95% |
| FY2024 | 95% |

Conduct Risk and Culture Risk continues to be a primary focus for the Group, as described in our Principal Risks section from page 17. We measure our effectiveness through three Key Risk Indicators (KRIs), which are internally reported:

- Completion of mandatory training courses
- Critical & high customer impacting conduct issues
- Culture metric (composite of three culture risk measures)

Ensuring all our employees are aware of and understand the expectations of the Code of Conduct through annual mandatory training works to reduce the number of customer-impacting conduct issues. Our Board receives regular updates on the progress of our Culture Plan, values sentiment and employee engagement approach. We will continue to focus on measures of performance in this area.



Hayleigh Rochford accepting the EVA for Group Strategy & Sustainability Colleague of the Year.





## Material Topic: Cyber Security & Data Protection

Our Cyber Security & Data Protection Framework continues to underpin the reliable operation of AIB Group, safeguarding our employees, customers, and partners. In 2025, we have further strengthened our foundations to address the evolving threat landscape, ensuring our systems and data remain resilient against increasingly sophisticated cyber risks. We remain committed to leading digital enablement in Irish banking, while prioritising the security and privacy of all stakeholders.

This is one of our seven material topics. For each topic, we report in accordance with the ESRS. We disclose our approach to managing our material IROs through our policies, actions and our performance measures.

**Value chain: Upstream, Own operations, Downstream**

### Impacts:

- We take steps to safeguard our customers' information, ensure the continued resilience of our digital channels, and protect against fraud.
- Data security breaches in AIB can compromise employees' and customers' data if proper safeguards are not in place.

### Risks:

- Cyber attacks can pose a significant operational risk to the Group, leading to potential financial losses, legal liability, regulatory fines and reputational damage.
- Errors in the development, implementation, or use of AI systems can pose a significant operational risk to the Group, leading to potential financial losses, legal liability, regulatory fines and reputational damage.

Cyber security and data protection is an entity-specific topic. Given that the impact is in relation to own workforce and consumers and end-users, the disclosures of ESRS S1 and ESRS S4 have been applied to disclose material information. The increasing frequency and complexity of cyber incidents can have significant and lasting impacts on our operations, customers, and society. In 2025, we continued to prioritise digital resilience, privacy, and data protection, ensuring robust safeguards are in place to protect all individuals and entities potentially affected by cyber threats.

We design and operate our systems to ensure security, resilience, and agility, enabling us to deliver products and services that meet the evolving needs of our customers. In 2025, our Enterprise Information Security team continued to monitor, protect, and modernise our platforms, leveraging advanced technologies and industry standards. Our commitment to best practice is demonstrated by our ongoing ISO 20000 certification and continuous improvement initiatives.

Our DPOs are responsible for engaging with customers and the DPC when a query is raised regarding our use of personal data. The DPOs are also responsible for advising everyone in the Group of their obligations under Data Protection and ePrivacy regulations.

Risks related to cyber security and data privacy are inherent to our business activities, given the amount of information we handle and the reliance of our business model on technology services and infrastructure. If proper safeguards are not in place, individual data incidents, such as personal data breaches and cyber security breaches, can have a serious negative impact by compromising both our employees and customers' right to data privacy.

Effective 1 January 2025, Information Security (including Cyber) Risk is recognised as a Principal Risk for AIB Group, and is no longer a sub risk of Operational Risk, reflecting its critical importance to our business and stakeholders. This is an outcome of the MRA process which considered a number of factors including the potential impact on the Group's capital, historical loss events, external loss events sourced from Operational Riskdata Exchange Association (ORX), the RCA, the assessment of emerging risks and consideration of the regulatory horizon.

Our approach ensures that cyber risk receives dedicated oversight and resources at the highest levels of the organisation. Furthermore, as noted on page 49, an additional IRO risk was identified in relation to AI. The Group's approach to addressing this risk is detailed later in this section.

## Our policies

GOV-1, S1-1, S4-1

The policies described below apply to all employees, contractors, consultants, agents and third parties throughout the Group, in all jurisdictions, who have direct or indirect access to our information or systems. They are applicable to all legal entities and subsidiaries in AIB Group, including Goodbody and, where relevant, our suppliers within our value chain. Payzone is not covered by these policies as it maintains its own suite of policies which are aligned to the Group.

### Information Security (including Cyber) Risk Framework and Policy

Our Information Security Framework and Policy set out the requirements for the effective and consistent identification, evaluation, management, and oversight of Information Security (including Cyber) Risk, across AIB.

The CRO is the policy's ELT sponsor, and is responsible for ensuring appropriate engagement with all stakeholders to capture feedback on any proposed changes to these. To ensure that the framework and policy are kept up to date, we carry out a review in line with Bank's policy governance processes and list the relevant regulations in the latest version of the framework, which we publish on our intranet.

We have a low appetite for the risk of loss or breach of our confidential business and customer data. We set this appetite at a level that allows us to achieve our business goals and objectives in a manner that complies with the laws and regulations across the jurisdictions in which we operate.

We cannot fully control or mitigate the occurrence of Information Security (including Cyber) Risk. However, we seek to minimise our risk exposure as much as possible through controls that extend through all internal capabilities and third party services, and our focus is on identifying and protecting our critical systems and information assets, as well as our ability to detect, respond to and recover from incidents. We also have quantitative RAS measures in place to mitigate this risk.

The Board is ultimately responsible for the effective management of Information Security (including Cyber) Risk, and for the Group's system of internal controls. The Board monitors our exposure through its regular risk reporting and by updates on specific cyber-related topics.

Additionally, our CRO regularly reports on the Group's risk profile and emerging risk themes to both the GRC and BRC.

### Technology Risk Policy

The Technology Risk Policy defines our rules for effectively managing technology, to ensure that we identify and manage technology risks in line with our risk appetite. It is published internally on our intranet.

The 2LOD Group Head of Operational Risk reviews both the Information Security and Technology Risk policies and the guidelines annually to ensure that they comply with any new laws or regulations and reflect changes in our organisational structure or new business requirements.

After consultation with internal stakeholders, policy updates are then approved by the GRC.

As the CRO is the policy's ELT sponsor, all documented rules governing our approach to managing technology and information security-related risks are approved at Board level.

## Cyber Security & Data Protection *continued*

The policy aligns with the requirements of the Digital Operational Resilience Act (DORA), which applied from January 2025.

### Data Protection & ePrivacy Policies

As a digitally enabled bank, we process large volumes of customer data on a daily basis. Our customers must be able to trust us to do this responsibly and ethically, using appropriate data protection and ePrivacy mechanisms. We therefore prioritise the protection and ethical use of our customer data, and our Code of Conduct requires all staff to comply with the spirit and letter of the relevant laws and regulations, including those related to data protection and ePrivacy. As customers are a crucial part of our value chain, safeguarding their right to privacy is a key part of our Human Rights Commitment. For more details on our Human Rights Commitment, please refer to page 88.

Our Data Protection Policy provides clear rules and principles for protecting personal data within the Group, including addressing the identification, assessment, management and/or remediation of data protection impacts on customers.

The policy is in line with the GDPR, (EU) 2016/679, which outlines the rules for protecting the fundamental rights and freedoms of natural and legal persons, reinforces the data protection rights of individuals, and facilitates the free flow of personal data within the EU and other countries where an adequate level of data protection has been determined. This policy is also aligned with the requirements of the Irish Data Protection Act 2018 and the UK Data Protection Act 2018.

The ePrivacy Policy sets out the rules and principles, roles and responsibilities for identifying, assessing, managing, reporting, controlling and overseeing electronic communications. The DPOs reviewed the ePrivacy Policy in 2025 to ensure its continued effectiveness.

The ePrivacy Policy is in line with the ePrivacy Regulation (2017/0003(COD)), which outlines the rules for protecting the fundamental rights and freedoms of natural and legal persons in the provision and use of electronic communication services and, in particular, the rights to respect for private life and communications and protections with regard to the processing of personal data.

The policy is also aligned to the requirements of the UK Privacy and Electronic Communications Regulations (Privacy and Electronic Communications (EC Directive) Regulations 2003).

Our DPOs set our Data Protection policy and ePrivacy policies and oversee their effective communication and implementation across the organisation. We review the policies annually, and ensure that the views and interests of key stakeholders are taken into consideration. The RCCR reviews any material changes to the policies, and also reviews and approves them every three years. We complete a regulatory gap analysis when drafting the policies, and during each triennial review, to ensure that the policies meet regulatory obligations and expectations. Both policies are aligned with the RAS, and all appropriate qualitative statements and metrics outlined in the RAS are reflected either directly within the policies, or in their supporting guidelines and procedures.

As a digitally enabled bank processing large volumes of customer data, our customers must be able to trust us to do this responsibly and ethically using appropriate data protection and ePrivacy mechanisms.

### Group Model and AI Risk Management Framework & Policy

The purpose of the Group Model and AI Risk Management Framework is to ensure that model and AI risk in AIB Group is appropriately identified and managed within each stage of the model and AI risk management lifecycle. It sets out how AIB Group defines, manages and measures model risk and details the roles and responsibilities with regard to the management, reporting, control and oversight of model risk.

The framework applies to all models in the Group, including those sourced from a third party. The framework and policy are in line with EU legislative and regulatory requirements.

The ELT is ultimately responsible for implementing both the framework and the policy. The framework is on a three-year cycle (triennial) for approval by the BRC, and the Head of Enterprise Risk, as the framework owner, is responsible for the annual review and approval of non-material changes. The framework and policy are published on our intranet.

### Our actions

S1-4, S4-4

#### Ensuring information security

The cyber threat landscape in 2025 continued to evolve, with increasing sophistication and frequency of attacks targeting the financial sector. We maintain a proactive and adaptive cyber defence posture, leveraging real-time threat intelligence, automation, and advanced analytics. Our controls are regularly tested and enhanced in line with international standards, including the NIST Cybersecurity Framework. We conduct annual business continuity and incident response exercises, including cyber simulations, to ensure preparedness for extreme scenarios. Our approach is dynamic, enabling us to anticipate and respond to emerging threats and maintain the security of critical services.

Building on the AIB Technology Strategy 2024-2026, approved by the Board in December 2023, we are executing a refreshed Group Cyber Strategy 2025-2026 anchored to our 'Secure Future Ready' vision that was approved by the Board in February 2025. This multi-year programme, aligned to NIST Cybersecurity Framework 2.0 and industry benchmarks, addresses evolving threats through enhanced identity, protection, detection, and response capabilities. Our strategy is anchored to four interconnected pillars: Secure by Design, Strong Foundation, Cyber Ready Mindset, and Transition to Resilience.

#### Preventing and mitigating technology risk

We have implemented a cross-functional DORA programme to ensure ongoing compliance, enhanced operational resilience, and to address any identified gaps. This proactive approach positions AIB Group to meet evolving regulatory expectations and industry standards in cyber security and technology risk management.

As DORA alignment requires financial entities to have a sound, comprehensive and well-documented Information and Communication Technology (ICT) risk management framework, we are also obliged to conduct annual reviews of adequacy and effectiveness of the Bank's technology risk management profile and compliance with the relevant regulatory requirements. We have completed our 2025 review and the output, confirmed by external consultants, shows that technology-related risk remains medium and stable with no material findings, demonstrating strong risk management maturity. The risk has oversight from Operational Risk Committee (ORC), GRC and BRC.

### Initiatives to safeguard customers

Protecting our customers from cyber threats and fraud remains a top priority. In 2025, we continued to deliver targeted awareness campaigns and timely security alerts through multiple channels, including email, in-app messaging, across our social media platforms, press releases and through our community outreach programme. We also support and collaborate with industry initiatives such as BPFI's FraudSMART awareness campaign. Our ongoing engagement empowers customers to recognise and respond to scams and emerging threats, supporting a safer digital banking experience.

### Ensuring data protection

The DPN delivers on our transparency obligations under GDPR, while informing our customers about how their personal data is used. We develop our privacy-related notices, including the DPN, to try to make sure that they are accessible for all customers, including vulnerable individuals. We conducted a detailed review of the ROI DPN during 2025 with the best interests of our customers in mind. The focus of this review centred around the core objective, to provide our customers with greater detail and additional clarity regarding the use of their personal data within AIB. This was achieved by providing more detail relating to categories of information processed, how we collect that information, and the lawful bases relied upon to use their information. We included additional detail to explain the lawful basis for sharing information with third parties and to explain the conditions under which AIB shares information outside the European Economic Area (EEA). The updated DPN was published on the AIB ROI website in September 2025, making it available and accessible to all of our customers.

Following a deep-dive analysis of personal data breaches that occurred during 2024, the DPOs engaged directly with individual business areas in 2025 to develop action plans to strengthen the control environment around data protection. Regular updates on breach action plans are presented at the 2LOD Data Protection and Privacy Forum to ensure the DPOs have a level of oversight, while also encouraging information sharing across business areas within the Group. The DPOs also engaged with the DPC in response to its queries relating to personal data breaches that were reported to the Regulator.

In addition, the DPOs delivered a comprehensive targeted training programme in 2025 to 484 colleagues across a range of business areas to raise awareness of personal data breaches. This approach differs to the broader training programme delivered across the organisation in 2024. These training sessions are delivered separately to the mandatory training noted on page 106.

We want all of our customers to benefit from the initiatives outlined above, which demonstrate our commitment to being transparent with our customers and protecting their personal data.

### Phishing simulations

Phishing simulations remain a key component of our cyber awareness programme. In 2025, we continued to conduct quarterly phishing exercises for all employees, using realistic scenarios to educate and test resilience. Results are shared with senior leadership to inform ongoing training and awareness initiatives, ensuring a culture of vigilance across the organisation.

### Simulation exercises

|                                 | 2025   | 2024   |
|---------------------------------|--------|--------|
| All-employee phishing exercises | 4      | 4      |
| Phishing simulation emails sent | 59,847 | 58,309 |

### Complying with the EU AI Act

To aid compliance with the EU AI Act, in 2025, we updated the material risk taxonomy to explicitly incorporate AI risk with model risk. We also introduced standards for validation and monitoring of AI systems and reconfigured the model inventory to accommodate AI-specific fields.

Beyond these enhancements to existing risk management protocols, new processes to manage AI risk were introduced. Key amongst these was the creation of the AI Oversight Forum, a multi-disciplinary forum, featuring representation from across the organisation, including security, legal, compliance, and risk. The forum is responsible for overseeing the emerging deployment of AI systems and ensuring alignment with the Group's strategic pillars.

In addition to the above, and in order to strengthen AI literacy in AIB, we are implementing an AI literacy strategy that includes AI training for all employees, newsletters, and specific training for users of systems such as M365 Copilot, where comprehensive tailored training spanning face-to-face sessions, virtual instruction, and on-the-job learning have been implemented for users.



Board Members Tanya Horgan, Independent Non-Executive Director, Jim Pettigrew, Chair, and Anne Sheehan, Independent Non-Executive Director.

## Cyber Security & Data Protection *continued*

### Our performance measures

S1-5, S4-5

Our Cyber Security & Data Protection performance measures apply to AIB Group, excluding Goodbody and Payzone.

#### Cyber security spending target

The 'Cyber security spending' entity-specific performance measure, disclosed in FY2024 as a percentage of overall annual IT spend, will no longer be reported externally from FY2025 onwards. The measure was assessed as providing limited decision-useful or comparable information for users of the Sustainability Statement. The Group continues to invest in its technology capabilities, which underpin the resilience of our digital infrastructure and reinforce our capacity to protect our customers, our data and our operations in an evolving threat landscape.

We maintain a strong focus on IT service availability as a key risk metric, ensuring the reliability and resilience of our critical business services. The IT service availability metric provides a holistic view of the health of our IT services domain and is monitored continuously throughout the year. Performance above established thresholds triggers escalation and review processes, supporting our commitment to operational excellence.

Our approach to monitoring and managing cyber security and IT risk is underpinned by the RAS process, which is reviewed annually and adjusted as needed to reflect internal and external developments. Data for this performance measure is sourced directly from our management information and incident management systems, ensuring accuracy and transparency.

The methodology for calculating IT service availability is aligned with industry standards and is regularly reviewed to ensure ongoing relevance. We will continue to refine our approach and update our performance measures as appropriate and to ensure that we consider views and interests of key stakeholders during an annual review.



#### IT service availability



Average availability of all level 1 business services

#### Mandatory training

Information Security and Data Protection training remains a core component of our mandatory training curriculum. In 2025, we expanded the roll-out of our new training tool, initially launched to IT staff in late 2024, to all AIB employees. This tool provides enhanced insights into user security awareness and supports our goal of maintaining a high level of cyber resilience across the organisation. High-risk users continue to receive additional targeted training, including increased phishing simulation frequency, and we regularly review and update our training content to address emerging threats and regulatory requirements. High-risk users at AIB are defined as employees or teams whose roles, behaviours, or elevated access levels make them more susceptible to phishing attacks or whose compromise would pose a significant risk to the organisation. This includes the Board members, ELT members, Legal, Finance & Treasury, Service Desk, Call Centre staff, and Privileged Users with administrative access to critical systems.

To support our colleagues in improving their sustainability knowledge, a completion rate of 90% is required each year for the mandatory trainings.



#### Information security training



The Data Protection training module covers our Data Protection and ePrivacy policies, and how to report a personal data breach and breach of the policies. 96% of our employees and contractors completed the training in 2025.



#### Data protection training



In addition, our new AI training module introduces key AI concepts and terminology, and outlines AIB's responsibilities under emerging AI regulations. 94% of our employees and contractors completed this AI literacy training in 2025.



#### AI training



For details on our mandatory training calculations and assumptions, including a note regarding employees on long-term leave, see page 87.

#### Data Protection & ePrivacy

We do not have specific targets related to the number of personal data breaches. Instead, we work to reduce personal data breaches and support customers and business areas if they occur, with 2025 showing an overall reduction in volumes when compared with 2024. We use the following metric to track the effectiveness of our data protection actions:



#### Total number of personal data breaches



This metric is extracted directly from the Group's governance, risk and compliance system, SHIELD, and no judgements are applied to the metric. This metric includes Goodbody, and excludes Payzone who manages and reports its own personal data breaches independently.

The table below presents the number of personal data breaches notified to the DPC, and the number of complaints from a data protection perspective. 267 of the 1,385 personal breaches were reported to the data protection authorities.

In 2025, there was a total of 493,173 data subjects impacted by personal data breaches. The increase for 2025 is primarily attributable to two incidents in AIB ROI, affecting 471,658 customers, due to files shared with an incorrect trusted third party via a secure channel. No customers nor employees were negatively impacted. These personal data breaches were assessed by the Data Protection Office as a negligible-risk breach and therefore did not require notification to the DPC.

#### Data Protection – Personal Data Breaches & Complaints

|                                                                                                                        | 2025    | 2024   |
|------------------------------------------------------------------------------------------------------------------------|---------|--------|
| Number of substantiated data protection complaints received from outside parties and substantiated by the organisation | 135     | 164    |
| Number of substantiated data protection complaints from regulatory bodies                                              | 5       | 6      |
| Number of personal data breaches reported to the data protection authorities                                           | 267     | 488    |
| Total number of customers and employees affected by the Company's personal data breaches                               | 493,173 | 18,816 |



# Appendix 1

## List of Disclosure Requirements IRO-2

Following the completion of the DMA process, we conducted a materiality of information assessment for each ESRS to determine material DR and data points (DPs). In doing so, we considered the relevance of the reported information and significance for the user of the Sustainability Statement to inform their decision-making. The following table lists all of the DRs in ESRS 2 and the topical standards, both mandatory and material to AIB.

We have omitted all the DRs in the topical standards E2 (Pollution), E3 (Water and marine resources), E4 (Biodiversity and ecosystems), E5 (Resource use and circular economy), and S2 (Workers in the value chain), as these topics were below our materiality thresholds, except for the DRs related to IRO-1 in ESRS 2. The index tables help the reader to navigate information in the Sustainability Statement and we have indicated where information has been incorporated by reference to another section of the AFR (such as the Governance Report and Annual Review).

We have also indicated where we have deemed a DR to be not material, or we have chosen to avail of the phase-in provisions.

For six of our material topics, with the exception of 'Own Workforce (Equal Treatment & Opportunities for All)', entity-specific disclosures in relation to metrics have been included to support disclosure of material information. These have been introduced as additional DRs or as additional DPs within the ESRS DR.

| DR                                  | Sustainability Reporting                                                                                                           | Cross-referencing                                                         | Page                       |
|-------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|----------------------------|
| <b>ESRS 2 – General disclosures</b> |                                                                                                                                    |                                                                           |                            |
| BP-1                                | Basis of Preparation                                                                                                               |                                                                           | 43                         |
| BP-2                                | Our Approach to Sustainability, Basis of Preparation                                                                               |                                                                           | 42, 43                     |
| GOV-1                               | Our Sustainability Governance                                                                                                      | Governance Report (GOV-1, 21 a - e, 22 c)<br>Risk Management (GOV-1, 22c) | 93 – 95, 125, 178          |
| GOV-2                               | Our Sustainability Governance                                                                                                      | Risk Management (GOV-2, 26 a)                                             | 95, 178                    |
| GOV-3                               | Our Sustainability Governance                                                                                                      |                                                                           | 95                         |
| GOV-4                               | Our Sustainability Governance, Due Diligence Table in Appendix 1                                                                   |                                                                           | 95, 108                    |
| GOV-5                               | Our Sustainability Governance                                                                                                      | Governance Report (GOV-5, 36 d - e);<br>Risk Management (GOV-5, 36 b - c) | 95, 178, 239               |
| SBM-1                               | Our Sustainability Strategy, Our Value Chain, Creating Value through Our Business Model<br>(Phase-in applied for SBM-1 40 b, 40 c) | Annual Review (SBM-1, 40 a)                                               | 44 – 45, 46, 47, 4 – 5     |
| SBM-2                               | Our Stakeholder Engagement                                                                                                         | Governance Report (SBM-2, 45 a, c)                                        | 48, 136                    |
| SBM-3                               | Our Material Impacts, Risks, and Opportunities (Phase-in applied for SBM-3 48 e)                                                   |                                                                           | 51 – 54                    |
| IRO-1 (E1, S1, S3, S4, G1)          | Our Approach to the Double Materiality Assessment                                                                                  |                                                                           | 49 – 50                    |
| IRO-2                               | Appendix 1 and Appendix 2                                                                                                          |                                                                           | 107 – 109                  |
| <b>ESRS E1 – Climate Change</b>     |                                                                                                                                    |                                                                           |                            |
| ESRS 2 GOV-3                        | Our Sustainability Governance                                                                                                      |                                                                           | 95                         |
| E1-1                                | Material Topic: Climate Change                                                                                                     |                                                                           | 56                         |
| ESRS 2 SBM-3                        | Our Material Impacts, Risks, and Opportunities, Climate & Environmental Risk                                                       |                                                                           | 51 – 54, 69 – 70           |
| ESRS 2 IRO-1                        | Our Approach to the Double Materiality Assessment, Climate & Environmental Risk                                                    |                                                                           | 49 – 50, 69 – 70           |
| E1-2                                | Our policies                                                                                                                       |                                                                           | 58, 60                     |
| E1-3                                | Our actions                                                                                                                        |                                                                           | 58, 60 – 62                |
| E1-4                                | Our performance measures, Decarbonising Our Own Operations, Decarbonising Our Loan Book                                            |                                                                           | 59, 62 – 66                |
| E1-5                                | Our performance measures, Energy consumptions and mix                                                                              |                                                                           | 59, 62 – 66                |
| E1-6                                | Our performance measures, Methodology for Calculating GHG Emissions                                                                |                                                                           | 59, 62 – 68                |
| E1-7                                | Not material                                                                                                                       |                                                                           | NM                         |
| E1-8                                | Not material                                                                                                                       |                                                                           | NM                         |
| E1-9                                | Phase-in                                                                                                                           |                                                                           | n/a                        |
| <b>ESRS S1 – Own Workforce</b>      |                                                                                                                                    |                                                                           |                            |
| ESRS 2 SBM-2                        | Our Stakeholder Engagement                                                                                                         |                                                                           | 48                         |
| ESRS 2 SBM-3                        | Our Material Impacts, Risks, and Opportunities, Societal & Workforce Progress, Human Rights Commitment                             |                                                                           | 51 – 54, 76, 88            |
| S1-1                                | Our policies, Human Rights Commitment                                                                                              | Governance Report (S1-1, 19)                                              | 82 – 83, 85, 88, 103 – 104 |
| S1-2                                | Channels for Stakeholders to Raise Concerns                                                                                        |                                                                           | 89 – 90                    |
| S1-3                                | Channels for Stakeholders to Raise Concerns                                                                                        |                                                                           | 89 – 90                    |
| S1-4                                | Our actions                                                                                                                        |                                                                           | 83, 85, 104                |
| S1-5                                | Our performance measures, Gender diversity, Training and skills development, Cyber Security & Data Protection                      |                                                                           | 84, 85, 106                |
| S1-6                                | Supplementary performance measures                                                                                                 |                                                                           | 86                         |
| S1-7                                | Phase-in                                                                                                                           |                                                                           | n/a                        |
| S1-8                                | Not material                                                                                                                       |                                                                           | NM                         |
| S1-9                                | Our performance measures, Gender diversity                                                                                         |                                                                           | 84                         |
| S1-10                               | Not material                                                                                                                       |                                                                           | NM                         |
| S1-11                               | Not material                                                                                                                       |                                                                           | NM                         |
| S1-12                               | Phase-in                                                                                                                           |                                                                           | n/a                        |
| S1-13                               | Our performance measures, Training and skills development                                                                          |                                                                           | 85                         |
| S1-14                               | Not material                                                                                                                       |                                                                           | NM                         |
| S1-15                               | Our performance measures, Family Leave                                                                                             |                                                                           | 84                         |
| S1-16                               | Our performance measures, Gender Pay Gap Report                                                                                    |                                                                           | 84                         |
| S1-17                               | Supplementary performance measures, Human Rights Commitment                                                                        |                                                                           | 86, 88                     |

## Appendix 1 continued

| DR                                       | Sustainability Reporting                                                                               | Cross-referencing       | Page                       |
|------------------------------------------|--------------------------------------------------------------------------------------------------------|-------------------------|----------------------------|
| <b>ESRS S3 – Affected communities</b>    |                                                                                                        |                         |                            |
| ESRS 2 SBM-2                             | Our Stakeholder Engagement                                                                             |                         | 48                         |
| ESRS 2 SBM-3                             | Our Material Impacts, Risks, and Opportunities, Societal & Workforce Progress, Human Rights Commitment |                         | 51 – 54, 76, 88            |
| S3-1                                     | Our policies, Human Rights Commitment                                                                  |                         | 80, 88                     |
| S3-2                                     | Channels for Stakeholders to Raise Concerns                                                            |                         | 89                         |
| S3-3                                     | Channels for Stakeholders to Raise Concerns                                                            |                         | 89                         |
| S3-4                                     | Our actions, Human Rights Commitment                                                                   |                         | 81, 88                     |
| S3-5                                     | Our performance measures, Housing                                                                      |                         | 81                         |
| <b>ESRS S4 – Consumers and end-users</b> |                                                                                                        |                         |                            |
| ESRS 2 SBM-2                             | Our Stakeholder Engagement                                                                             |                         | 48                         |
| ESRS 2 SBM-3                             | Our Material Impacts, Risks, and Opportunities, Societal & Workforce Progress, Human Rights Commitment |                         | 51 – 54, 76, 88            |
| S4-1                                     | Our policies, Human Rights Commitment                                                                  |                         | 77, 80, 88, 103 – 104      |
| S4-2                                     | Channels for Stakeholders to Raise Concerns                                                            |                         | 89, 90                     |
| S4-3                                     | Channels for Stakeholders to Raise Concerns                                                            |                         | 89, 90                     |
| S4-4                                     | Our actions, Human Rights Commitment                                                                   |                         | 78 – 79, 81, 88, 104 – 105 |
| S4-5                                     | Our performance measures, Housing, Financial Wellbeing, Cyber Security & Data Protection               |                         | 79, 81, 106                |
| <b>ESRS G1 – Business conduct</b>        |                                                                                                        |                         |                            |
| ESRS 2 GOV-1                             | Our Sustainability Governance                                                                          | Governance Report (5 a) | 93 – 95, 128               |
| ESRS 2 IRO-1                             | Our Approach to the Double Materiality Assessment                                                      |                         | 49 – 50                    |
| G1-1                                     | Our policies                                                                                           |                         | 96 – 97, 101 – 103         |
| G1-2                                     | Management of Our Supplier Relationships                                                               |                         | 99 – 100                   |
| G1-3                                     | Our actions, Our performance measures, Financial crime and Col training                                |                         | 97, 98                     |
| G1-4                                     | Our performance measures, Incidents of corruption or bribery                                           |                         | 98                         |
| G1-5                                     | Political engagement (including lobbying activities)                                                   |                         | 98                         |
| G1-6                                     | Our performance measures, Management of Our Supplier Relationships                                     |                         | 100                        |

## Due diligence

### GOV-4

The below table provides a mapping to where in our Sustainability Statements we provide information about our due diligence process, including how we apply the main aspects and steps of our due diligence process.

| Due diligence elements                                                        | Section                                                                                                                                                                                                                                                  | Page                      |
|-------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| (a) Embedding due diligence in governance, strategy and business model        | Our Material Impacts, Risks, and Opportunities, Our Sustainability Governance                                                                                                                                                                            | 51 – 54, 95               |
| (b) Engaging with affected stakeholders in all key steps of the due diligence | Our Stakeholder Engagement, Our Approach to the Double Materiality Assessment, Channels for Stakeholders to Raise Concerns, Our policies, Our Sustainability Governance ( <i>Note: for page references to topical sections, see the DR table above</i> ) | 48, 49 – 50, 89 – 90, 95  |
| (c) Identifying and assessing adverse impacts                                 | Our Approach to the Double Materiality Assessment, Our Material Impacts, Risks, and Opportunities, Channels for Stakeholders to Raise Concerns                                                                                                           | 49 – 50, 51 – 54, 89 – 90 |
| (d) Taking actions to address those adverse impacts                           | Material Topic: Climate Change, Material Topic: Cyber Security & Data Protection                                                                                                                                                                         | 56 – 73, 103 – 106        |
| (e) Taking the effectiveness of these efforts and communicating               | Material Topic: Climate Change, Material Topic: Cyber Security & Data Protection                                                                                                                                                                         | 56 – 73, 103 – 106        |

# Appendix 2

## List of data points deriving from other EU legislation

### IRO-2

The table below includes a list of all the DPs that derive from other EU legislation as per Appendix B of ESRS 2, and where they can be located within this report. Certain DPs are considered not applicable, for example based on EFRAG's technical explanation (n/a). Some DPs relate to metrics that the corresponding DR is deemed as not material for AIB (NM) and for others, phase-in provisions are availed of as per Appendix C in ESRS 1.

| Reference to DR and related data points  |                                                                                                                   | Section  | Page    | EU law reference   |
|------------------------------------------|-------------------------------------------------------------------------------------------------------------------|----------|---------|--------------------|
| <b>ESRS 2 – General disclosures</b>      |                                                                                                                   |          |         |                    |
| GOV-1, 21 (d)                            | Board's gender diversity                                                                                          | GR       | 125     | SFDR, BR           |
| GOV-1, 21 (e)                            | Percentage of Board members who are independent                                                                   | GR       | 125     | BR                 |
| GOV-4, 30                                | Statement on due diligence                                                                                        | SR       | 108     | SFDR               |
| SBM-1, 40 (d) i                          | Involvement in activities related to fossil fuel activities paragraph                                             | NM       | n/a     | SFDR, Pillar 3, BR |
| SBM-1, 40 (d) ii                         | Involvement in activities related to chemical production paragraph                                                | NM       | n/a     | SFDR, BR           |
| SBM-1, 40 (d) iii                        | Involvement in activities related to controversial weapons                                                        | NM       | n/a     | SFDR, BR           |
| SBM-1, 40 (d) iv                         | Involvement in activities related to cultivation and production of tobacco paragraph                              | NM       | n/a     | BR                 |
| <b>ESRS E1 – Climate Change</b>          |                                                                                                                   |          |         |                    |
| E1-1, 14                                 | Transition plan to reach climate neutrality by 2050                                                               | SR       | 56      | EUCL               |
| E1-1, 16(g)                              | Undertakings excluded from Paris-aligned Benchmarks                                                               | SR       | 56      | Pillar 3, BR       |
| E1-4, 34                                 | GHG emission reduction targets                                                                                    | SR       | 64      | SFDR, Pillar 3, BR |
| E1-5, 38                                 | Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)                | NM       | n/a     | SFDR               |
| E1-5, 37                                 | Energy consumption and mix                                                                                        | SR       | 59      | SFDR               |
| E1-5, 40-43                              | Energy intensity associated with activities in high climate impact sectors                                        | NM       | n/a     | SFDR               |
| E1-6, 44                                 | Gross Scope 1, 2, 3 and Total GHG emissions                                                                       | SR       | 66 – 68 | SFDR, Pillar 3, BR |
| E1-6, 53-55                              | Gross GHG emissions intensity                                                                                     | SR       | 66 – 68 | SFDR, Pillar 3, BR |
| E1-7, 56                                 | GHG removals and carbon credits                                                                                   | NM       | n/a     | EUCL               |
| E1-9, 66                                 | Exposure of the benchmark portfolio to climate-related physical risks                                             | Phase-in | n/a     | BR                 |
| E1-9, 66 (a)                             | Disaggregation of monetary amounts by acute and chronic physical risk                                             | Phase-in | n/a     | Pillar 3           |
| E1-9, 66 (c)                             | Location of significant assets at material physical risk                                                          | Phase-in | n/a     | Pillar 3           |
| E1-9, 67 (c)                             | Breakdown of the carrying value of its real estate assets by energy-efficiency classes                            | Phase-in | n/a     | Pillar 3           |
| E1-9, 69                                 | Degree of exposure of the portfolio to climate-related opportunities                                              | Phase-in | n/a     | BR                 |
| <b>ESRS S1 – Own Workforce</b>           |                                                                                                                   |          |         |                    |
| SBM-3, 14 (f)                            | Risk of incidents of forced labour                                                                                | SR       | 88      | SFDR               |
| SBM-3, 14 (g)                            | Risk of incidents of child labour                                                                                 | SR       | 88      | SFDR               |
| S1-1, 20                                 | Human Rights Policy Commitment                                                                                    | SR       | 88      | SFDR               |
| S1-1, 21                                 | Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8 | SR       | 88      | BR                 |
| S1-1, 22                                 | Processes and measures for preventing trafficking in human beings                                                 | SR       | 88      | SFDR               |
| S1-1, 23                                 | Workplace accident prevention policy or management system paragraph                                               | SR       | 88      | SFDR               |
| S1-3, 32 (c)                             | Grievance/complaints handling mechanisms paragraph                                                                | SR       | 89 – 90 | SFDR               |
| S1-14, 88 (b), (c)                       | Number of fatalities and number and rate of work-related accidents                                                | NM       | n/a     | SFDR, BR           |
| S1-14, 88 (e)                            | Number of days lost to injuries, accidents, fatalities or illness                                                 | NM       | n/a     | SFDR               |
| S1-16, 97 (a)                            | Unadjusted gender pay gap                                                                                         | SR       | 84      | SFDR, BR           |
| S1-16, 97 (b)                            | Excessive CEO pay ratio                                                                                           | SR       | 84      | SFDR               |
| S1-17, 103 (a)                           | Incidents of discrimination                                                                                       | SR       | 86      | SFDR               |
| S1-17, 104 (a)                           | Non-respect of UNGPs on Business and Human Rights and OECD Guidelines                                             | SR       | 88      | SFDR, BR           |
| <b>ESRS S3 – Affected Communities</b>    |                                                                                                                   |          |         |                    |
| S3-1, 16                                 | Human Rights Policy Commitment                                                                                    | SR       | 88      | SFDR               |
| S3-4, 17                                 | Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD Guidelines                              | SR       | 88      | SFDR, BR           |
| S3-4, 36                                 | Human rights issues and incidents                                                                                 | SR       | 88      | SFDR               |
| <b>ESRS S4 – Consumers and End-users</b> |                                                                                                                   |          |         |                    |
| S4-1, 16                                 | Policies related to consumers and end-users                                                                       | SR       | 88      | SFDR               |
| S4-1, 17                                 | Non-respect of UNGPs on Business and Human Rights and OECD Guidelines                                             | SR       | 88      | SFDR, BR           |
| S4-4, 35                                 | Human rights issues and incidents                                                                                 | SR       | 88      | SFDR               |
| <b>ESRS G1 – Business Conduct</b>        |                                                                                                                   |          |         |                    |
| G1-1, 10 (b)                             | United Nations Convention against Corruption                                                                      | SR       | 96      | SFDR               |
| G1-1, 10 (d)                             | Protection of whistleblowers                                                                                      | SR       | 96      | SFDR               |
| G1-4, 24 (a)                             | Fines for violation of anti-corruption and anti-bribery laws                                                      | SR       | 98      | SFDR, BR           |
| G1-4, 24 (b)                             | Standards of anti-corruption and anti-bribery                                                                     | SR       | 96, 97  | SFDR               |

#### Section reference:

- GR – Governance Report
- SR – Sustainability Reporting
- n/a – Not applicable
- NM – Not material

#### EU law reference:

- SFDR – Sustainable Finance Disclosure Regulation
- BR – Benchmark Regulation
- Pillar 3 – Disclosure Regulation
- EUCL – EU Climate Law

# Statement of Directors' Responsibilities for the Sustainability Statement

The Directors are responsible for the preparation of the Sustainability Statement in accordance with Part 28 of the Companies Act 2014 and including the Sustainability Statement in a clearly identifiable dedicated section of the Directors' Report.

The Directors are also responsible for designing, implementing and maintaining such internal controls that they determine are relevant to enable the preparation of the Sustainability Statement in accordance with Part 28 of the Companies Act 2014 and that it is free from material misstatement, whether due to fraud or error.

In preparing the Sustainability Statement, the directors are required to:

- prepare the statement in accordance with the European Sustainability Reporting Standards (ESRS) including the selection and application of appropriate sustainability reporting methods;
- disclose the double materiality assessment process performed to identify the information required to be reported in the Sustainability Statement;
- prepare the disclosures within the environmental section of the Sustainability Statement, in compliance with Article 8 of EU Regulation 2020/852 (the 'Taxonomy Regulations');
- ensure that the Group maintains adequate records for the preparation of the Sustainability Statement;
- make judgements and estimates that are reasonable in the circumstances including the identification and description of any inherent limitations in the measurement or evaluation of information in the Sustainability Statement;
- prepare forward-looking information, where applicable, on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group.

For and on behalf of the Board



**Jim Pettigrew**  
Chair



**Colin Hunt**  
Chief Executive  
Officer



**Donal Galvin**  
Chief Financial  
Officer

3 March 2026



# Independent practitioners' limited assurance report on AIB Group plc's consolidated Sustainability Statement

To the Directors of AIB Group plc

## Limited assurance report on the consolidated Sustainability Statement

### Limited assurance conclusion

We have conducted a limited assurance engagement on the consolidated sustainability statement of AIB Group plc (the 'Company'), included in pages 42 to 109 (the 'consolidated Sustainability Statement'), as at 31 December 2025 and for the period from 1 January 2025 to 31 December 2025, prepared in accordance with Part 28 of the Companies Act 2014.

Certain required disclosures have been presented elsewhere in the Annual Report, rather than in the Sustainability Statement. These are cross referenced from the Sustainability Statement and are identified as subject to limited assurance.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the consolidated Sustainability Statement is not prepared, in all material respects, in accordance with Part 28 of the Companies Act 2014, including:

- compliance of the sustainability reporting with the European Sustainability Reporting Standards (ESRS),
- the process carried out by the Company to identify the information reported pursuant to the sustainability reporting standards, is in accordance with the description set out in the section 'Our approach to the Double Materiality Assessment', and
- compliance of the disclosures in subsection 'EU Taxonomy' within the environmental section of the consolidated Sustainability Statement with Article 8 of EU Regulation 2020/852 (the 'Taxonomy Regulation').

### Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (Ireland) 3000, Assurance engagements other than audits or reviews of historical financial information - assurance of sustainability reporting in Ireland (ISAE (Ireland) 3000), issued by the Irish Auditing & Accounting Supervisory Authority (IAASA). The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the Practitioners' responsibilities section of our report.

### Our independence and quality management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and the independence requirements of the Companies Act 2014 and the Code of Ethics issued by Chartered Accountants Ireland that are relevant to our limited assurance engagement of the consolidated Sustainability Statement in Ireland.

The firm applies International Standard on Quality Management (Ireland) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Responsibilities for the consolidated Sustainability Statement

As explained more fully in the Statement of Directors' Responsibilities for the consolidated Sustainability Statement, the Directors' of the Company are responsible for designing and implementing a process to identify the information reported in the consolidated Sustainability Statement in accordance with the ESRS and for disclosing this Process in note 'Our approach to the Double Materiality Assessment' of the consolidated Sustainability Statement. This responsibility includes:

- understanding the context in which the Company's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Company's financial position, financial performance, cash flows, access to finance or cost of capital over the short, medium, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

## Independent practitioners' limited assurance report on AIB Group plc's consolidated Sustainability Statement *continued*

The Directors of the Company are further responsible for the preparation of the consolidated Sustainability Statement, in accordance with Part 28 of the Companies Act 2014, including:

- compliance with the ESRS;
- preparing the disclosures in 'EU Taxonomy' subsection of the consolidated Sustainability Statement, in compliance with the Taxonomy Regulation;
- designing, implementing and maintaining such internal control that the Directors determine is necessary to enable the preparation of the consolidated Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

### Inherent limitations in preparing the consolidated Sustainability Statement

In reporting forward-looking information in accordance with ESRS, the Directors of the Company are required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

### Practitioners' responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the consolidated Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the consolidated Sustainability Statement as a whole.

As part of a limited assurance engagement in accordance with ISAE (Ireland) 3000 we exercise professional judgement and maintain professional scepticism throughout the engagement. Our responsibilities in respect of the consolidated Sustainability Statement, in relation to the Process, include:

- Obtaining an understanding of the Process, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- Considering whether the information identified addresses the applicable disclosure requirements of the ESRS; and
- Designing and performing procedures to evaluate whether the Process is consistent with the Company's description of its Process set out in subsection 'Our approach to the Double Materiality Assessment'.

Our other responsibilities in respect of the consolidated Sustainability Statement include:

- Identifying where material misstatements are likely to arise, whether due to fraud or error; and
- Designing and performing procedures responsive to where material misstatements are likely to arise in the consolidated Sustainability Statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

### Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the consolidated Sustainability Statement. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise in the consolidated Sustainability Statement, whether due to fraud or error.

In conducting our limited assurance engagement, with respect to the Process, we:

- Obtained an understanding of the Process by performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents) and reviewing the Company's internal documentation of its Process.
- Evaluated whether the evidence obtained from our procedures with respect to the Process implemented by the Company was consistent with the description of the Process set out in subsection 'Our approach to the Double Materiality Assessment'.

In conducting our limited assurance engagement, with respect to the consolidated Sustainability Statement, we:

- Obtained an understanding of the Company's reporting processes relevant to the preparation of its consolidated Sustainability Statement by obtaining an understanding of the Company's control environment, processes and information system relevant to the preparation of the consolidated Sustainability Statement, but not for the purpose of providing a conclusion on the effectiveness of the Company's internal control.
- Evaluated whether the information identified by the Process is included in the consolidated Sustainability Statement.
- Evaluated whether the structure and the presentation of the consolidated Sustainability Statement is in accordance with the ESRS.
- Performed substantive assurance procedures on selected information in the consolidated Sustainability Statement.
- Where applicable, compared disclosures in the consolidated Sustainability Statement with the corresponding disclosures in the Financial Statements and Directors' Report.
- Evaluated the methods assumptions and data for developing estimates and forward-looking information.
- Obtained an understanding of the Company's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the consolidated Sustainability Statement.

## Other Matter – Compliance with the requirement to mark-up the consolidated Sustainability Statement

---

Section 1613(3)(c) of the Companies Act 2014 requires us to report on the compliance by the Company with the requirement to mark-up the consolidated Sustainability Statement in accordance with Section 1600 of that Act. Section 1600 of the Companies Act 2014 requires that the Directors' Report is prepared in the electronic reporting format specified in Article 3 of Delegated Regulation (EU) 2019/815 and that the directors shall mark-up the consolidated Sustainability Statement. However, at the time of issuing our limited assurance report, the electronic reporting format has not been specified nor become effective by Delegated Regulation. Consequently, the Company is not required to mark-up the consolidated Sustainability Statement. Our conclusion is not modified in respect of this matter.

## Other Matter – References to external sources or websites

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The references to external sources or websites in the Sustainability Statement are not part of the Sustainability Statement and therefore are not within the scope of our limited assurance engagement.

## Use of this report

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Our report is made solely in accordance with Section 1613 of the Companies Act 2014 to the Directors of the Company.

Our assurance work has been undertaken so that we might state to the Directors those matters we are required to state to them in a limited assurance report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and its Directors, as a body, for our limited assurance work, for this report, or for the conclusions we have formed.



### **Ronan Doyle**

for and on behalf of PricewaterhouseCoopers  
Chartered Accountants and Statutory Audit Firm  
Dublin  
3 March 2026

# Task Force on Climate-related Financial Disclosures (TCFD)

In 2019, AIB was the first Irish bank to become an official supporter of the Task Force on Climate-related Financial Disclosures (TCFD) to identify and assess our climate risks and opportunities.

During 2025, we continued to make good progress in aligning with TCFD recommendations across the four key areas of Governance; Strategy; Risk Management; and Metrics and Targets. In line with our 'comply or explain' obligations under the UK's Financial Conduct Authority's Listing Rules, the Group can confirm that it has made its disclosures consistent with the TCFD recommendations and recommended disclosures. The table below references the sections of this report that detail our progress against the TCFD recommendations.

| Pillar              | Recommendation                                                                                                                | Section                                                                                                    | Disclosure Location                                   | Page    |
|---------------------|-------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|---------|
| Governance          | (a) Board's oversight of climate-related risks and opportunities.                                                             | <ul style="list-style-type: none"> <li>Sustainability Statement</li> <li>Governance Report</li> </ul>      | Our Sustainability Governance                         | 93 – 95 |
|                     |                                                                                                                               |                                                                                                            | Material Topic: Climate Change                        | 56      |
|                     |                                                                                                                               |                                                                                                            | Report of the Sustainable Business Advisory Committee | 164     |
|                     | (b) Management's role in assessing and managing climate-related risks and opportunities.                                      | <ul style="list-style-type: none"> <li>Sustainability Statement</li> <li>Governance Report</li> </ul>      | Our Sustainability Governance                         | 93 – 95 |
|                     |                                                                                                                               |                                                                                                            | Report of the Sustainable Business Advisory Committee | 164     |
|                     |                                                                                                                               |                                                                                                            | Internal Controls                                     | 166     |
| Strategy            | (a) Climate-related risks and opportunities (short-, medium-, and long-term).                                                 | Sustainability Statement                                                                                   | Basis of Preparation                                  | 43      |
|                     |                                                                                                                               |                                                                                                            | Our Approach to Double Materiality Assessment         | 49      |
|                     |                                                                                                                               |                                                                                                            | Climate & Environmental Risk                          | 69      |
|                     | (b) Impact of climate-related risks and opportunities on businesses, strategy and financial planning.                         | <ul style="list-style-type: none"> <li>Sustainability Statement</li> <li>Risk Management Report</li> </ul> | Our Sustainability Strategy                           | 44      |
|                     |                                                                                                                               |                                                                                                            | Material Topic: Climate Change                        | 56      |
|                     |                                                                                                                               |                                                                                                            | Our Approach to Double Materiality Assessment         | 49 – 50 |
|                     | (c) Resilience of strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. | Sustainability Statement                                                                                   | Climate & Environmental Risk                          | 236     |
|                     |                                                                                                                               |                                                                                                            | Our Material Impacts, Risks and Opportunities         | 51 – 54 |
|                     |                                                                                                                               |                                                                                                            | Climate & Environmental Risk                          | 69      |
| Risk Management     | (a) Processes for identifying and assessing climate-related risks.                                                            | <ul style="list-style-type: none"> <li>Sustainability Statement</li> <li>Risk Management Report</li> </ul> | Our Approach to Double Materiality Assessment         | 49 – 50 |
|                     |                                                                                                                               |                                                                                                            | Climate & Environmental Risk                          | 69      |
|                     |                                                                                                                               |                                                                                                            | Climate & Environmental Risk                          | 236     |
|                     | (b) Processes for managing climate-related risks.                                                                             | <ul style="list-style-type: none"> <li>Sustainability Statement</li> <li>Risk Management Report</li> </ul> | Decarbonising our Loan Book                           | 60      |
|                     |                                                                                                                               |                                                                                                            | Climate & Environmental Risk                          | 236     |
|                     | (c) Integration of processes for identifying, assessing and managing climate-related risks into overall risk management.      | Risk Management Report                                                                                     | Climate & Environmental Risk                          | 236     |
| Metrics and Targets | (a) Metrics used to assess climate-related risks and opportunities in line with strategy and risk management.                 | Sustainability Statement                                                                                   | Decarbonising Our Loan Book                           | 60 – 65 |
|                     | (b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.              | Sustainability Statement                                                                                   | GHG Emissions                                         | 66      |
|                     | (c) Targets used to manage climate-related risks and opportunities and performance against targets.                           | Sustainability Statement                                                                                   | Decarbonising Our Loan Book                           | 60      |



## TCFD Metrics and Targets

In this section we provide details on Transition and Physical Risk which is one of our four key groups of TCFD metrics. For further information on the remaining groups of metrics:

→ See **Climate & Environmental Action** on pages 58 to 69.

### Transition and Physical Risk

**Physical Risk:** We continue to focus on flood risk as the most significant acute and chronic physical risk and have developed initial metrics to better understand this risk for our property-related exposure. These metrics support the tracking of physical risk for our key property portfolios. Our approach is subject to further evolution based on industry developments and supervisory and regulatory expectations.

**Transition Risk:** On the transition risk side, an ESG Questionnaire is required for all new lending over €/\$1m in high and moderate transition risk sectors, and for all annual reviews of Borrowers with an exposure over €/\$10m in high and moderate transition risk sectors. An ESG Questionnaire is also required for material waiver requests for Borrowers with limits over €/\$1m in high transition risk sectors.

|                                                                                                     | 2025           | 2024           |
|-----------------------------------------------------------------------------------------------------|----------------|----------------|
| Exposures sensitive to Flood risk secured on commercial immovable property*                         | 3.7% (€0.34bn) | 2.6% (€0.19bn) |
| Exposures sensitive to Flood risk secured on residential immovable property*                        | 3.2% (€1.24bn) | 1.0% (€0.38bn) |
| % of new lending to sectors with high transition risk – flow                                        | 6%             | 6%             |
| % of lending to sectors with high transition risk – stock                                           | 7%             | 5%             |
| Exclusions/Assets Excluded from EU Paris-aligned Benchmarks (% lending to non-financial corporates) | <1%            | <1%            |

#### Notes

- \*Physical flood risk shown above is aligned with our CRR449a Pillar 3 disclosure showing 'sensitivity' to physical risk for commercial and residential exposures secured by immovable property under an adverse climate scenario. Adverse climate scenario is defined as: RCP 8.5 to 2035, and a 1:100 risk of a flood event. The threshold of risk for 'sensitive' is set at a 1% flooding risk (1:100) and the adverse climate change scenario to 2035. This approach aligns to the EBA 2021 ESG Risk Management guidance in so far as there is prescriptive guidance. Changes in sensitivity to flood risk are observed since December 2024 (an increase from 2.6% (€0.19bn) to 3.7% (€0.34bn) for commercial immovable property and increase from 1.0% (€0.38bn) to 3.2% (€1.24bn) for residential immovable property) due to the sensitivity analysis process being refined, data quality improvements and assumptions used for inputs to the internal flood model used for the sensitivity analysis being amended.
- New lending to sectors with high transition risk (flow) includes term & revolver lending.
- Lending to sectors with high transition risk (stock) is drawn balances.
- The increase in lending to sectors with high transition risk from 5% to 7% since December 2024 reflects updates to our methodology following the annual review of the transition risk heatmap.
- Non-Paris Agreement aligned assets relate primarily to non-financial corporate lending to counterparties with revenue from fossil fuel activities.



# Governance Report

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## Governance in AIB

# Governance in action

The Board is aware of the importance of its role in driving sustainable value for shareholders in the long term, with due consideration for all stakeholder groups and is committed to ensuring that the highest standards of corporate governance are adhered to across the Group.



Board members, Independent Non-Executive Directors  
Fergal O'Dwyer, Anik Chaumartin and Brendan McDonagh

Governance in action goes beyond formal structures and policies; it is demonstrated through the Board's regular engagement with management, the quality and candour of its discussions and the constructive challenge Directors bring to the decisions made by the Board. It is also reflected in the Board's sustained focus on culture, ensuring that behaviours and organisational values align with the Group's purpose and long-term ambitions.

The Board is committed to maintaining the highest standards of corporate governance across the Group and to ensuring these standards are consistently embedded in day-to-day operations. Through rigorous oversight, constructive challenge and ongoing evaluation of its own effectiveness, the Board seeks to ensure that governance supports clear accountability, informed judgement and responsible outcomes in the delivery of the Group's strategic priorities.



**During 2025, some key areas of focus for the Board included the following, each of which required active oversight, informed judgement and ongoing engagement with stakeholders and management:**

### Embedding the right culture

In 2025, under effective Board oversight, we strengthened alignment between our purpose, values and behaviours and embedded a culture that delivers for stakeholders, enhancing customer-centricity, empowering colleagues, supporting communities, meeting regulatory expectations and reinforcing trust and accountability.

→ See pages 128 to 131.



Jim Pettigrew, Chair, and Bridget Dowling, Head of Strategic and Employee Communications

### Engaging with our stakeholders

Our Board's stakeholder engagement reflects the UK Corporate Governance Code 2024's spirit, ensuring long-term consequences, stakeholder interests, conduct standards and fairness shape decisions, supported by structured engagement and transparent dialogue.

→ See pages 136 to 139.



Colin Hunt, CEO, and Yvonne Aki-Sawyerr, Mayor of Freetown in Sierra Leone, at the 9th AIB Annual Sustainability Conference

### Continued oversight of strategy

In 2025, the Board maintained oversight of delivery of the 2024-2026 strategy, approving key decisions such as the sale of a minority stake in AIB Merchant Services to Fiserv and ensuring that long-term implications for customers, colleagues, shareholders, regulators, suppliers and the communities we serve were fully considered.

→ See pages 134 to 135.



Board Members, Independent Non-Executive Directors Tanya Horgan and Anne Sheehan with Jim Pettigrew, Chair

### Capital distributions

During 2025, the Board maintained oversight of key capital distributions, including the approval of a €1.2 billion Directed Buyback following shareholder approval at the May 2025 Annual General Meeting, as well as dividend payments. These actions contributed to the return of c.€21 billion of capital to the Irish State following the cancellation of the warrants.

→ See page 133 and 169.



Colin Hunt, CEO, and Jim Pettigrew, Chair, at the 2025 AIB Annual General Meeting

# Chair's introduction



“2025 was a year of continued progress for the Board, strengthening our capabilities and maintaining the highest standards of governance in support of our long-term strategy.”

**Jim Pettigrew**  
Chair

On behalf of the Board, I am pleased to introduce the Governance Report for 2025. Together with the Statement of Directors' Responsibilities and the Risk governance section of the Risk Management Framework report, it outlines how our governance framework operates in practice and confirms the Group's compliance with the UK Corporate Governance Code 2024 (UK Code), as set out on page 121.

In 2025, the Board maintained strong oversight of the Group's strategic delivery, including the annual strategy review, assessment of strategic outcomes and progress across our three strategic priorities; Customer First, Greening Our Business and Operational Efficiency and Resilience. We also focused on how our purpose and values are reflected in our customers' and employees' experience, spending time assessing, monitoring and embedding the culture we want. Insights from listening sessions, the results of the AIB Engage surveys and customer feedback gives us a strong platform to deepen our cultural focus in 2026.

During the year, we continued planned Board succession to maintain the right balance of skills, experience, independence and diversity. I was pleased to welcome Anne Sheehan to the Board and I would like to sincerely thank Helen Normoyle, Raj Singh and Ann O'Brien for their significant contributions over the past number of years. As we look ahead to future appointments, increasing both gender and ethnic diversity will be a clear priority so that we continue to strengthen the breadth of perspectives around the Board table.

This year's externally facilitated Board Performance Review affirmed what I see in my role as Chair: a respectful, challenging and highly engaged Board, supported by strong Committees and open, constructive relationships with management. The review also pointed to areas where we can keep improving in 2026, including devoting more time to long-term strategic choices, continuing to build strong succession, and maintaining a continuous focus on making our papers clearer and more helpful for decision-making.

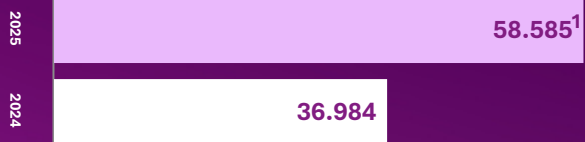
The Board recognises that a robust governance structure and effective risk management framework are essential to sustainable growth, shareholder returns and delivery of the 2024–2026 strategy. As we enter the final year of the strategic cycle, we will maintain close oversight of performance, risk and cultural alignment to support strong delivery against our ambitions and lay the foundations for the next phase of the Group's strategy.

**Jim Pettigrew**  
Chair

## Corporate governance highlights at a glance

### Total Dividend FY2025

**58.585** cent per share



Dividend per ordinary share in 2024/2025: an increase on the prior year.

1. 2025 includes both Interim and Final Dividend

### State repaid

**c. €21bn**

As at 31 December 2025, AIB Group has repaid c. €21 billion to the Irish State.

### Investor Engagement

**300+**

investor meetings globally

# Corporate Governance Framework

AIB Group (AIB or the Group) is subject to a broad set of corporate governance obligations reflecting its regulatory status and dual listings. AIB Group plc is authorised as a financial holding company and is listed on both Euronext Dublin and the London Stock Exchange. The Group applies the requirements of the Euronext Dublin Listing Rules, which set out specific rules and continuing obligations for issuers and also complies with the Listing Rules of the London Stock Exchange. The Irish Corporate Governance Annex is no longer applicable from 1 January 2025.

Allied Irish Banks, p.l.c., the principal operating company, is authorised as a credit institution and is subject to the Central Bank of Ireland's Corporate Governance Requirements for Credit Institutions 2015 (CBI requirements), including the additional obligations applicable to 'high-impact institutions'. It is also required to comply with additional governance requirements for significant institutions under the Capital Requirements Directive (CRD).

Although the underlying regulatory requirements differ between AIB Group plc and Allied Irish Banks, p.l.c., the Group applies a consistent corporate governance approach across both entities. The Corporate Governance Frameworks for both entities are anchored in the UK Code and the CBI Requirements along with best practice standards, which together are considered appropriate and proportionate to the Group's size, complexity and regulatory environment.

The Board, with support from its Committees, oversees the development, implementation and periodic review of the Corporate Governance Framework to ensure continued compliance with regulatory expectations and alignment with best practice.

## Corporate Governance Compliance

During 2025, the Group materially complied with the following Corporate Governance Requirements:

- Central Bank of Ireland (CBI) Corporate Governance Requirements for Credit Institutions 2015 (CBI Requirements);
- European Union (Capital Requirements) Regulations 2014 (S.I.158/2014 and S.I.159/2014 as amended) (CRD);
- European Banking Authority (EBA) Guidelines on Internal Governance under Directive 2013/36/EU as amended;
- Joint European Securities and Markets Authority (ESMA) and EBA Guidelines on the assessment of the suitability of members of the management body and key function holders under Directive 2013/26/EU, as amended;
- Companies Act 2014 (Companies Act); and
- Applicable Listing Rules of Euronext Dublin and the London Stock Exchange and related Transparency rules and Directive requirements.

## UK Code Compliance Statement

AIB Group plc, by virtue of its listings on the London Stock Exchange and Euronext Dublin, applies the UK Code, which is publicly available at [frc.org.uk](https://www.frc.org.uk). Dual-listed issuers continue to apply the UK Code as required under the UK Listing Rules and as permitted under the Euronext Dublin Listing Rules.

The Group is required to explain to investors how it applies the main principles of the UK Code and how it complies with its provisions. Throughout 2025, the Group applied the principles and complied with all provisions of the UK Code, with the exception of certain remuneration-related requirements in Section 5, specifically Principle R and Provisions 36 and 39. The rationale for non-compliance is set out in the tables opposite.

The Board maintained a strong focus on stakeholder engagement during the year, ensuring that the priorities of each stakeholder group informed its discussions and decisions.

In prior years, the Group included a standalone statement describing how the Board considered stakeholder interests and long-term impacts in its decision-making. This year, these matters are embedded throughout the Governance Report and wider stakeholder disclosures, reflecting the Board's integrated approach to governance.

➔ **Further details on how the Board considers stakeholders can be found on page 134 and 136.**

## How we apply the principles of the UK Code

| Board leadership and Company purpose                                                                              | Page                    |
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| Chair's introduction                                                                                              | 120                     |
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| Key Roles and Responsibilities, time commitment, external appointments, independence, tenure and access to advice | 131 & 148               |
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## Provisions we are required to 'Explain' under the UK Code Comply or Explain process

**Principle R:** Exercise of independent judgement and discretion when authorising remuneration outcomes.

**Provision 36:** Remuneration schemes should promote long-term shareholdings by Executive Directors that support alignment with long-term shareholder interests.

**Provision 39:** The pension contribution rates for Executive Directors, or payments in lieu, should be aligned with those available to the workforce.

## Rationale

In relation to Provision 36, due to the remaining restriction of €20,000 per annum limit on variable remuneration, the structure of Executive Directors remuneration is predominately fixed pay. The Corporate Governance Remuneration Statement sets out proposed changes in the Executive Directors remuneration policy including the introduction of a Fixed Share Allowance and shareholding requirements.

In relation to Provision 39, the pension arrangements in 2025 were considered fair and appropriate in the context of the remuneration restrictions in place. Contribution rates for 2025 and proposed changes for Executive Directors to align pension contributions to the wider workforce are set out in the Corporate Governance Remuneration Statement.

➔ **Further detail is provided on pages 155 to 163.**

# Our Board of Directors

Board Committee key

- Committee chair
- RRemuneration
- NNomination & Corporate Governance
- ABoard Audit
- BRBoard Risk
- SSustainable Business Advisory
- TTechnology & Data Advisory



**Jim Pettigrew**  
Chair  
Non-Executive Director

**Date of appointment**  
28 October 2021

**Nationality**  
British

**Committee membership and tenure**  
R 4y N 4y

**Background and experience:**  
Jim Pettigrew has over 37 years’ leadership experience in UK and international financial services, including board-level roles as CEO and Chair. He served as Chair of Scottish Financial Services, the Scottish financial services trade body. He also served as Co-Chair of Scotland’s Financial Services Advisory Board and is a former President of the Institute of Chartered Accountants of Scotland. Jim retired as Chair of Virgin Money and CYBG plc in 2020. He is a Chartered Accountant and Fellow of the Association of Corporate Treasurers, with an LLB from Aberdeen University and a DipACC from Glasgow University.

**Skills and attributes which support our strategy and deliver long-term sustainable success:**  
Extensive experience in financial services, with expertise spanning retail banking, customer and conduct management, governance, strategic planning and culture development. This broad skillset supports organisational integrity, enhances customer outcomes and fosters a strong, values-driven culture aligned with business objectives.

- Key external appointments**
- Chair of RBC Global Asset Management (UK) Limited
  - Chair of Scottish Ballet



**Anik Chaumartin**  
Independent  
Non-Executive Director

**Date of appointment**  
1 July 2021

**Nationality**  
French

**Committee membership and tenure**  
A 4y S 3y

**Background and experience:**  
Anik Chaumartin has more than 40 years’ international and professional services experience. She spent 27 years as a partner at PwC in Paris, holding leadership positions for 15 of those years. Anik acted as Global Client Relationship Partner and Lead Audit Partner for major banking and financial services organisations, demonstrating expertise in audit and client management. Her career reflects a strong commitment to excellence in professional services and leadership within the financial sector.

**Skills and attributes which support our strategy and deliver long-term sustainable success:**  
Demonstrates deep technical expertise in accountancy and audit within the financial services sector, combined with a strong capability in talent and culture development. Skilled in fostering high-performing teams and managing stakeholder relationships to achieve strategic objectives.

- Key external appointments**
- Non-Executive Director of Ayvens Group
  - Non-Executive Director of La Banque Postale
  - Non-Executive Director of Saol Assurance DAC and Saol Assurance Holdings Ltd



**Basil Geoghegan**  
Independent  
Non-Executive Director

**Date of appointment**  
4 September 2019

**Nationality**  
Irish

**Committee membership and tenure**  
BR 6y N <1y

**Background and experience:**  
Basil Geoghegan has held senior roles as Managing Director at Goldman Sachs, Deutsche Bank and Citigroup in London and New York, gaining broad experience in M&A, corporate finance and strategic advisory. He qualified as a solicitor with Slaughter and May and holds an LLB from Trinity College, Dublin, as well as an LLM from the European University Institute. Basil’s career spans the US, UK, Ireland and internationally, with expertise in financial strategy and legal advisory.

**Skills and attributes which support our strategy and deliver long-term sustainable success:**  
Possesses extensive expertise in international finance, corporate banking, strategic planning and risk management, ensuring a strong foundation for driving financial performance and organisational resilience.

- Key external appointments**
- Chair of daa plc
  - Partner at PJT Partners and director of PJT deNovo Partners Finance
  - Patron of the Ireland Fund of Great Britain





**Tanya Horgan**  
Independent  
Non-Executive Director

**Date of appointment**

14 September 2021

**Nationality**

Irish

**Committee membership and tenure**

BR 4y T 4y

**Background and experience:**

Tanya Horgan has extensive experience in compliance, internal audit and risk management, with over twenty years in publicly listed companies. She qualified as a chartered accountant with PwC and has held roles in organisations including Tesco, Flutter Entertainment plc and Primark. Tanya holds a B.Comm in Accounting from University College Cork, bringing strong governance and risk expertise to the Board.

**Skills and attributes which support our strategy and deliver long-term sustainable success:**

Extensive expertise in risk management, compliance, finance, accounting and audit, with strong capabilities in customer conduct and technology integration. Skilled in ensuring regulatory adherence and driving operational resilience.

**Key external appointments**

- Executive Director of Mercury Engineering Ltd



**Sandy Kinney Pritchard**  
Independent  
Non-Executive Director

**Date of appointment**

22 March 2019

**Nationality**

Irish

**Committee membership and tenure**

A 7y BR 7y

**Background and experience:**

Sandy Kinney Pritchard has significant experience in financial services, having held non-executive directorships at Irish Life, Permanent TSB plc, TSB Bank plc, MBNA Ltd and Credit Suisse (UK) Ltd, as well as serving as a senior partner at PricewaterhouseCoopers LLP. Sandy is a qualified accountant and a graduate of University College Dublin, with a career grounded in leadership and governance across the financial sector.

**Skills and attributes which support our strategy and deliver long-term sustainable success:**

Demonstrates deep expertise across finance, accounting and audit, with strong proficiency in governance, regulatory compliance and customer conduct. Skilled in risk management and wealth management, complemented by extensive experience in both retail and investment banking.

**Key external appointments**

- Chair of Raymond James Wealth Management Group Limited, Raymond James Wealth Management Limited and Raymond James Investment Services Ltd



**Elaine MacLean**  
Senior Independent  
Non-Executive Director

**Date of appointment**

4 September 2019

**Nationality**

British

**Committee membership and tenure**

R 6y N 5y

**Background and experience:**

Elaine MacLean is a highly experienced human resources director, specialising in financial services and retail. Her early career included roles at Harrods and Windsmoor, followed by serving as Retail Operations Director and Human Resources Director with Arcadia. Elaine later moved into financial services, culminating in her appointment as Group Human Resources Director for Legal and General plc. She is the Designated Non-Executive Director for workforce engagement and holds an MA in English Literature and Psychology from the University of Glasgow.

**Skills and attributes which support our strategy and deliver long-term sustainable success:**

Brings extensive experience in remuneration and governance, with a strong focus on designing organisational structures and driving people and culture development. Adept at aligning governance frameworks with strategic objectives while fostering inclusive, high-performing environments that support long-term business success.

**Key external appointments**

None



**Andy Maguire**  
Independent  
Non-Executive Director

**Date of appointment**

15 March 2021

**Nationality**

Irish

**Committee membership and tenure**

BR 5y T 5y

**Background and experience:**

Andy Maguire has 37 years of financial services experience, including 16 years with the Boston Consulting Group, where he became Managing Partner of the London office covering the UK and Ireland, prior to which he held several global roles, including the Global Head of Retail Banking. From 2014 to 2020, Andy was Group Chief Operating Officer for HSBC Holdings plc, overseeing operations, technology and transformation. He has chaired Napier Technologies Limited and CX Holdings. Andy holds a BA and a BAI from Trinity College, Dublin.

**Skills and attributes which support our strategy and deliver long-term sustainable success:**

Brings extensive expertise in retail banking, technology and digital innovation, transformation initiatives and risk management. Proven ability to drive operational excellence, implement strategic change and deliver robust solutions that enhance organisational resilience and customer experience.

**Key external appointments**

- Chair of Thought Machine Group Limited
- Non-Executive Director of Westpac Banking Corporation

## Our Board of Directors *continued*

| <div> <div>Board committee key</div> <div>Committee chair</div> <div>R Remuneration</div> <div>N Nomination &amp; Corporate Governance</div> <div>A Board Audit</div> <div>BR Board Risk</div> <div>S Sustainable Business Advisory</div> <div>T Technology &amp; Data Advisory</div> </div>                                                                                                                                                                                                                                                             |  |  |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|--|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |
| <b>Brendan McDonagh</b><br>Independent Non-Executive Director and Deputy Chair                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |  |  |  |
| <div> <div>Date of appointment</div> <div>27 October 2016</div> </div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |  |  |  |
| <div> <div>Nationality</div> <div>Irish</div> </div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |  |  |  |
| <div> <div>Committee membership and tenure</div> <div> <div>R 7y</div> <div>N 6y</div> <div>A 8y</div> <div>BR 9y</div> </div> </div>                                                                                                                                                                                                                                                                                                                                                                                                                    |  |  |  |
| <div> <div>Background and experience:</div> <p>Brendan McDonagh began his banking career with HSBC in 1979, working across Asia, Europe, North America and the Middle East. He held roles such as Group Managing Director for HSBC Holdings plc, CEO of HSBC North America Holdings Inc. and served as Director of Ireland's NTMA, Bradford &amp; Bingley Limited and NRAM Limited. Brendan was Executive Chair of The Bank of N.T. Butterfield &amp; Son Limited and appointed Deputy Chair of AIB Group in 2019.</p> </div>                            |  |  |  |
| <div> <div>Skills and attributes which support our strategy and deliver long-term sustainable success:</div> <p>Extensive global expertise in financial services, encompassing retail and commercial banking, strategic planning, governance, regulatory compliance and risk management. Proven ability to drive organisational success through robust frameworks and innovative approaches across diverse markets.</p> </div>                                                                                                                           |  |  |  |
| <div> <div>Key external appointments</div> <ul style="list-style-type: none"> <li>Chair of PEAL Capital Group Limited</li> <li>Serves on the Board of The Ireland Funds, Ireland Chapter</li> <li>Council Member of Global Advisory Council, Impact Ireland Fund</li> <li>Chair of the Trinity College Dublin Audit Committee</li> </ul> </div>                                                                                                                                                                                                          |  |  |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |
| <b>Fergal O'Dwyer</b><br>Independent Non-Executive Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |  |  |  |
| <div> <div>Date of appointment</div> <div>22 January 2021</div> </div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |  |  |  |
| <div> <div>Nationality</div> <div>Irish</div> </div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |  |  |  |
| <div> <div>Committee membership and tenure</div> <div> <div>A 5y</div> <div>R &lt;1y</div> </div> </div>                                                                                                                                                                                                                                                                                                                                                                                                                                                 |  |  |  |
| <div> <div>Background and experience:</div> <p>Fergal O'Dwyer has significant expertise in financial management, treasury, strategy, capital deployment and development. He retired in 2020 from DCC plc, where he began as an Associate Director, later progressing to Chief Financial Officer in 1992, and Executive Director in 2000. Prior to DCC, Fergal worked at PwC and KPMG. He serves on the board of Goodbody Stockbrokers UC and AIB Group (UK) p.l.c. Fergal is a Chartered Accountant with a distinguished career in finance.</p> </div>   |  |  |  |
| <div> <div>Skills and attributes which support our strategy and deliver long-term sustainable success:</div> <p>Brings extensive expertise in finance and accounting, treasury and liquidity management, strategic planning and capital markets. Adept at delivering robust financial solutions, optimising liquidity strategies and driving initiatives that enhance organisational performance and long-term growth.</p> </div>                                                                                                                        |  |  |  |
| <div> <div>Key external appointments</div> <ul style="list-style-type: none"> <li>Non-Executive Director of ABP Food Group Unlimited</li> <li>Director of Blackrock Healthcare Group Unlimited</li> <li>Chair of Focus Housing Association</li> </ul> </div>                                                                                                                                                                                                                                                                                             |  |  |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |  |  |  |
| <b>Anne Sheehan</b><br>Independent Non-Executive Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  |  |  |
| <div> <div>Date of appointment</div> <div>1 September 2025</div> </div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |  |  |  |
| <div> <div>Nationality</div> <div>Irish</div> </div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |  |  |  |
| <div> <div>Committee membership and tenure</div> <div> <div>T &lt;1y</div> </div> </div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |  |  |  |
| <div> <div>Background and experience:</div> <p>Anne Sheehan is General Manager of Enterprise Commercial for Europe North at Microsoft and previously served as Chief Executive Officer of Microsoft Ireland. Anne has extensive experience in technology across Ireland, Europe and the US, focusing on digital transformation and operational efficiency. She began her career at IBM and moved to Vodafone, where she held leadership roles including Director of Vodafone Business UK and Director Vodafone Business (Enterprise) Ireland.</p> </div> |  |  |  |
| <div> <div>Skills and attributes which support our strategy and deliver long-term sustainable success:</div> <p>Demonstrates expertise in risk management and governance, with a strong focus on strategic planning and execution. Skilled in leading and developing people, fostering collaboration and driving organisational success. Adept at leveraging technology to optimise processes and deliver innovative solutions.</p> </div>                                                                                                               |  |  |  |
| <div> <div>Key external appointments</div> <ul style="list-style-type: none"> <li>Non-Executive Director of Enable Ireland</li> </ul> </div>                                                                                                                                                                                                                                                                                                                                                                                                             |  |  |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |
| <b>Jan Sijbrand</b><br>Independent Non-Executive Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  |  |  |
| <div> <div>Date of appointment</div> <div>14 September 2021</div> </div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |  |  |  |
| <div> <div>Nationality</div> <div>Dutch</div> </div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |  |  |  |
| <div> <div>Committee membership and tenure</div> <div> <div>BR 4y</div> <div>S 3y</div> </div> </div>                                                                                                                                                                                                                                                                                                                                                                                                                                                    |  |  |  |
| <div> <div>Background and experience:</div> <p>Jan Sijbrand has held executive roles at Royal Dutch Shell plc, Rabobank Nederland, ABN AMRO Holding N.V. and NIBC Bank N.V. and was a member of the Executive Board and Chair for Supervision at De Nederlandsche Bank N.V. (the central bank of the Netherlands). He also served on the Global Board of PwC until June 2022. Jan holds an MSc in Applied Mathematics and a PhD in Mathematics from the University of Utrecht.</p> </div>                                                                |  |  |  |
| <div> <div>Skills and attributes which support our strategy and deliver long-term sustainable success:</div> <p>Expert in risk management, retail and commercial banking, governance and financial regulation, with a strong grasp of compliance frameworks. Skilled in creating strategies to mitigate risk, maintain operational integrity and uphold governance across complex financial environments.</p> </div>                                                                                                                                     |  |  |  |
| <div> <div>Key external appointments</div> <ul style="list-style-type: none"> <li>Supervisory Director of PwC Netherlands</li> </ul> </div>                                                                                                                                                                                                                                                                                                                                                                                                              |  |  |  |



### Colin Hunt

Chief Executive Officer &  
Executive Director  
Chair of ELT

**Date of appointment**  
8 March 2019

**Nationality**  
Irish

**Committee membership and tenure**  
S 7y

**Background and experience:**  
Colin Hunt was appointed Chief Executive Officer of AIB Group in 2019, having joined AIB in 2016 as Managing Director of Wholesale, Institutional & Corporate Banking. Previously, Colin has served as Managing Director at Macquarie Capital, Policy Adviser at the Departments of Transport and Finance and held senior roles at Goodbody Stockbrokers and Bank of Ireland. He holds a PhD in Economics from Trinity College, Dublin and B.Comm and MEconSc degrees from University College Cork and is a Chartered Bank Director and Fellow of the Institute of Bankers.

### Skills and attributes which support our strategy and deliver long-term sustainable success:

Brings strategic leadership and extensive executive experience across risk management, treasury, research and capital markets, with a strong emphasis on customer focus and sustainability. Proven ability to drive organisational resilience and long-term value through innovative and responsible practices.

**Key external appointments**  
• Ibec clg Board Member



### Donal Galvin

Chief Financial Officer &  
Executive Director  
Member of ELT

**Date of appointment**  
28 May 2021

**Nationality**  
Irish

**Committee membership and tenure**  
None

**Background and experience:**  
Donal Galvin joined AIB as Group Treasurer in 2013, was appointed Chief Financial Officer in 2019 and joined the Board in 2021. Donal has over 27 years of experience in domestic and international financial markets. He previously held a number of senior executive roles, including Global Head of Asian Fixed Income & Equities at Mizuho Securities in Hong Kong and a number of senior Global Financial Market roles across Europe and Asia Pacific for Rabobank. He serves as a Non-Executive Director of Goodbody Stockbrokers UC.

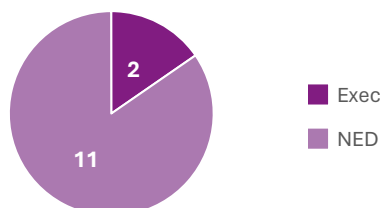
### Skills and attributes which support our strategy and deliver long-term sustainable success:

Extensive expertise in international retail and wholesale banking, complemented by strong capabilities in capital management, liquidity oversight, treasury operations, investor relations and comprehensive risk management.

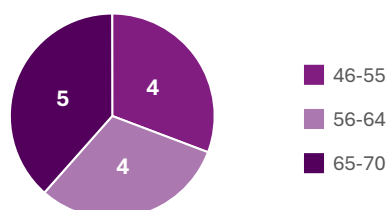
**Key external appointments**  
None

## Board composition as at 31 December 2025

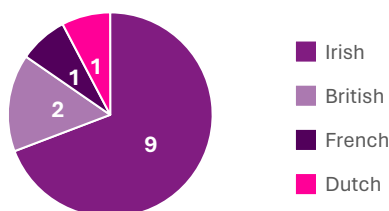
### AIB Directors Board (Limited assurance)



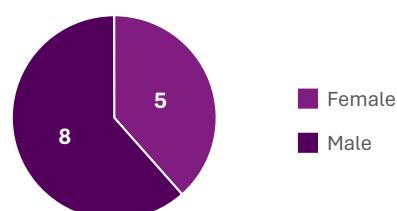
### Age



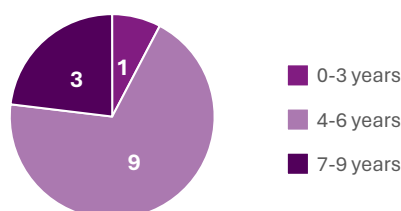
### Nationalities



### Gender (Limited assurance)



### Tenure



➔ Further details on Board diversity are included on pages 150 and 151.

# Our Executive Leadership Team

Colin Hunt, Chief Executive Officer, and Donal Galvin, Chief Financial Officer, are also members of the Executive Leadership Team (ELT). Further Information is available in their biographies on page 125.



**Cathy Bryce**  
Managing Director of Capital Markets

## Skills, expertise and experience

Cathy was appointed Managing Director of Capital Markets in 2019. She is an experienced leader with a strong background in investment banking and treasury management, having started her career at Morgan Stanley and ABN AMRO. Cathy has held senior roles across international and Irish portfolios and also serves as a Non-Executive Director at Goodbody Stockbrokers UC. She holds a business degree from Trinity College Dublin, an MBA from INSEAD Business School and completed the General Management Program at Harvard Business School.



**Geraldine Casey**  
Managing Director of Retail Banking

## Skills, expertise and experience

Geraldine joined AIB as Chief People Officer in January 2020 and was appointed MD Retail Banking in October 2023. She has over 20 years' experience in the retail and financial services sectors and in her current position leads AIB's Retail Banking business which includes Homes, Consumer, SME, Wealth, AIB UK along with the Group's network of branches. Geraldine is President of the Institute of Bankers in Ireland, holds a B.Comm from University College Cork and is a Certified Bank Director, Institute of Bankers.



**Graham Fagan**  
Chief Operating Officer

## Skills, expertise and experience

Graham was appointed Chief Operating Officer in July 2025, following his role as Chief Technology Officer. Since joining AIB in 2016, Graham has led technology, digital and cyber security functions, driving innovation and efficiency. He previously held leadership roles at Dell Technologies, Perot Systems and British Telecom. Graham holds BSc and MSc degrees from Trinity College Dublin, is a Chartered Technology Professional, Fellow of the Irish Computer Society and is certified in the Governance of Enterprise IT.



**Barry Field**  
Corporate Affairs Director

## Skills, expertise and experience

Barry was appointed Corporate Affairs Director in February 2024, to safeguard and protect AIB's reputation, ensuring open communication with stakeholders and fostering trust, to enable the delivery of AIB's strategic priorities. Barry joined AIB in 2008, and has over 15 years' experience in financial, regulatory and treasury roles, including Head of Customer Treasury Services in New York and Chief of Staff in the Office of the CEO.



**Michael Frawley**  
Chief Risk Officer

## Skills, expertise and experience

Michael was appointed Chief Risk Officer in July 2022. Prior to joining AIB he had 26 years' banking experience across retail, commercial, wholesale, asset management, trade finance, strategy implementation and risk management, including international roles at HSBC and Permanent TSB. Michael holds an MBA from Columbia Business School, a B.Comm from University College Cork and is a CFA holder.



**David McCormack**  
Chief People Officer

## Skills, expertise and experience

David was appointed Chief People Officer in October 2023. With over 25 years' experience as a senior HR professional, he has held roles across all facets of the HR function, including Group Deputy Chief People Officer and Head of HR in AIB UK. David has overseen the design and implementation of major strategic programmes aligning employees to the Group's cultural and strategic ambitions.





**Miriam Nagle**  
Group General Counsel

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**Skills, expertise and experience**

Miriam was appointed Group General Counsel and joined the ELT in 2025. She is a litigation specialist and has over two decades of legal experience in private practice and in-house roles. Miriam joined AIB in 2013 and has held a range of senior positions across the Bank. She currently leads the legal and third-party management teams. She holds a Bachelor of Civil Law from University College Cork and was admitted to the Law Society of Ireland in 2005.

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**Paul Travers**  
Managing Director Climate &  
Infrastructure Capital

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**Skills, expertise and experience**

Paul was appointed Head of Climate & Infrastructure Capital in February 2024 after joining AIB in 2018 as the Head of Energy, Climate Action and Infrastructure. He leads lending activities for renewables and critical infrastructure projects across Ireland, the UK, Europe and North America. Prior to AIB, Paul was previously the Head of Macquarie Capital Ireland, which is an infrastructure and renewables specialist investor and one of the world's largest infrastructure asset managers. Paul was also a Director for numerous Macquarie investments. He is a qualified accountant and a Certified Bank Director. He also serves as a Non-Executive Director on the Board of AIB Group (UK) p.l.c.

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**Orlaith Ryan**  
Chief Customer Officer

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**Skills, expertise and experience**

Orlaith was appointed Chief Customer Officer in October 2024. She brings over 25 years' experience in insight, commercial and transformation roles at Vodafone, Aviva and FTI Consulting. Before joining AIB, Orlaith served for eight years at Sky Ireland in several commercial and customer roles, most recently as Chief Commercial Officer where she led commercial strategy, customer growth and innovation, focusing on data-driven customer outcomes. Orlaith is a Certified Bank Director and a recently appointed board member of Financial Services Ireland.

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**Mary Whitelaw**  
Chief Strategy & Sustainability Officer

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**Skills, expertise and experience**

Mary was appointed to the AIB ELT in 2019 having held a number of senior leadership roles across AIB in Capital Markets, Retail Banking and Treasury. Mary is a Chartered Accountant and Chartered Tax Advisor and holds a degree in Commerce & German and a Masters in Accounting from University College Dublin. She is also a Non-Executive Director of Goodbody Stockbrokers UC.

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# Board Leadership, Purpose and Governance

## AIB Group Board governance structure

The AIB Group Board governance structure is set out on the following pages. Please refer to Board Activities on page 134 and Stakeholder Engagement on pages 136 to 139, which set out how the Board considers its stakeholders in its decision-making.

### AIB Group Board

#### Board Audit Committee

→ See p.140

Oversees the quality and integrity of the Group's accounting policies, financial and narrative reporting, non-financial disclosures and disclosure practices, internal control framework and audit, as well as the mechanisms through which employees and contractors may raise concerns.

#### Board Risk Committee

→ See p.143

Oversees and fosters sound risk governance across the Group's operations, overseeing the Risk Management Framework and compliance function to include the risk appetite profile and the overall risk awareness across the Group.

#### Nomination and Corporate Governance Committee

→ See p.146

Oversees the Board and Executive Leadership Team composition and succession planning and leads the process for nomination and appointments. Keeps the Board's governance arrangements and corporate governance compliance under review.

#### Remuneration Committee

→ See p.152

Oversees the Group's Remuneration Policy and the operation of remuneration policies and practices, ensuring that the Remuneration Policy is designed to support the long-term business strategy, values and culture of the Group, as well as to promote effective risk management.

#### Sustainable Business Advisory Committee

→ See p.164

Supports the Board in overseeing the Group's performance as a sustainable business and the delivery of AIB's Sustainability Strategy in accordance with the approved Group Strategy and Financial Plan and maintaining and safeguarding the Group's social licence to operate.

#### Technology and Data Advisory Committee

→ See p.165

Supports the Board by reviewing and challenging the strategy, governance and execution of matters relating to technology, data including cyber security and analytics, as well as business enablement activities.

### Executive Leadership Team

## Board Leadership

### Role of the Board

The Group is headed by an effective Board, which is collectively responsible for the long-term sustainable success of the Group, generating value for shareholders and contributing to wider society. The Board is responsible for establishing the strategic direction of the Group and for overseeing its execution.

The Board has delegated the day-to-day running of the business and the development of strategy to the Chief Executive Officer (CEO), who is supported by the ELT, this being the most senior management committee of the Group. The ELT operates under defined Terms of Reference and has full authority to delegate any of its powers, authority or activities to identified executives or to one or more of its sub-committees.

→ Further details on the Group Strategy can be found on page 14 and 134.

The Board supports and strives to operate in accordance with the Group's purpose and values at all times and challenges management as to whether the purpose, values and strategic direction of the Group align with its desired culture, or if they do not, whether there are options to mitigate any potential negative stakeholder impacts.

The Board ensures there is a clear division of responsibilities between the Chair, who is responsible for the overall leadership of the Board and for ensuring its effectiveness, and the CEO, who manages and leads the business. The governance framework and organisational structure are sufficient to ensure that no one individual has unfettered powers of decision or exercises excessive influence. Key roles and responsibilities are clearly defined, documented and communicated to key stakeholders via the Group's website on [aib.ie/investorrelations](https://aib.ie/investorrelations). The Board is supported in discharging its duties by a number of Board and Advisory Committees.

Whilst arrangements have been made by the Directors for the delegation of the management, organisation and administration of the Group's affairs, certain matters are reserved specifically for decision by the Board. These matters are kept under review to ensure that they remain relevant and are available on the Group's website [aib.ie/investorrelations](https://aib.ie/investorrelations).

## Conflicts of Interest

The Board Code of Conduct and Conflicts of Interest Policy for Directors sets out how actual, potential or perceived conflicts of interest are to be identified, evaluated, reported and managed to ensure that Directors act at all times in the best interests of the Group and its stakeholders. Executive Directors, as employees of the Group, are also subject to the Group's Code of Conduct and Conflicts of Interests Policy for employees.

## Stakeholder engagement

The Group's six principal stakeholder groups are customers, employees, suppliers, investors, regulators and society and communities. The Board ensures that effective engagement is maintained with each of these groups so that their views, needs and expectations meaningfully inform the Board's discussions and decision-making. This includes considering long-term implications, maintaining high standards of business conduct and acting fairly between the shareholders of the Company.

Engagement with stakeholders occurs through a broad range of channels, including face-to-face meetings, structured engagement sessions, topic-specific briefings, research and focus groups, surveys, media engagement, partnerships and sponsorships, community initiatives, participation in industry and regulatory forums and direct interaction between the Group's subject-matter experts and relevant business, public or voluntary organisations.

There is a Designated Non-Executive Director for workforce engagement, whose role is described under Division of Responsibilities on page 131.

→ Further details on how the Board engages with its stakeholder groups and how it considers stakeholders in its decision making can be found on page 134 and 136.

The Annual General Meeting (AGM) remains a key opportunity for shareholders to hear directly from the Board on performance, strategic direction and governance matters and to pose questions to Committee Chairs. Shareholders are encouraged to attend and participate. The Chair also provides the Board with regular updates on engagements held with major shareholders to ensure that Directors maintain a clear understanding of investor views on governance, performance and strategic delivery.

→ Further detail on the 2026 AGM and shareholder related information is available on page 381 and on the Group's website at [aib.ie/investorrelations](https://aib.ie/investorrelations).

## Our Purpose, Culture and Values

The Group's culture programme reinforces our commitment to customers and underpins the delivery of sustainable long-term value. The culture programme was shaped in response to the results of the Irish Banking Culture Board (IBCB) employee survey conducted in 2023 and subsequent listening sessions with AIB employees conducted by an external partner specialising in organisational culture. The focus of the programme is on embedding the Group's values and behaviours which drives a culture where colleagues feel connected, empowered to raise concerns and supported to deliver innovative and positive outcomes for customers, communities and colleagues. A sample of the culture metrics currently tracked and reported to the Board are included in Culture at a Glance. In 2026, AIB will participate in the IBCB Éist Employee Survey and the culture programme and metrics will continue to evolve, informed by survey results and employee listening sessions conducted during the year so it is not expected that the same metrics will be used in the 2026 annual report.

## Our Purpose

The Board has established a clear purpose for the Group – 'Empowering People to Build a Sustainable Future' – which continues to guide strategy, decision-making and cultural expectations across the organisation. Throughout 2025, the Board received regular updates from management on how purpose is being embedded and communicated across the Group to ensure continued alignment between purpose, values, culture and strategy.

## Our Culture and Values

Culture is a key enabler of the Group's Strategy and the current programme is built around four core pillars to support delivery of the Group's ambition and strategic priorities:

- embedding customer-centricity;
- empowering colleagues and strengthening accountability;
- promoting innovation and continuous improvement; and
- connecting colleagues with each other and with AIB.

These cultural pillars support delivery of the Group's ambition and strategic priorities.

→ Further details on our purpose, values and behaviours can be found on pages 44, 101 and 129.

### Culture at a glance

**58%<sup>1</sup>**

Employee response rate in AIB Engage survey.

**81%<sup>1</sup>**

Employees believe in team collaboration and that they can rely on colleagues to get work done.

**78%<sup>1</sup>**

Employees believe that people leaders create a positive working environment and are living the AIB values.

**630+**

Number of innovation ideas submitted through the Innovation Channel in 2025.

1. Based on latest AIB Engagement Survey.

## How the Board assesses and monitors Culture

The Board has overarching responsibility for assessing, monitoring and embedding a positive culture and ensuring a values-led and customer-centric culture is in place across AIB. The Board and ELT lead by example and promote the desired culture, where commitment to high standards and values are at the heart of decision-making and employees are aware of and understand their risk management responsibilities.

The Board assesses and monitors culture through a range of reporting, and engagement, summarised in the table below.

## Board Leadership, Purpose and Governance *continued*

| Board reporting on culture                              |                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                |
|---------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| What did the Board receive?                             | Key areas of focus                                                                                                                                                                                                              | Outcomes                                                                                                                                                                                                                                                                                                                       |
| <b>Culture Progress and People Strategy Updates</b>     | <ul style="list-style-type: none"> <li>Embedding customer-centricity</li> <li>Promoting empowerment and accountability</li> <li>Stimulating and recognising innovation</li> <li>Connecting colleagues to our Purpose</li> </ul> | <ul style="list-style-type: none"> <li>Reinforced alignment between Purpose, values and behaviours</li> <li>Strengthened leadership visibility and colleague engagement</li> <li>Enhanced customer-centric behaviours and cultural consistency</li> <li>Improved employee understanding of behavioural expectations</li> </ul> |
| <b>Integrated Culture Tracker</b>                       | <ul style="list-style-type: none"> <li>Bi-annual reporting of metrics across the four culture pillars</li> </ul>                                                                                                                | <ul style="list-style-type: none"> <li>Provided a single, data-driven and risk-aligned view of cultural health</li> <li>Enabled early identification of cultural risks and behavioural trends</li> <li>Supported stronger Board challenge and timely management intervention</li> </ul>                                        |
| <b>Culture and Conduct Risk updates</b>                 | <ul style="list-style-type: none"> <li>Culture and Conduct Risk</li> <li>Annual Code of Conduct update to the Board Audit Committee</li> </ul>                                                                                  | <ul style="list-style-type: none"> <li>Strengthened conduct and behavioural standards</li> <li>Improved oversight of Code of Conduct awareness and breaches</li> <li>Ensured ongoing alignment with the Group Risk Appetite</li> </ul>                                                                                         |
| <b>'AIB Engage' colleague engagement survey results</b> | <ul style="list-style-type: none"> <li>Results from the 2025 engagement surveys</li> <li>People related actions based on analysis of results</li> </ul>                                                                         | <ul style="list-style-type: none"> <li>Provided deeper insight into colleague sentiment and engagement drivers</li> <li>Informed enhancements to the People Strategy and Culture Programme</li> <li>Supported improvements in decision-making, collaboration and innovation</li> </ul>                                         |
| <b>Group and Subsidiary alignment</b>                   | <ul style="list-style-type: none"> <li>Implementation of culture initiatives in subsidiaries</li> </ul>                                                                                                                         | <ul style="list-style-type: none"> <li>Ensured consistency of culture and values across licensed subsidiaries</li> <li>Strengthened Board visibility over cultural maturity across the Group</li> </ul>                                                                                                                        |
| <b>Raising concerns and Whistleblowing updates</b>      | <ul style="list-style-type: none"> <li>Whistleblowing updates to the Board Audit Committee</li> <li>Updates on 'Raising Concerns' to the Sustainable Business Advisory Committee</li> </ul>                                     | <ul style="list-style-type: none"> <li>Greater employee confidence in raising concerns</li> <li>Better visibility of themes and emerging conduct risks</li> <li>Strengthened accountability and cultural transparency</li> <li>Board Audit Committee Chair, Whistleblowing message to all employees</li> </ul>                 |

### Embedding the Right Culture across AIB

Throughout 2025, the Board continued to embed and reinforce the Group's purpose, values and behaviours. The Board remained focused on ensuring that the culture of the organisation supported effective execution of the 2024–2026 strategy and delivered fair outcomes for customers, colleagues and other stakeholders. The Board maintained close oversight of cultural development through regular reporting which included workforce and customer insights. A summary of outcomes is set out in the table above and examples of how culture is embedded across the organisation is set out below.

#### Promoting a customer-centric culture

A key focus of the Culture Programme in 2025 was increasing employees' understanding of customer needs, expectations and challenges. Management delivered several initiatives, including a customer closeness programme, the launch of a Customer Experience Podcast which provided practical training and examples to drive positive outcomes, a refreshed AIB Brand Campaign that reinforced customer-first messaging and a lessons-learned review on customer-centricity.

#### Empowerment and accountability

The Board received regular updates on cultural-embedding initiatives, including strong participation in the Employee Values Awards, which attracted over 4,500 nominations, which was an improvement on the prior year, over 20,000 votes and 95 finalists.

The Board also noted continued investment in leadership development, with more than 3,000 people leaders attending the in-person Leadership Summit, over 4,000 colleagues joining the Wake Up Call – Empowering our People session with the Board Chair and Chief People Officer. Board Members also participated in panel discussions during Risk in Conversation week.

Additionally, the Board reviewed progress on the refreshed Code of Conduct training, including the new Values-focused introductory module, and received updates on the Invest in You programme, which emphasised the role of behaviours in supporting performance and career development and engaged over 2,000 colleagues. The Board was further briefed on the

completed review of the Aspire model and the planned phased refresh of the wider Performance and Development approach for 2026.

#### Driving innovation

Developing a culture of innovation remained a key priority. In 2025, the Group launched an Innovation Channel enabling colleagues to submit ideas and accelerate innovation across the Group. Over 630 ideas were submitted to the Innovation Channel in 2025, reflecting strong engagement and encouraging momentum in our innovation culture. While there have been clear successes, further work is needed to accelerate promising ideas into implementation.

#### Listening to our People

In 2025, the Board reviewed the results of two AIB Engage employee surveys, which provided insights into colleague satisfaction, values, behaviours, innovation and decision-making, supported by open-text feedback highlighting strengths and areas requiring attention. While results remained solid in areas such as collaboration and recognition, including strong scores for people leaders living the values (78%) and team collaboration (81%), some indicators declined, notably participation rates in the latest survey (58%) and overall satisfaction with AIB as a place to work. Acknowledging both the progress and the areas for improvement, the Board will continue to monitor developments through regular culture updates and the Integrated Culture Tracker.

#### Strengthening culture governance

The Board reviewed and approved the Integrated Culture Tracker which provides a single, enterprise-wide view of progress and associated risk indicators across each of the culture pillars. As part of the development of the tracker, the Board provided feedback and challenge on its components. The tracker provides the Board with more data-driven insight into cultural health enabling more effective oversight and prompt intervention where issues arise.

#### Policies, frameworks and conduct

The Board Risk Committee and Group Risk Committee (management committee), continued to oversee the Culture Risk and Conduct Risk Framework while the Group Code of Conduct is reviewed annually by the Board Audit Committee and the Group Customer & Conduct Committee



(management committee), This strengthened oversight of cultural risks and improved alignment between risk appetite, values and behaviours. A Code of Conduct for Directors also remains in place. Further details on our management committees are available on pages 167 and 178.

#### Investing and rewarding the workforce

The Board places significant importance on how the Group invests in and rewards the workforce. Further details on investing and rewarding our workforce is available on pages 82 and 154.

#### Raising concerns and Whistleblowing

The Board maintained oversight over the implementation of the new Whistleblowing Policy, with 98% training completion, launch of an enhanced reporting portal and establishment of a Whistleblowing Advocacy Network. The Whistleblowing Champion on the Board, Sandy Kinney Pritchard, reinforced the importance of speaking up through Group-wide communications.

→ Further details on engagement with our employees and raising concerns is available on pages 89, 101 and 137.

## Division of Responsibilities

### Key Roles & Responsibilities

#### Chair

The Chair leads the Board, setting its agenda, ensuring that Directors receive adequate and timely information, facilitating the effective contribution of Non-Executive Directors (NEDs), ensuring the ongoing training and development of all Directors and reviewing the performance of individual Directors. Jim Pettigrew was appointed as Chair on 28 October 2021.

#### Deputy Chair

The Deputy Chair, Brendan McDonagh, deputises for the Chair as may be required from time to time and is available to the Directors for consultation and advice.

#### Senior Independent Director

Elaine MacLean is the Board's Senior Independent Director (SID). The SID acts as a conduit for the views of shareholders and is available as an alternate point of contact to address any concerns or issues they feel have not been adequately dealt with through the usual channels of communication. The SID also leads the annual review of the Chair's performance with the Non-Executive Directors and succession planning for the Chair role.

#### Designated Non-Executive Director for Workforce Engagement

Elaine MacLean was appointed as the Group's Designated Non-Executive Director (DNED) for Workforce Engagement in 2021. The purpose of this role is to engage directly with employees, facilitate two-way communication between employees and the Board and enhance the Board's understanding of workforce views. The DNED provides regular updates on workforce engagement at Board meetings and the Board keeps the mechanism selected to engage with employees under review. The interactions between the DNED and employees are set out in Stakeholder Engagement on page 137.

#### Independent Non-Executive Directors

Independent Non-Executive Directors (INEDs) provide a key layer of oversight, scrutinising the performance of management in meeting agreed objectives and monitoring reporting against performance. They bring an independent viewpoint to the deliberations of the Board that is objective and independent of the activities of the management and of the Group.

They constructively challenge and help develop proposals on strategy and other key matters. In addition, they oversee the Group's strategy through regular strategic updates, monitoring strategic outcomes, one-to-one meetings with members of the senior management, such as the Group Chief Executive, Chief Financial Officer (CFO), Chief Risk Officer (CRO) and other members of the Group Executive Leadership Team. INEDs play a key role in appointing and removing Executive Directors.

→ Further details on how the Board oversees strategy is available on page 134.

#### Chief Executive Officer

The CEO, Colin Hunt, manages the Group on a day-to-day basis and makes decisions on matters affecting the Group. The ELT assists and advises him in reaching these decisions.

Biographical details for each of these roles are available on pages 122 to 125.

#### Group Company Secretary and Head of Corporate Governance

The Directors have access to the advice and services of Conor Gouldson, the Group Company Secretary, and Aeilish McGovern, Head of Corporate Governance, who advise the Board and Board Committees on all governance matters and corporate governance best practice, ensuring that Board procedures are followed and that the Group is in compliance with applicable rules and regulations. Both the appointment and removal of the Company Secretary are matters for the Board as a whole.

#### Board Committees

The Board is assisted in the discharge of its duties and contribution to the delivery of its strategy by a number of Board Committees, whose purpose is to consider, in greater depth than would be practicable at Board meetings, those matters for which the Board retains responsibility. They also make recommendations and decisions where appropriate on matters delegated to them under their respective terms of reference. Each Committee operates under terms of reference approved by the Board which are available on the Group's website at [aib.ie/investorrelations](https://aib.ie/investorrelations). The Board governance structure is available on page 128.

#### Advisory Committees

In addition to the four main Board Committees, the Board also has a Sustainable Business Advisory Committee (SBAC) and a Technology and Data Advisory Committee (TDAC). The Advisory Committees are comprised of Non-Executive Directors and members of senior management from relevant business areas. Each Committee Chair provides an update to the Board on matters considered at the preceding Committee meeting. The agenda, papers and minutes of Committee meetings are generally available to all Directors.

→ Reports from the Board and Advisory Committees are available on pages 140 to 165.

#### Chairman's Committee

Additionally, a Chairman's Committee acts on behalf of the Board between its scheduled meetings to deal with matters of an administrative nature and to take decisions on urgent matters in accordance with the authority delegated to it by the Board, or as specifically set out in its Terms of Reference. These responsibilities include the consideration of individual cases in line with the requirements of the Central Bank of Ireland Code of Practice on Lending to Related Parties. The Executive Directors and any impacted Directors are excluded from the decision-making process for these individual cases.

#### Board and Committee Meeting attendance

The Board met on 15 occasions in 2025. Attendance at Board and Committee meetings is outlined on page 132. Where a Director cannot attend, papers are provided in advance and comments may be submitted to the Board Chair or the relevant Committee Chair. The NEDs also meet during the year without Executive Directors or management present.

The Chair and Board Committee Chairs ensure that meetings support open discussion, constructive challenge and debate. The Board receives a regular Executive Management report, with the remainder of the agenda drawn from the annual work programme and including strategic items, out-of-course activities, in-depth reviews and key project updates.

A clear escalation process through Executive and Board Committees ensures the Board receives timely and relevant information to support effective decision-making. The Chair leads the agenda-setting process, supported by the CEO and the Group Company Secretary.

## Board Leadership, Purpose and Governance *continued*

### FY2025 Board and Committee attendance

| Director                         | Board | Board Audit Committee | Board Risk Committee | Nomination and Corporate Governance Committee | Remuneration Committee | Sustainable Business Advisory Committee | Technology and Data Advisory Committee |
|----------------------------------|-------|-----------------------|----------------------|-----------------------------------------------|------------------------|-----------------------------------------|----------------------------------------|
| Anik Chaumartin                  | 15/15 | 11/12                 | -                    | -                                             | -                      | 5/5                                     | -                                      |
| Donal Galvin                     | 15/15 | -                     | -                    | -                                             | -                      | -                                       | -                                      |
| Basil Geoghegan                  | 13/15 | -                     | 9/11                 | -                                             | -                      | -                                       | -                                      |
| Tanya Horgan                     | 14/15 | -                     | 11/11                | -                                             | -                      | -                                       | 4/4                                    |
| Colin Hunt                       | 15/15 | -                     | -                    | -                                             | -                      | 3/5                                     | -                                      |
| Sandy Kinney Pritchard           | 15/15 | 12/12                 | 11/11                | -                                             | -                      | -                                       | -                                      |
| Elaine MacLean                   | 13/15 | -                     | -                    | 4/4                                           | 9/10                   | -                                       | -                                      |
| Andy Maguire                     | 15/15 | -                     | 10/11                | -                                             | -                      | -                                       | 3/4                                    |
| Brendan McDonagh                 | 15/15 | 10/12                 | 11/11                | 4/4                                           | 9/10                   | -                                       | -                                      |
| Helen Normoyle <sup>1</sup>      | 6/7   | -                     | -                    | 0/1                                           | -                      | 2/2                                     | 1/1                                    |
| Ann O'Brien <sup>2</sup>         | 12/15 | 12/12                 | -                    | -                                             | 9/10                   | -                                       | 4/4                                    |
| Fergal O'Dwyer                   | 15/15 | 12/12                 | -                    | -                                             | 1/1                    | -                                       | -                                      |
| Jim Pettigrew                    | 15/15 | -                     | -                    | 4/4                                           | 10/10                  | -                                       | -                                      |
| Anne Sheehan <sup>3</sup>        | 4/4   | -                     | -                    | -                                             | -                      | -                                       | 1/1                                    |
| Jan Sijbrand                     | 15/15 | -                     | 11/11                | -                                             | -                      | 5/5                                     | -                                      |
| Raj Singh <sup>2</sup>           | 14/15 | -                     | 10/11                | -                                             | -                      | 3/5                                     | -                                      |
| <b>Executive Leadership Team</b> |       |                       |                      |                                               |                        |                                         |                                        |
| Graham Fagan                     | -     | -                     | -                    | -                                             | -                      | -                                       | 4/4                                    |
| Andrew McFarlane <sup>4</sup>    | -     | -                     | -                    | -                                             | -                      | -                                       | 1/2                                    |
| Orlaith Ryan                     | -     | -                     | -                    | -                                             | -                      | 4/5                                     | -                                      |
| Paul Travers                     | -     | -                     | -                    | -                                             | -                      | 5/5                                     | -                                      |
| Mary Whitelaw                    | -     | -                     | -                    | -                                             | -                      | 5/5                                     | -                                      |

1. Helen Normoyle resigned from the Board on 1 May 2025.

2. Ann O'Brien and Raj Singh resigned from the Board with effect from 31 December 2025.

3. Anne Sheehan was appointed to the Board on 1 September 2025.

4. Andrew McFarlane resigned as Chief Operating Officer on 17 July 2025.

### Board Performance Review

Each year, the Board, evaluates its effectiveness, including that of its Committees, Directors and Chair. As required by the UK Code, the Board Performance Review is externally facilitated at least once every three years. The last external review was conducted in 2022, with the 2023 and 2024 evaluations performed internally by the Group Company Secretary.

In 2025, the Board undertook an externally facilitated review conducted by Egon Zehnder (EZ). EZ is an independent external consultancy firm, which has no other connection to the Group or individual Directors aside from providing leadership coaching services to the Group from time to time or where EZ may have undertaken an evaluation for an external entity to which a Director was appointed. The evaluation and coaching services are provided independently by separate teams within EZ.

The Board Performance Review commenced in September 2025 and concluded with a review of the actions in February 2026. EZ's evaluation followed a comprehensive and structured process. The process began with discussions with the Chair and the SID to agree objectives, priorities and the scope of the evaluation, followed by a detailed review of key Board papers, governance documents and minutes. Board and Committee members completed confidential questionnaires, providing both quantitative assessments and narrative feedback, complemented by surveys and interviews. EZ also observed Board and Committee meetings in September 2025. EZ analysed these inputs to identify strengths, behavioural dynamics and areas for development. Preliminary themes were discussed with the Chair and SID in December 2025, and the final report, including the recommendations was considered by the Board at the February Nomination and Corporate Governance Committee and Board meetings.

As shown in the Board's review-cycle diagram on page 133, the Board applies a structured, multi-year approach to assessing its effectiveness.

The 2024 internally facilitated review confirmed a high-performing Board with strong challenge, effective Committee structures and highly effective Chair leadership, while the 2025 externally facilitated review reaffirmed this performance and provided deeper insights through broader stakeholder engagement, direct observation and individual Director feedback.

Looking ahead to 2026, the Board will review three priority areas: strategy and foresight, information flows and decision support and Board and Committee composition and succession. In considering the effectiveness of its Committees, the Board will also review the optimal structure of its Advisory Committees, SBAC and TDAC to support its future purpose and strategy. Both of these Committees have been in operation for a number of years and have provided valuable focus and significant impact in their respective areas.

## The Board's review cycle

### FY2024 Internal review

The 2024 performance review was internally facilitated by the Group Company Secretary.

- The process combined confidential Director and Committee questionnaires, along with one-to-one meetings led by the Chair and a separate Chair review by the SID.
- Board was assessed as high-performing, with clear roles, strong challenge and effective Committee structures.
- Chair viewed as highly effective, promoting openness and constructive debate.
- 2025 focus areas: Continued improvement of Board and Committee papers; greater stakeholder engagement visibility and a stronger long-term strategic focus beyond the current cycle.

### FY2025 External review

EZ's performance review key findings at a glance:

- Independent evaluation confirmed a high-performing Board and Committees with strong governance and a constructive, engaged culture.
- Directors highlighted confidence in the Chair's leadership, quality of challenge and effective relationships with executives.
- Board's diverse skills and experience enabled robust challenge and high-quality decision-making.
- Relationships with the ELT were viewed as open, transparent and effective, fostering trust and supporting strong oversight.
- Improvements were noted in Board paper clarity and disciplined meeting management.
- Enhancement areas included a more forward-looking strategic focus, continued development of Board papers and continued attention to succession planning and skills balance.
- Consider optimal structure of Advisory Committees to support future strategy.

### What the 2025 External Review added

- Broader Stakeholder Input: Structured one-to-one interviews with Board members, ELT members, the Group Head of Internal Audit, the Head of Corporate Governance and the Group Company Secretary.
- Direct Observation: EZ attended and observed a meeting of the Board of Directors and a meeting of each of the Committees.
- Independent Feedback on Leadership: Feedback provided to the SID on the Chair's performance.
- Individual Insights: Provided feedback to the Chair on individual Board members. Delivered feedback to each Director, supporting development, effectiveness and succession insight.

### Areas of focus for FY2026



#### Strategy & Foresight

The Board will further enhance its forward-looking strategic focus by considering opportunities and strategic topics in greater depth. To support this there will be a focus on market trends competitor insights, market developments, maintaining strategic focus throughout the Board cycle.



#### Information Flow & Decision Support

The Board will work with management to further improve the clarity, conciseness and strategic relevance of Board papers and presentations, supporting robust decision-making.



#### Composition & Succession

The Board will continue to strengthen succession planning, optimising future Board and Committee composition, while maintaining diversity, independence and continuity.

## Board composition and succession

Further details on the composition of the Board and succession process are set out on page 148.

## Audit, risk and internal control

The Board has delegated responsibility for the consideration and approval of certain items pertaining to audit, risk and internal control to the Board Audit Committee and Board Risk Committee. Where required, topics are referred onward to the Board as a whole for further discussion or approval.

The Board monitors the Group's risk management and internal control framework and at least annually, carries out a review of its effectiveness. Information on this can be found on page 177. Information on the activities of the Board Audit Committee and Board Risk Committee in 2025 can be found in their respective reports on pages 140 to 145.

## Remuneration

The Board has delegated responsibility for the consideration and approval of the remuneration arrangements of the Chair, Executive Directors, ELT members, the Group Company Secretary and certain other senior executives to the Remuneration Committee. A group of senior management executives and the Group Company Secretary are responsible for recommending to the Board, the fees to be paid to Non-

Executive Directors, within the limits set by shareholders at the AGM and in accordance with the Articles of Association.

➔ **Further details on the activities of the Remuneration Committee can be found on pages 152 to 154.**

## Relationship with the Irish State

The Group received significant support from the Irish State during the financial crisis. On 17 June 2025, the State fully exited its shareholding, returning the Group to private ownership. On 31 October 2025, the Group and the Minister for Finance agreed to cancel the outstanding warrants granted in 2017. As at 31 December 2025, total proceeds returned to the State were c. €21 billion, including c. €650 million in levies and other fees.

While the State was a shareholder, the relationship was governed by the Relationship Framework (Framework). Following the return to full private ownership and the execution of a deed of release in July 2025, the Framework's undertakings and commitments ceased to apply, although the restriction preventing paying variable remuneration awards above €20,000 without Ministerial consent remains. The Board is satisfied that the Group complied with the Framework during 2025 and that the Minister for Finance complied with the independence provisions.

# Board Activities

During 2025, the Board focused on delivering the 2024–2026 strategy and acted in good faith, in a manner it believed would best promote the long-term success of the Group for the benefit of stakeholders. In reaching decisions, the Board assessed the long-term implications of its decisions, their alignment to strategic priorities and their impact on customers, employees, suppliers, investors, regulators and society and community.

The Board also considered the need to uphold high standards of business conduct and act fairly between shareholders. The table below summarises key decisions taken by the Board and key areas of oversight during 2025.

→ Further details on matters considered by Board Committees which in certain cases are also considered by the Board are detailed in individual Board and Board Advisory Committees set out on pages 140 to 165.

## Key Board decisions and discussions Stakeholder and strategy key

### Stakeholder group:



Customers



Employees



Suppliers



Investors



Regulators



Society & Community

### Link to strategy:



Customer  
first



Greening  
our business



Operational efficiency  
and resilience

## People, Culture and Values

### Link to strategy



### Key decisions

- Remuneration Policy
- Integrated Culture Tracker
- Modern Slavery Statement

### Stakeholder alignment



### Key Areas of Oversight

- Culture and people strategy
- Workforce Engagement and Health & Safety annual update

→ Further details on how the Board assesses and monitors culture and ensures that it is embedded throughout the Group can be found on page 101.

## Financial

### Link to strategy



### Key decisions

- AIB Group plc 2024 Annual Financial Report & 2025 Half Yearly Report
- Stock Exchange Announcements, analyst presentations and Trading updates
- Capital Distributions
- Dividend Policy
- Going Concern and Viability Statement
- Recovery Planning and Resolvability Plan
- 2026-2028 Financial and Investment Plan
- Capital Adequacy Statement & Capital Plan & Liquidity Adequacy Statement & Funding and Liquidity Plan

### Stakeholder alignment



### Key Areas of Oversight

- Medium Term Note Programme
- Macroeconomic Environment
- Business and Financial Performance

## Strategy

### Link to strategy



### Key decisions

- Sale of a minority shareholding in AIB Merchant Services to Fiserv in September 2025
- Outsourcing Strategy
- Enterprise Information & Cyber Security Strategy
- People Strategy
- Customer Communication Policy

### Stakeholder alignment



### Key Areas of Oversight

- Annual Review of Group Strategy
- Strategic Outcomes
- Group Ambition Statement
- Customer Strategy
- Transformation Plan Implementation
- Operational Resilience Strategy,
- Sustainability Strategy (including Social Strategy)
- Data Strategy
- Artificial Intelligence Progress
- Corporate Development Opportunities
- Macroeconomic and External Environment
- Investor Perspectives
- Next generation mobile app

→ Further details on the Group Strategy can be found on page 14.



## Regulatory

### Link to strategy



### Key decisions

- Annual Compliance Statement confirming compliance with CBI Corporate Governance Requirements 2015
- Other market announcements
- Third Party Risk Management Framework

### Stakeholder alignment



### Key Areas of Oversight

- Regulatory engagement activities
- Market Abuse Regulation
- Supervisory Review Evaluation Process and onsite inspections with the Joint Supervisory Team (JST)
- CBI Thematic Review Updates
- Regulatory Directive Programmes
- Related Party Lending
- Individual Accountability Framework
- Anti-Money Laundering and Counter-Terrorism Financing

## Internal Controls and Risk Management

### Link to strategy



### Key decisions

- Group Risk Appetite Statement
- Material Risk Assessment
- Risk Management Framework and Policies

### Stakeholder alignment



### Key Areas of Oversight

- Internal Control Effectiveness Review
- Annual Review of Group Connected Customers & Large Exposure Credit Policy
- Second Line Opinion Papers on all Material Decisions, e.g. Strategy or the Financial and Investment Plan

➔ Further details on Internal Controls and Risk Management can be found on pages 140 to 145, 166 and 177.

## Governance

### Link to strategy



### Key decisions

- Companies Act 2014- Directors' Compliance Statement
- Appointed an external evaluator for Board and Committee Effectiveness Evaluation
- Governance & Organisational Framework and Matters Reserved for the Board
- Board Committee Terms of Reference
- Appointment of Senior Independent Director
- Appointment of NEDs
- Composition of the Board Committees and subsidiaries
- Board and Executive Succession Plan
- Board Suitability Assessments & Policy
- Board Skills Matrix
- Board Diversity Policy including Targets
- Annual Reappointment of Chair
- Annual General Meeting

### Stakeholder alignment



### Key Areas of Oversight

- Board Committee updates from the Chairs
- Board Chair engagements updates
- Annual Review of Non-Executive Director Independence
- Subsidiary Oversight
- Review of Directors & Officers Insurance
- Renewal of Non-Executive Director Terms of Office
- Corporate Governance and Upstream Developments

## Regular Updates

### Link to strategy



### Key Areas of Oversight

- Executive Management Updates
- Business and Financial Performance
- Chair Activities

### Stakeholder alignment



➔ Further details can be found in the Nomination and Corporate Governance Committee Report on page 146.

# Stakeholder Engagement

A balance of stakeholder interests is deemed to be critical to any decision taken by the Board. The manner in which the Board and wider Group interact with stakeholders continued to evolve in 2025, with a focus on active engagement to ensure that the interests of all stakeholder groups were taken into consideration in its decision-making and to uphold high standards of business conduct.

The way the Board engages with its stakeholders varies and ranges from direct engagement to receiving management reports and updates on relevant stakeholder matters, which assist the Board in understanding the impacts of the Group's operations on its key stakeholders. Further information on our key stakeholders is available on pages 46 to 48.

Key

Stakeholder group:



Customers



Employees



Suppliers



Regulators



Investors



Society &amp; Community

## Customers



### Why the Group engages:

The Board remains committed to placing the customer at the front of their decision-making ensuring that the Group strives to meet the full range of their financial needs conveniently and responsibly. Our purpose is to empower people to build a sustainable future and to help support our customers to achieve the life they're after. Our Customer First approach is a core pillar of AIB's 2024-2026 strategy and building trust, long-term relationships and having an informed view of customer needs is integral to this.

### How the Group engages:

- Throughout the year, the Board received regular updates on Key Performance Indicators (Complaints and Error metrics, Net Promoter Scores, Customer Journeys).
- Chief Customer and Chief Operating Officers updates on Customer Strategy and Technology and Data.
- Featured customer segments at internal AIB All-Employee updates, Employee Leadership Summit and external events (AIB Sustainability Conference) attended by Board and Executive members setting out the positive sustainability actions taken by customers, which are supported by AIB.

### Actions and Decisions:

- Embedded a Customer Impact Assessment into all major Board decisions.
- Assessed customer implications of key strategic decisions, including the AIBMS minority share sale (June 2025) and monitored progress updates on SEPA Instant go-live (October 2025).
- Monitored development of the new Customer Segmentation model to drive more targeted, data-led service delivery.
- Reviewed rollout of the new error and complaints system and enhancements to Abi, the AI Digital Assistant.
- Considered updates on the Customer Closeness Programme and supported launch of the 'For the Life You're After' brand campaign.
- Reviewed and directed next steps following demonstrations of the new next generation mobile app, setting expectations for continued digital improvements.
- Approved the updated Customer Communication Policy to strengthen clarity, transparency and fairness.
- Received and evaluated updates on sustainability engagement through the AIB Green Living Hub and reviewed measures supporting vulnerable customers and staff training.

→ Further details on strategic progress from a Customer First perspective are set out on pages 14, 15, 80 and 89.



Colin Hunt, CEO, Colette Twomey, MD of Clonakilty Food Company - Customer, Orlaith Ryan, CCO, and Donal Whelton, Head of Agri, Food and Fisheries, at the National Ploughing Championships 2025.

## Employees



### Why the Group engages:

The Board is fully aware that our people are the key resource and enabler for the Group to deliver the overall ambition and strategy in a manner underpinned by the Group's values. The Group employed 10,207 people across Ireland, the United Kingdom and the United States of America. The Group aims to ensure that all employees are engaged and empowered in their roles. Ensuring that the Group's workforce is engaged and motivated is critical to delivery for all our stakeholder groups.

### How the Group engages:

- Throughout the year the Board monitored performance against key metrics (Employee Engagement, Wellbeing and Inclusion & Diversity).
- Direct Engagement between the DNED and employees.
- Internal employee conversation between Board members, ELT and employees.
- Raising Concerns and Whistleblowing channels for employees to report concerns.
- Employee engagement surveys to explore engagement and culture drivers.
- ELT visits to branches to engage with branch teams.
- Recognition of employee contributions and Long Service Awards.

### Actions and Decisions:

- DNED workforce engagement: Elaine MacLean led direct employee engagement sessions, with structured reporting to the Board on culture, wellbeing, inclusion and emerging themes.
- Approved the Integrated Culture Tracker, strengthening oversight of cultural indicators.
- The Board Chair participated in an employee 'Wake-Up' call on empowerment; Executive Directors engaged with over 3,000 leaders at the Group's Annual Leadership Summit; and Board members contributed to the Group's 'Risk in Conversation' week.
- The Board and Board Audit Committee received regular whistleblowing updates and the Whistleblowing Champion issued a Group-wide message reinforcing the importance of whistleblowing.
- Launched the Whistleblowing Advocacy Network.
- Regular updates with the CEO and two All Employee Updates.
- ELT 'Out and About' visits to branches across the country.
- Director visits to foreign branches.
- Review of Employee Engagement Survey results, together with customer feedback and branch-level insights, supporting Board decision-making on organisational culture, development and customer experience.

→ Further details on Employee Engagement are set out on pages 82, 89 and 101.

## Suppliers



### Why the Group engages:

The Group is committed to conducting all its business activities to the expected standard of professionalism and ethical conduct and to support and improve the communities where we operate from an environmental, social and economic perspective. The Group expects suppliers to do the same, through adherence to the Group Responsible Supplier Code. It reflects the Group's values and it sets out the minimum standards to which we hold ourselves and to which suppliers are expected to adopt.

### How the Group engages:

- Regular updates to the Board on the supply chain from management.
- Group-wide Third Party Management function in place that maintains oversight of activities at various stages of the Third Party Management lifecycle.
- Supplier spotlights at the annual AIB Sustainability Conference.
- Whistleblowing Channel to report supplier concerns.
- Dedicated Supplier Relationship Management Framework.

### Actions and Decisions:

- The Board strengthened its oversight of supplier governance during the year through a series of decisions designed to support responsible and sustainable supply chain management.
- Approved updates to the Group's Modern Slavery Statement (May 2025), enhancing transparency and reinforcing the Group's commitment to protecting human rights across the supply chain.
- Approved the Third Party Risk Management Policy and critical third party assessments, embedding strengthened standards for supplier due diligence, risk management and ongoing monitoring.
- Approved the Group Outsourcing Strategy.
- Completed the annual attestation to the Group's Responsible Supplier Code for larger suppliers, providing Board assurance over supplier adherence to ethical, environmental and labour-related expectations.

→ Further details on Supplier Engagement are set out on pages 48, 89, 99 and 100.

## Stakeholder Engagement *continued*

Key

Stakeholder group:



Customers



Employees



Suppliers



Regulators



Investors



Society &amp; Community

### Regulators

#### Why the Group engages:

The Board maintained open and proactive engagement with the Central Bank of Ireland, Bank of England, European Central Bank, European Commission, Single Resolution Board, Prudential Regulation Authority, Financial Conduct Authority, New York State Department of Financial Services and the Federal Reserve Bank of New York to support financial stability, consumer protection and market integrity across all jurisdictions. This sustained regulatory dialogue ensured the Group remained aligned with supervisory expectations and well positioned to meet evolving regulatory requirements.

#### How the Group engages:

- Constructive engagement with supervisory authorities.
- Oversight of regulatory inspections and thematic reviews.
- Regular interaction with the JST.
- Structured reporting to the Board and Committees from the Group Regulatory Relations team.

#### Actions and Decisions:

- Engaged constructively with supervisory authorities on consumer protection, strategy, capital, liquidity and risk management, supporting transparent dialogue and clear expectations.
- Engaged with the ECB on approval of the Capital Distribution, including the 2025 Directed Buyback.
- Monitored supervisory engagement activity, including completion of inspections and thematic reviews, ensuring management actions and remediation were implemented where required.
- Maintained direct engagement with the JST through Chair, Executive Director and ELT management one-to-ones, formal updates and the annual Supervisory Reporting Evaluation Process meeting.
- Received structured updates from Group Regulatory Relations on supervisory matters, emerging themes and inspection outcomes, supporting timely decisions, escalation and aligned oversight.

→ Further details on Regulatory Engagement are set out on pages 48 and 89.

### Investors

#### Why the Group engages:

Transparent and frequent communication with the Group's shareholders is a key priority for the Group. All relevant information is reported to the market on a timely basis and in line with the Market Abuse and Stock Exchange Rules. The investor engagement programme provides clarity on strategic priorities and performance. The Board remains accessible to shareholders to provide clear updates on strategic priorities and financial performance. The Board continues to receive regular briefings on shareholder sentiment and market views and feedback from the AGM for effective oversight and governance.

#### How the Group engages:

- Financial reporting and market updates.
- Comprehensive investor engagement programme.
- Shareholder engagement at the AGM.
- Governance-focused engagement led by the Chair.

#### Actions and Decisions:

- Ensured transparent and timely communication with shareholders through Annual and Half-Yearly Results live webcasts and Q1 and Q3 trading updates.
- Engaged directly with investors, with the Chair, SID, CEO, CFO and business leaders completing 300 interactions across 10 jurisdictions covering topics including: strategy, performance, capital and sustainability.
- Approved capital distributions, including the Directed Buyback in advance of shareholder approval at the AGM and dividends.
- Led governance-focused engagements, with the Chair at top institutional investors at Investment stewardship meetings and accompanied by other Board members on culture, remuneration, succession, risk and sustainability.
- Board Chair and Chair of the Remuneration Committee engaged with a number of our largest institutional investors on the development of our Remuneration Policy.
- Integrated investor feedback briefing provided to the Board to inform discussions and decisions.
- Engaged with shareholders at the AGM, with Directors and Committee Chairs available to address governance, remuneration, financial and strategic matters.

→ Further details on Investor Engagement are set out on pages 89, 129 and 156.



## Society & Community

### Why the Group engages:

Our communities and society as a whole, are at the forefront of all of our stakeholder considerations and are also central to the sustainability strategy. The Board considered the wider impact of all decisions taken by the Group on society and community as part of the wider governance framework in operation in the Group.

### How the Group engages:

- The Board and Board Committee oversight of Sustainability Reporting.
- Participation in the AIB Sustainability Conference and regional sustainability events.
- Executive Director and ELT participation in community engagement activities.
- Regular Sustainability Updates to the Board and Committees.
- Oversight of Social Strategy, Community Initiatives and supporting customers with additional needs.

### Actions and Decisions:

- Approved the sustainability disclosures in the Annual Financial Report, ensuring alignment with regulatory expectations and long-term climate, nature, social and governance commitments.
- Received focused updates on sustainability trends, green products and education initiatives, supporting informed challenge and strategic decision-making.
- Reviewed community initiatives, partnerships and support for vulnerable customers to ensure social commitments remained embedded and measurable.
- Supported visible leadership through Executive participation in key community and sustainability events.
- Reviewed the Social Impact Report and Sustainability Disclosures Tables for accuracy and completeness.
- Approved the Modern Slavery Statement, strengthening human-rights oversight.
- Engaged with stakeholders at the AIB Sustainability Conference and regional events.
- Completed sustainability training, reinforcing Board and Executive capability to oversee Sustainability matters.

→ Further details on Society & Community are set out on pages 88, 89 and 92.

# Report of the Board Audit Committee



“Rigorous challenge, open dialogue across our Board Committees and a commitment to continuous improvement underpinned our governance model in 2025 ensuring that the Group’s reporting remains robust and aligned with stakeholder expectations.”

**Sandy Kinney Pritchard**  
Committee Chair

## Board Audit Committee members

Sandy Kinney Pritchard (Chair) BR  
Anik Chaumartin S  
Brendan McDonagh BR N R  
Ann O’Brien (until 31 December 2025) BR T  
Fergal O’Dwyer R

→ Read more about our cross-Committee Membership on page 132 and Committee Membership changes on page 148.

## Highlights during FY2025

### Financial reporting oversight

The Committee reviewed significant accounting judgements and estimates, including deferred taxation, pensions, going concern and viability and Expected Credit Loss (ECL), recommending underlying scenarios and ECL outcomes to the Board in coordination with the Board Risk Committee.

→ See page 141.

### CSRD and Sustainability Statement governance

The Committee oversaw the governance of CSRD disclosures within the annual financial report and strengthened sustainability reporting readiness, including focused supervision of preparations for the Group’s CSRD compliant disclosures.

→ See page 141.

### Internal Audit effectiveness

The Committee supported the future proofing of the Internal Audit function, overseeing its plans for AI driven efficiencies in Internal Audit, piloting AI enabled analytics and automation in planning and fieldwork, endorsing enhanced data analytics tooling, and confirming capability via the annual skills review. The Committee also completed an annual review confirming the overall effectiveness of the Internal Audit function

→ See page 142.

On behalf of the Board Audit Committee (BAC or the Committee), I am pleased to present the Committee Report for 2025. I would like to thank Ann O’Brien, who stood down from the Committee, for her significant contribution, insight and commitment during her tenure. We wish Ann the very best in future endeavours. I would also like to take this opportunity to thank my fellow Committee members for their valued contribution throughout 2025.

## Committee purpose and responsibilities

The BAC supports the Board by overseeing the integrity of the Group’s financial and narrative reporting, the effectiveness of internal controls, and the assurance provided by internal and external audit. The BAC is also tasked with monitoring the adequacy of arrangements that allow staff to raise concerns confidentially.

→ Please find our Terms of Reference on [aib.ie/investorrelations](https://aib.ie/investorrelations).

## Other key activities in 2025

In what was another very busy year for the Committee it:

- monitored the performance, independence and effectiveness of both Internal Audit and the External Auditor, supporting constructive engagement;
- monitored the Group’s approach to non-audit services to ensure they remain appropriate and do not compromise the External Auditor’s independence;
- considered the findings and thematic insights arising from internal audit work and external audit reviews and assessed management’s proposed actions;
- maintained oversight of the operation of the Group’s whistleblowing and confidential reporting arrangements, ensuring protected disclosure concerns were raised safely and were handled appropriately; and
- completed an external review of the Committee’s effectiveness, concluding that the Committee continues to operate effectively.

## Priorities for 2026

Our priorities for 2026 are as follows:

- continue to strengthen assurance over non-financial reporting, with a focus on CSRD and ESG disclosures, ensuring clear governance pathways and cross Committee coordination; and
- continue to support the further development of the Internal Audit function, including integrated assurance with the first and second lines of defence, horizon scanning of emerging risks, ensuring the timely execution of the audit plan, and maintaining appropriate challenge and alignment between Group Internal Audit’s work and the Committee’s oversight priorities.

**Sandy Kinney Pritchard**  
Committee Chair

## Financial Reporting key areas of focus

A key activity for the Committee is the consideration of significant matters relating to the Group's Financial Statements for 2025. Significant matters, including critical accounting judgements and estimates and the related disclosures, are subject to detailed review with management and the External Auditor.

A summary of the Committee's considerations in relation to those judgements and estimates is set out below, and further detail on these matters is disclosed in note 2 on page 273.

| Key Issues                                   | Committee considerations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Deferred Taxation</b>                     | <p>The Group has recognised deferred tax assets for unutilised losses of €1,975 million (2024: €2,203 million). The recognition of these assets require significant judgements to be made about the long-term future profitability of the Group.</p> <p>When evaluating the Group's future profitability in Ireland, the Committee considered a range of both positive and negative factors including management's assessment of the expected timeline for utilising the deferred tax asset. Given the scale of the Group's operations in the UK, the Committee reassessed the decision to limit recognition of deferred tax assets in its UK subsidiary to amounts expected to be realised within 15 years.</p> <p>For both the Ireland and UK deferred tax assets, the Committee concluded that management's judgements were sufficiently supported by the Group's long-term financial plan and the Committee reaffirmed their support for the continued recognition of these assets.</p>                                                                   |
| <b>Impairment of Financial Assets</b>        | <p>The Group has an ECL allowance of €1,145 million (2024: €1,347 million). The calculation of the ECL allowance is complex and requires the use of several accounting judgements and estimates, some of which are, by their nature, highly subjective. In conjunction with the Board Risk Committee, the Committee assessed and challenged the inputs and outcome of macroeconomic scenarios for use in the ECL models, as well as the weightings applied to those scenarios, in advance of the onward recommendation to the Board for approval. The Committee reviewed and approved updates regarding the ECL outcome provided by management, including the appropriate application of post model adjustments. In forming its view on ECL matters, the Committee also considered inputs from the Risk function on their independent challenge relating to ECL levels.</p> <p>The Committee is satisfied that the impairment requirements of IFRS 9 have been appropriately applied to the Group's financial assets.</p>                                     |
| <b>Retirement Benefit Obligations</b>        | <p>The Group has net defined benefit assets of €12 million (2024: €22 million) and gross defined benefit obligations of €4,521 million (2024: €4,950 million). There is a significant degree of judgement and estimation in the calculation of retirement benefit obligations.</p> <p>The Committee gave due consideration to the reasonableness of defined benefit obligations and of the underlying actuarial assumptions in use, including the discount rate, inflation rates and pensions in payment increases, and approved these assumptions as inputs in the calculation of the IAS 19 pensions position for the AIB Group Irish pension scheme.</p>                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Going Concern and long-term Viability</b> | <p>In preparing the financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern over a period of at least twelve months from the date of approval of the financial statements. Separately, and in line with the requirements of the UK Code, the directors are required to assess the longer-term viability of the Group.</p> <p>In assessing the Group's ability to continue as a going concern and in supporting the viability statement, the Committee evaluated a broad range of factors. These included the Group's risk profile, capital forecasts, internally generated macroeconomic scenarios, the Group's long term financial plan and the Group's strong capital and liquidity position.</p> <p>Having considered the available evidence, the Committee recommended to the Board that the financial statements be prepared on a going concern basis and that that three years was a suitable timeframe for the Viability Statement. The Viability Statement can be found on page 168.</p> |

## Other key areas of focus

|                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>External Reporting</b> | <p>During 2025, the Committee maintained strong oversight of financial and non financial disclosures, reviewing the integrity, completeness and clarity of both the Annual Financial Report and the Half Yearly Financial Report. The Committee concluded that it could recommend the Annual and the Half-Yearly Financial Reports to the Board for approval, on the basis that they are considered to be a fair, balanced and understandable assessment of the Group's financial position, and provide the information necessary for shareholders to assess the Group's performance, business model and strategy. To support this detailed assessment, financial reporting matters were considered at several Committee meetings. Significant matters, including key accounting judgements, estimates and disclosures, were scrutinised with management and the External Auditor. The Committee is satisfied that disclosures provide clear insight into the Group's performance and strategic progress.</p> <p>The year also saw continued enhancements to sustainability reporting as the Group entered its second year of CSRD-aligned disclosures, with a focus on strengthening consistency, assurance and underlying controls. The Committee reviewed the Sustainability Statement in detail, ensuring it was underpinned by robust governance, appropriate assurance, and alignment between financial and sustainability related messaging.</p> <p>When reviewing both the Annual Financial Report and the Half-Yearly Financial Report, the Committee considered the minutes of the Group Disclosure Committee, a management level Committee that is tasked with providing oversight of material Group disclosures, in advance of making any recommendations to the Board. Pillar 3 reporting is also subject to robust governance and review processes, and the Committee reviewed and approved the annual and half-yearly Pillar 3 disclosures.</p> |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

## Report of the Board Audit Committee *continued*

### Other key areas of focus *continued*

|                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Internal Audit</b>                     | <p>The Committee continued to oversee the effectiveness and independence of Group Internal Audit (GIA), approving the Internal Audit Charter, the annual and three year audit plans, and reviewing ongoing delivery against plan. Throughout the year, the Committee considered GIA's audit findings, thematic insights and assessments of the control environment, with particular attention to management's responsiveness to audit recommendations and the timely closure of actions. The Committee received the annual and half year Internal Audit opinions on the Group's overall control environment.</p> <p>The Committee reviewed GIA's annual skills and capability assessment, including its approach to meeting Article 191 requirements under the Capital Requirements Regulation. Regular meetings between the Committee Chair and the Group Head of Internal Audit provided further visibility of emerging control environment themes, reinforcing the Committee's oversight of the function's independence and resourcing.</p> <p>The Committee conducted an annual assessment of the overall effectiveness of GIA, confirming the effectiveness of the function. Following a robust assessment process, the Audit Committee concluded that the GIA function was effective. The Committee also noted that GIA have implemented the new Global Internal Audit Standards that came into effect in 2025 into their methodology and operating processes.</p> |
| <b>External Audit</b>                     | <p>PricewaterhouseCoopers (PwC) was appointed as the Group's External Auditor on 4 May 2023, following an external tender process in 2021 and has since been reappointed following consideration by the Committee and approval by the shareholders at the Annual General Meeting on 1 May 2025.</p> <p>During the year the Committee oversaw the independence, objectivity and performance of the External Auditor, assessing audit quality through reporting, interaction with PwC, and evaluation of the audit team's expertise and challenge. The Committee reviewed and approved the terms of engagement, the audit plan, the half-year and year end audit results and the Auditor's recommendations.</p> <p>In line with regulatory requirements, the Committee monitored non-audit services to ensure they did not impair auditor independence. This included reviewing and approving limits for such services in accordance with the Group's Non-Audit Services Policy, as well as considering an update related to the hiring of former Auditor personnel. Following its review, the Committee recommended the proposed statutory audit fee to the Board for approval.</p>                                                                                                                                                                                                                                                                                       |
| <b>Whistleblowing and Code of Conduct</b> | <p>As part of its oversight of the Group's whistleblowing and protected disclosure framework, the Committee received an annual report on whistleblowing activities, case themes and enhancements made during the year, including the launch of an enhanced reporting portal and establishment of a Whistleblowing Advocacy Network. The Committee Chair, acting as the Board appointed Group Whistleblowers' Champion, met the Head of Group Accountability &amp; Performance and Head of Whistleblowing to discuss material cases, process developments and training and awareness initiatives to strengthen the trust and confidence of our workforce in our whistleblowing arrangements.</p> <p>The Committee also approved enhancements to the Group Code of Conduct and received an annual update on Code of Conduct related activity.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Internal Controls</b>                  | <p>The Committee continued to strengthen its oversight of the effectiveness of the Group's Internal Control and Risk Management Framework. During the year, the Committee:</p> <ul style="list-style-type: none"> <li>received Chief Financial Officer updates on the testing and operation of financial and non financial reporting controls, aligned to the half year and year end processes;</li> <li>reviewed the Directors' Statements relating to internal controls and supported their recommendation to the Board;</li> <li>assessed findings from Group Internal Audit's half year and year end evaluations of the control environment;</li> <li>reviewed management's responses to control observations from the External Auditor;</li> <li>received quarterly credit control environment updates from the Group Chief Risk Officer;</li> <li>considered progress on the evolution of the aligned assurance model across the Three Lines of Defence, including key thematic insights; and</li> <li>received updates from management regarding internal fraud risk and effectiveness of internal fraud controls.</li> </ul> <p>On the basis of these activities, the Committee concluded that the Internal Control and Risk Management Framework operated effectively during the year. Further details can be found in Internal Controls on page 166.</p>                                                                                                       |
| <b>Subsidiary Oversight</b>               | <p>To support oversight across the Group, the Committee Chair met with the Chairs of the material subsidiary audit committees during the year and attended a number of subsidiary committee meetings. The Committee reviewed annual reports and minutes from the audit committees of AIB Group (UK) p.l.c., EBS d.a.c., AIB Mortgage Bank Unlimited Company, and Goodbody Stockbrokers UC, ensuring visibility of subsidiary level issues, local regulatory considerations and key audit themes. The participation of Committee member Fergal O'Dwyer, as Chair of the Goodbody Audit Committee during 2025, further strengthened the link between Group and subsidiary governance.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |



# Report of the Board Risk Committee



“In a year shaped by cyber threats and geopolitical shocks, the Committee’s priority was clear: disciplined risk governance, strong challenge and resilience in delivery of the Group’s strategy.”

**Brendan McDonagh**  
Committee Chair

## Board Risk Committee members

Brendan McDonagh (Chair) A N R

Basil Geoghegan N

Tanya Horgan T

Sandy Kinney Pritchard A

Andy Maguire T

Jan Sijbrand S

Raj Singh (until 31 December 2025) S

→ Read more about our cross-Committee Membership on page 132 and Committee Membership changes on page 148.

## Highlights during FY2025

### Cyber Risk

The Committee enhanced its oversight of cyber risk and operational resilience in response to an increasingly complex and evolving threat landscape. This was facilitated through increased reporting received from the Chief Information Security Officer and Risk team following Information Security (including Cyber) Risk’s elevation to a material risk in 2025.

→ See page 144.

### Geopolitical and macroeconomic Risk

The Committee maintained a strong focus on geopolitical risk throughout 2025, informed by regular updates from the Geopolitical Working Group and the Chief Economist, and through explicit and detailed consideration of geopolitical factors within the Risk Appetite Statement process.

→ See page 145.

### Evolving and Non-Financial Risks

During the year, the Committee continued to strengthen its oversight of evolving and non-financial risks, including operational resilience, third party and outsourcing risk, climate and environmental risk, and data and model risk, in line with evolving regulatory and supervisory expectations.

→ See pages 144 to 145.

On behalf of the Board Risk Committee (BRC or the Committee), I am pleased to present the Committee Report for 2025. I would like to thank Raj Singh, who stood down from the Committee, for his valuable contribution, insight and commitment during his tenure. We wish Raj the very best in his future endeavours. I would like to take this opportunity to thank my fellow Committee members for their valued contribution throughout 2025.

## Committee purpose and responsibilities

The Committee assists the Board in approving and overseeing the Group’s risk appetite, risk governance and risk management frameworks. It provides challenge and oversight across each principal risk, ensures risk policies and controls remain effective, and monitors external developments that may affect the Group’s strategic delivery. The Committee also reviews emerging risks and assures the Board that the Group operates within a prudent and well-controlled risk environment. The Group Chief Risk Officer has unrestricted access to the Committee and attends all Committee meetings. The Chief Financial Officer, Group Head of Internal Audit, the lead External Audit partner are also invited to attend all Committee meetings.

→ Please find our Terms of Reference on [aib.ie/investorrelations](http://aib.ie/investorrelations).

## Other key activities in 2025

In what was another very busy year for the Committee it:

- maintained oversight of credit and financial risks, including asset quality and top exposures and overseeing the management of liquidity, capital adequacy and funding risk;
- reviewed and recommended the Risk Appetite Statement and key risk frameworks, ensuring alignment with strategy and corporate culture and values;
- received regular reporting on risk management at the subsidiaries and branches from both the second and third line of defence;
- oversaw other non-financial risks, including climate and environment, compliance and conduct risk and key regulatory change programmes; and
- completed an external review of the Committee’s effectiveness, concluding that the Committee continues to operate effectively.

## Priorities for 2026

Our priorities for 2026 are as follows:

- maintain heightened oversight of geopolitical and cyber threats and ensuring appropriate embedding into existing risk management frameworks and alignment with the Group’s operational resilience arrangements; and
- maintain oversight of the implementation and embeddedness of Risk Data Aggregation and Risk Reporting (RDARR) across the organisation, strengthening the quality, timeliness and reliability of data to support effective decision-making.

**Brendan McDonagh**  
Committee Chair

## Report of the Board Risk Committee *continued*

### Key areas of focus

#### Principal Risk considerations

|                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Credit Risk</b>                                 | The Committee continued to regularly consider the overall asset quality and Credit Risk profile of the Group, with a particular focus in 2025 on credit performance given the evolving geopolitical and macroeconomic environment. The Credit Risk profile was reported to the Committee as remaining stable throughout 2025, and the Committee remained alert to any potential emerging signs of deterioration through regular monitoring of the Credit Risk profile and overall business performance, as well as considering changes to the Group's expanded risk appetite in relation to corporate renewable energy and related infrastructure. There was also continued focus on the Group's credit control environment. In conjunction with the BAC, the Committee reviewed, challenged, and approved the macroeconomic scenarios for use in the Group's ECL models.                                                                                                                                                                           |
| <b>Market and Equity Risk</b>                      | The Committee received regular updates with respect to Market and Equity risk throughout 2025, including the impact of financial market volatility on the Group's overall risk profile, influenced during the year by geopolitical/tariff developments and later periods of market volatility. The Committee also had an enhanced oversight of the integrated management of the Group's balance sheet from a risk perspective and considered financial risk deep-dives on interest rate risk in the banking book and Net Interest Income sensitivity. It noted ECB rate cuts and related hedging actions to reduce sensitivity to falling rates and monitored ongoing supervisory metrics.                                                                                                                                                                                                                                                                                                                                                          |
| <b>Capital Adequacy Risk</b>                       | The Committee assessed reports from management to ensure that the Group had appropriate buffers in place above the Group's own minimum capital targets, as well as regulatory capital requirements. The Committee also reviewed capital plans/planning, including consideration of the Group's Internal Capital Adequacy Assessment Process report, with reference to contingent capital and the related Group-wide stress test scenarios, including climate stress testing. In conjunction with the BAC, the Committee recommended macroeconomic scenarios for use within the ICAAP to the Board for approval. The Committee was satisfied that the capital adequacy of the Group has been well demonstrated in a range of scenarios. The Committee also considered deep dives and regular reporting in relation to risk-adjusted return on capital.                                                                                                                                                                                               |
| <b>Liquidity and Funding Risk</b>                  | The Committee received regular updates throughout 2025 with respect to the status of the Liquidity and Funding Risk profile. The Committee assessed reports from management to ensure that the Group had appropriate buffers in place in excess of the Group's liquidity requirements. The Committee also reviewed liquidity and funding plans/planning, including consideration of the Group Internal Adequacy Assessment Process report, which included climate stress testing. The Committee was satisfied that the liquidity adequacy of the Group has been well demonstrated in a range of scenarios.                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Business Model Risk</b>                         | The Committee received regular reports regarding the status of Business Model Risk in the context of delivery of the Group Strategy 2024-2026, performance against the Financial Plan and the Group's medium-term targets. The Committee continued to provide management with detailed feedback on the Group's definition of Business Model Risk to ensure appropriate reporting and meaningful information is provided to support decision-making. The Committee considered the increased risk arising from the current geopolitical and macroeconomic environment, being cognisant of the potential risks arising from any deterioration in that regard, and how this might impact Business Model Risk.                                                                                                                                                                                                                                                                                                                                           |
| <b>Information Security (including Cyber) Risk</b> | In its first full year as a material risk, the Committee maintained close oversight of Information Security and Cyber Risk, in the context of a heightened external threat environment and increased disruptive attack activity. The Committee monitored management's response to significant external developments and incidents, including ransomware-related learnings and the strengthening of controls and monitoring. It reviewed performance against risk appetite measures (including outcomes and remediation actions). The Committee also tracked delivery of the new InfoSec (including cyber) framework and related assurance activity to support measurable risk reduction. The Committee also benefits from the advice and expertise provided by the Technology and Data Advisory Committee.                                                                                                                                                                                                                                          |
| <b>Operational and Resilience Risk</b>             | The Committee reviewed the ongoing and evolving operational risk profile throughout 2025. Given the level of change in the Group, the Committee remained focused on Execution Risk and Change Risk and continued to monitor the challenges associated with delivering the business-as-usual agenda alongside the delivery of key change initiatives. The Committee continued to provide detailed oversight of the Group's Operational Resilience Strategy, the Group Outsourcing Strategy and key outsourcing and critical arrangements across the Group. The Committee provided oversight of third party risk management matters, via regular updates from the first and second line teams and approval of critical outsourcing arrangements. During the year, the Committee also regularly considered the Group's Data Risk governance and arrangements, receiving updates from the first line and second lines of defence and considering the implications of the ECB Guide on effective risk data aggregation and risk reporting for the Group. |
| <b>Climate and Environment Risk</b>                | During the year, the Committee maintained a strong focus on Climate and Environmental risk, recognising its increasing relevance across strategy, risk appetite and regulatory expectations. The Committee received regular updates on the Climate Capital and Infrastructure portfolio, transition and physical risk considerations, and the integration of climate risk into credit decision-making, stress testing and risk appetite metrics. The Committee also reviewed developments in external regulation and supervisory expectations and challenged management on readiness for the forthcoming risk management guidelines and ongoing embedding of climate and environmental risk within the Group's enterprise risk framework. The Committee also benefits from the advice and expertise provided by the Sustainable Business Advisory Committee.                                                                                                                                                                                        |

|                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|--------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Model and AI Risk</b>             | The Committee continued to receive regular reports on the Model and AI Risk profile and model capabilities across the Group, as well as progress against key regulatory deliverables. In 2025, the Committee oversaw the elevation of AI Risk through its integration into the new Model and AI Risk Framework, with a focus on satisfying itself that incorporation into that Framework was the best course of action for the organisation. The Committee also maintained risk oversight of the delivery against the IRB programme, receiving regular programme updates throughout the year. Regular Model Risk Reports for all model types were also considered, with an assessment of model risk improvements and progress against deadlines undertaken. The status of the quality and adequacy of models were assessed through independent validation, the outcome of which was also reported to the Committee. |
| <b>Conduct Risk and Culture Risk</b> | The management of Conduct Risk and ensuring fair outcomes for customers continued to be a core focus for the Group. The Committee received regular reporting throughout the year regarding the status of the Conduct Risk profile, including updates on open restitutions and customer complaints metrics. The Committee regularly receives updates on external fraud trends to support its oversight of the Group's fair treatment of its customers where they are the victims of fraud. The Committee also received updates on the status of the Culture Risk profile during the year. Updates on Culture Risk continued, with particular interest in cultural readiness for change and large-scale transformation. In 2025, the Committee received regular updates on the Group's progress in implementing the new Consumer Protection Code.                                                                     |
| <b>Regulatory Compliance Risk</b>    | The Committee continued to maintain oversight of the Group's adherence to and delivery of regulatory compliance commitments. Throughout the year, the Committee received regular updates from the Chief Risk Officer and the Group Chief Compliance Officer regarding the status of the regulatory compliance risk profile, including updates on prudential regulation, conduct of business regulation, Financial Crime and Data Protection. The Committee also received updates regarding the delivery of specific regulatory change programmes. Financial Crime risk was considered throughout the year, through ongoing reporting as well as standalone updates provided by the Money Laundering Reporting Officer.                                                                                                                                                                                              |

#### Other risk considerations

|                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Risk Appetite, Risk Profile and Risk Strategy</b> | The Committee reviewed and recommended the 2026 Group Risk Appetite Statement (RAS) to the Board for approval during the year. Performance against the 2025 Group RAS was overseen through the ongoing monitoring of the risk profile against agreed Group RAS metrics whilst ensuring alignment to the Group's strategic objectives. The Committee also reviewed regular reports from the Chief Risk Officer, which provided an overview of the status, profile and trajectory of the Group's key material risks and considered and recommended the assessment of the material risks facing the Group to the Board for approval. |
| <b>Regulatory Engagement</b>                         | Throughout the year, the Committee considered regular updates regarding the status of Risk Mitigation Programme action plans, as well as the upstream regulatory horizon. The Committee also considered and recommended, as appropriate, management action plans put in place to address those findings identified as part of regulatory inspections. During 2025, the Committee Chair engaged directly with the Group's regulators, providing further detail on the Group's approach to regulatory areas of focus.                                                                                                               |
| <b>Geopolitical and macroeconomic risk</b>           | Throughout 2025, the Committee maintained heightened oversight of geopolitical risk, recognising its potential to affect Ireland's economy and AIB's portfolios through tariffs, trade disruption and conflict escalation. Updates from the Geopolitical Working Group informed scenario design and stress testing, including development of an Ireland-focused geopolitical risk index and sector-level portfolio reviews. The Committee challenged management on appropriate risk posture and customer/ portfolio resilience. It also considered macroeconomic perspectives, including updates from the Chief Economist.        |
| <b>Emerging Risks</b>                                | The Committee adopts a forward-looking perspective and anticipates changes in business and market conditions in its deliberations ensuring that forward looking risk considerations are integrated into strategic decision making. In doing so, the BRC monitors external developments and evolving risk trends, and provides challenge and guidance to management on the adequacy of mitigating actions.                                                                                                                                                                                                                         |
| <b>Subsidiary and Branch Oversight</b>               | During the year, the Committee Chair met with a number of material subsidiaries' risk committees and board chairs to ensure that appropriate connection with the Group is maintained on risk matters. Furthermore, the Committee Chair attended at least one risk committee or board meeting for each material subsidiary and reports were received by the risk committee chairs of both AIB Group (UK) p.l.c. and Goodbody Stockbrokers UC. In addition, the Branch Managers for each of the Group's key branches provided quarterly reports to the Committee in conjunction with the Risk team's quarterly branch reporting.    |

# Report of the Nomination and Corporate Governance Committee



“The focus of the Committee in 2026 will include advancing Board and Executive succession planning to ensure continued depth and resilience in Board and Executive Leadership Team composition, managing planned retirements and overseeing the renewal of existing Board member terms.”

**Elaine MacLean**  
Committee Chair

## Nomination and Corporate Governance Committee members

Elaine MacLean (Chair) R

Basil Geoghegan (from 25 September 2025) BR

Helen Normoyle (until 1 May 2025) N S T

Brendan McDonagh BR A N

Jim Pettigrew R

→ Read more about our cross-Committee Membership on page 132 and Committee Membership changes on page 148.

## Highlights during FY2025

### Composition

The Committee recommended term renewals for a number of Directors and noted planned retirements. We recommended Committee leadership positions including a new Chair for both Sustainable Business Advisory Committee and Technology and Data Advisory Committee and also considered the independence of INED.

→ See page 147.

### Governance matters

The Committee completed the annual review of the Governance & Organisation Framework and Schedule of Matters Reserved to the Board, recommended the annual Board Diversity Policy, approved Suitability policies and materials (including the Board Skills Matrix) and considered Annual Financial Report 2025 Governance disclosures.

→ See page 147.

### Board Performance Review

The Committee engaged with external evaluator Egon Zehnder for the 2025 Board performance review and considered emerging themes.

→ See page 147.

On behalf of the Nomination and Corporate Governance Committee (NomCo or the Committee), I am pleased to present this report in my capacity as Chair. Throughout the year, the Committee's composition evolved in accordance with our planned succession arrangements.

I would like to acknowledge and thank Helen Normoyle for her valuable service prior to her stepping down from the Committee. I am also pleased to welcome Basil Geoghegan, whose extensive experience enhances the Committee's overall expertise. I would like to take this opportunity to thank my fellow Committee members for their valued contribution throughout 2025.

### Committee purpose and responsibilities

The Committee oversees Board composition, succession planning and Director appointments, ensuring the Board and its Committees maintain the right balance of skills, experience and diversity. It also monitors governance standards and leads orderly transitions, supporting effective leadership and accountability across the Group.

→ Please find our Terms of Reference on [aib.ie/investorrelations](https://aib.ie/investorrelations).

### Other key activities in 2025

In what was another very busy year for the Committee it:

- completed the annual independence assessment of Non-Executive Directors, confirming continued adherence to expected standards;
- advanced succession planning for ELT and Control Function leaders, emphasising diversity, gender balance and evolving competency needs;
- maintained oversight of induction plans and processes for appointment of new Directors; and
- completed an external review of the Committee's effectiveness, concluding that the Committee continues to operate effectively.

### Priorities for 2026

Our priorities for 2026 are as follows:

- advance planned INED appointments and Board succession;
- manage scheduled retirements to maintain skill coverage, diversity and independence;
- monitor evolving regulatory governance expectations and embed updates to the Suitability policy; and
- oversee Board and Committee performance review outcomes and actions from the 2025 external review.

**Elaine MacLean**  
Committee Chair



## Key areas of focus

|                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|----------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Board Succession Planning, Renewals and Board Committee Composition</b> | <p>The size, structure, composition and succession plans of the Board, Board Committees and ELT were standing items throughout 2025.</p> <p>The Committee used the services of Teneo in 2025, to support Non-Executive Director searches. The firm has no other connection to the Group other than, from time to time, assisting with executive searches, providing leadership development and assessment services and leadership advisory services. It has no other connection to individual Directors other than, from time to time, assisting external entities, of which the individual directors may be a Director, in candidate searches or considering individual Directors as potential candidates for external roles.</p> <p>The Committee progressed Director renewals, Committee leadership designations, alongside INED search and induction plans to sustain the right blend of skills, experience and diversity as longer serving Directors approach or pass nine years' tenure. The Committee also confirmed the independence of INEDs and recommended the CBI Annual Compliance Statement to the Board.</p> |
| <b>Executive Succession Planning &amp; Appointments</b>                    | The Committee maintained oversight over ELT composition and succession, including CEO and Control Function pipelines, and approved ELT structural updates. The Committee's bi-annual succession reviews (June and December) maintained focus on leadership depth, development planning, and external pipeline mapping where appropriate.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Diversity</b>                                                           | Consistent with the Board Diversity Policy, the Committee advanced actions to sustain gender balance and broader diversity across the Board, supporting planned appointments, renewals and monitoring progress against targets (including the target that a female holds at least one of the senior Board positions). Our gender diversity statistics for the Board can be found on pages 125, 150 and 151.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Board Performance Review</b>                                            | In line with established governance codes and our commitment to continuous improvement, the Committee carried out the full annual review cycle during the year. This included formally endorsing the 2024 Board Performance Review, initiating engagement with Egon Zehnder to undertake the external Board Performance Review for 2025 and completing the NomCo evaluation process. The resulting actions and recommendations identified across these reviews will be tracked and progressed throughout 2026 to ensure strong follow through and ongoing governance enhancement. Further detail relating to the Board Performance Review is set out on page 132.                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Corporate Governance</b>                                                | <p>The Committee oversees and monitors corporate governance arrangements and makes recommendations to the Board to ensure that the standards and arrangements across the Group are consistent with existing corporate governance standards and emerging best practice. The Committee undertook its annual schedule of work in relation to the Group's governance arrangements, corporate governance compliance, and related policies, including:</p> <ul style="list-style-type: none"> <li>• a review of the Board Diversity Policy and diversity targets;</li> <li>• oversight of compliance with applicable corporate governance requirements and guidelines;</li> <li>• oversight of upstream regulatory developments in corporate governance and best practice;</li> <li>• engagement with the Board Performance Review process conducted by Egon Zehnder; and</li> <li>• consideration of workforce engagement processes via the Designated INED, who is also Chair of the Committee.</li> </ul>                                                                                                                      |
| <b>Subsidiary Board and Committee Composition</b>                          | <p>The Committee considered a number of Executive and Non-Executive Director appointments to the Group's material subsidiary boards and the respective board committee membership, including for AIB Mortgage Bank Unlimited Company, EBS d.a.c. and Goodbody Stockbrokers UC. Such appointments, where established, ensure appropriate information flow, oversight, consistency and alignment between the Group and its subsidiaries.</p> <p>The Committee also considered INED term anniversaries and made recommendations for reappointment to the subsidiary boards where relevant, taking account of ongoing suitability considerations.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

# Board composition and succession

## Board Composition

At 31 December 2025, the Board consisted of the Chair, who was deemed independent on appointment, ten INEDs and two Executive Directors, being the Chief Executive Officer and the Chief Financial Officer.

## Board and Board Committee changes

Changes that occurred to the Board or Board Committee membership in 2025 are set out in the table below.

|                            |                                        |                                     |                                            |
|----------------------------|----------------------------------------|-------------------------------------|--------------------------------------------|
| <b>Board committee key</b> | <b>C</b> Committee chair               | <b>R</b> Remuneration               | <b>N</b> Nomination & Corporate Governance |
|                            | <b>B</b> Board                         | <b>A</b> Board Audit                | <b>BR</b> Board Risk                       |
|                            | <b>S</b> Sustainable Business Advisory | <b>T</b> Technology & Data Advisory |                                            |

| 2025 Changes                        | Roles                               | Joined/<br>Resigned | When              |
|-------------------------------------|-------------------------------------|---------------------|-------------------|
| <b>Orlaith Ryan<sup>1</sup></b>     | <b>S</b>                            | Joined              | 1 January 2025    |
| <b>Helen Normoyle</b>               | <b>B</b> <b>N</b> <b>R</b> <b>S</b> | Resigned            | 1 May 2025        |
| <b>Anik Chaumartin</b>              | <b>S</b>                            | Appointed<br>Chair  | 26 June 2025      |
| <b>Andrew McFarlane<sup>1</sup></b> | <b>T</b>                            | Resigned            | 1 July 2025       |
| <b>Anne Sheehan</b>                 | <b>B</b>                            | Joined              | 1 September 2025  |
|                                     | <b>T</b>                            |                     | 25 September 2025 |
| <b>Basil Geoghegan</b>              | <b>N</b>                            | Joined              | 25 September 2025 |
| <b>Fergal O'Dwyer</b>               | <b>R</b>                            | Joined              | 25 September 2025 |
| <b>Andy Maguire</b>                 | <b>T</b>                            | Appointed<br>Chair  | 9 December 2025   |
| <b>Cathy Bryce<sup>1</sup></b>      | <b>T</b>                            | Joined              | 12 December 2025  |
| <b>Ann O'Brien</b>                  | <b>B</b> <b>A</b> <b>R</b> <b>T</b> | Resigned            | 31 December 2025  |
| <b>Raj Singh</b>                    | <b>B</b> <b>BR</b> <b>S</b>         | Resigned            | 31 December 2025  |

1. Member of ELT.

## Board succession planning and appointments

The review of the appropriateness of the composition of the Board and Board Committees is a continuous process and recommendations for appointment are made based on merit and objective criteria, having regard to the collective skills, experience, independence and knowledge of the Board, along with its diversity requirements. The Board recognises that the size of the Board may vary temporarily at times, particularly at times of heightened succession. The optimal composition of the Board will remain a key focus for the NomCo and the Board in 2026. The Board Succession Plan is reviewed by the NomCo alongside the Board Skills Matrix at each scheduled meeting to allow for proactive and continuous succession planning and, in turn, the timely commencement of Director search processes.

The Board Succession Plan details planned Board composition, as well as Board Committee membership, the likely tenure of INEDs and upcoming actions to be undertaken. The skills included in the Board Skills Matrix set out on page 149 were identified, taking into account the Group's strategic priorities and relevant regulatory requirements. Each Director was selected for appointment on the basis of their knowledge, skills and experience, which enable them to effectively discharge their duties, ensure the effective governance of the Group and contribute to its long-term, sustainable success. The biographies on pages 122 to 125 set out the key skills and experience that each Director brings to the Board.

In addressing appointments to the Board, a role profile for the proposed new Directors is prepared on the basis of the criteria laid down by the Committee, taking into account the existing skills and expertise of the Board and the anticipated time commitment required. The services of experienced third party professional search firms are retained for INED appointments where required and deemed necessary by the Committee. In all Director selection activity, the Group ensures that a formal and rigorous process is followed.

Prior to the recommendation for appointment of any given candidate, a comprehensive due diligence process is undertaken, which includes the candidate's self-certification of probity and financial soundness, as well as external checks and enhanced due diligence. The due diligence process enables the Committee to satisfy itself as to the candidate's independence, fitness and probity and their capacity to devote sufficient time to the role. A final recommendation is made to the Board by the Committee.

A Board-approved Policy is in place for the assessment of the suitability of members of the Board, which outlines the Board appointment process and is in compliance with applicable joint guidelines issued by the European Securities and Markets Authority and the European Banking Authority.

## Terms of appointment

INEDs are generally appointed for a three year term, with the possibility of renewal for a further three years on the recommendation of the Committee. Any additional term beyond six years is subject to annual review and approval by the Board. In accordance with practice in recent years and the provisions of the UK Code, all Directors submit themselves for re-election at each Annual General Meeting. Details of the appointment dates and length of tenure of each Director are available from their appointment dates, included in their biographies on pages 122 to 125.

## Professional development and continuous education programme

The Board's professional development and continuous education programme continued throughout 2025 and was designed in conjunction with the indicative work programme to ensure that training was delivered at a time when it would be of most benefit and relevance to the Board.

The sessions were delivered by a mix of internal and external subject-matter experts and the topics included: Individual Accountability & Senior Executive Accountability Regime, Risk Models, Anti-Money Laundering and Counter the Financing of Terrorism, Information Security, Risk Appetite Statement, Artificial Intelligence, Sustainability, Cyber and Market Abuse Regulation. Additional training and individual sessions with subject-matter experts on areas of interest to the Directors are facilitated upon request.

A structured induction programme is delivered to any incoming Director and includes a series of meetings with senior management and relevant briefings, together with any specific training identified during the course of the appointment of the individual. Further insights from Anne Sheehan, who was appointed as INED during 2025, on the effectiveness of the induction, including reflections on early understanding of AIB's risk profile, strategic priorities and key activities, are set out in the Q&A on page 149.

## Directors' skills and experience

The table provides an overview of the skills and experience held by the Group's NEDs on the Board. This is reviewed annually by the NomCo to ensure that the Board has the skills and experience required to effectively discharge its duties and to support succession-planning discussions.

Key: ● Strong ● Proficient ● Entry

| Skills and experience                         | Total number of NEDs |   |   | Skills and experience                          | Total number of NEDs |   |   |
|-----------------------------------------------|----------------------|---|---|------------------------------------------------|----------------------|---|---|
| Risk Management                               | 9                    | 2 |   | Treasury Management                            | 4                    | 5 | 2 |
| Finance, Accounting & Audit                   | 7                    | 4 |   | Non-Executive Director Experience              | 8                    | 3 |   |
| Strategy                                      | 8                    | 3 |   | Culture Development                            | 9                    | 2 |   |
| Governance                                    | 10                   | 1 |   | People Management and Development              | 9                    | 2 |   |
| Leadership                                    | 11                   |   |   | Climate & Environmental (incl. Sustainability) | 3                    | 8 |   |
| Customer & Conduct                            | 7                    | 3 | 1 | Digital                                        | 2                    | 6 | 3 |
| Capital & Liquidity                           | 6                    | 3 | 2 | Technology                                     | 2                    | 7 | 2 |
| Retail Banking                                | 6                    | 4 | 1 | Stakeholder Management                         | 10                   | 1 |   |
| Corporate, Institutional and Business Banking | 6                    | 4 | 1 | Outsourcing & Change Management                | 5                    | 5 | 1 |

## Q&A

### Welcoming Anne Sheehan, Independent Non-Executive Director

**Q:** Given your background, which technology themes (cloud transformation, data governance, responsible AI) are most material to AIB over the next three to five years?

**A:** The most material themes are those that strengthen AIB's digital foundations. Cloud transformation will continue to modernise our core platforms, while strong data governance and insight generation will enable better decisions and more personalised services. Building digital literacy across the organisation will be essential to make full use of these tools. Platform engineering will remain the backbone that allows us to deliver technology safely and at scale, and the Next Generation App will be a critical channel that brings these capabilities together for customers.

**Q:** How effectively did the induction help you develop an understanding of AIB's risk profile, key strategic priorities and major activities?

**A:** The induction process was highly effective in giving me an early and well-rounded understanding of AIB's risk profile, key strategic priorities and major activities. The combination of structured briefings, comprehensive onboarding materials and targeted sessions with senior leaders provided clear context on

the Group's overall risk environment, how risks are governed and managed, and the linkage to strategic decision-making.

In the discussion-based elements with senior leaders, I experienced customer at the core in their strategic priorities, and I found these sessions particularly valuable in understanding how AIB assesses emerging risks, balances regulatory expectations, and embeds risk culture in day-to-day operations. The overview of strategic priorities, supported by insights into major programmes and business activities, enabled me to gain an early line of sight on the key drivers of performance and long-term value creation.

**Q:** What are your first impressions of Culture within AIB?

**A:** From the outset, AIB's culture felt genuinely people-centred. Our purpose comes through clearly in how we talk about customers and make decisions. The culture of open challenge, the environment that encourages people to raise concerns, especially the Integrated Culture Tracker, gives an honest view of how we're living our values. It's a culture that feels intentional, open and focused on doing the right thing.



## Board composition and succession *continued*

### Balance and independence

Responsibility has been delegated by the Board to the NomCo for ensuring an appropriate balance of experience, skills and independence on the Board. INEDs are appointed so as to provide strong and effective leadership and appropriate challenge to management. The independence of each Non-Executive Director is considered by the NomCo prior to appointment and reviewed annually thereafter. It was determined that the following INEDs in office as at 31 December 2025, namely, Anik Chaumartin, Basil Geoghegan, Tanya Horgan, Elaine MacLean, Andy Maguire, Brendan McDonagh, Fergal O'Dwyer, Sandy Kinney Pritchard, Anne Sheehan and Jan Sijbrand, were independent in character and judgement and free from any business or other relationship with the Group that could affect their judgement. This conclusion was reached after consideration of all relevant circumstances that are likely to impair, or could appear to impair, independence.

The Board took account of the fact that Brendan McDonagh had served on the Board for nine years in October 2025 and assessed whether this could impair his independence. In confirming independence, the Board agreed that he continues to demonstrate the ability to offer constructive challenge and perform his role on the Group Board and its Committees effectively and with independence of mind, which is evident at each meeting, where he provides well considered views, together with articulate and constructive challenge.

The Chair, Jim Pettigrew, was determined as independent on appointment.

### Access to advice

There is a procedure in place to enable the Directors to take independent professional advice, at the Group's expense, on matters concerning their role as Directors. The Group holds insurance to protect Directors and Officers against liability arising from legal actions brought against them in the course of their duties.

### Time commitment

INEDs are required to devote such time as is necessary for the effective discharge of their duties. The expected time commitment of the Chair and INEDs is agreed and set out in writing in a letter of appointment. This is issued following confirmation of an individual's capacity to take on the role and involves an assessment of existing external commitments and demands on time. Any changes, such as additional external appointments that could impair the ability to meet the above requirements, can only be accepted following approval of the Chair and Group Company Secretary and, in certain cases, the approval of the Board as a whole and/or the CBI, must also be sought.

There is a procedure in place to assess and seek Board approval for any additional external roles proposed by Directors, to ensure that there will be no impact on their ongoing suitability or ability to continue to dedicate sufficient time to their Group roles.

The estimated minimum time commitment set out in the letters of appointment is 30 to 60 days per annum for INEDs and 100 days per annum for the Chair, including attendance at Committee meetings.

### Inclusion & Diversity

Employee inclusion and diversity in the Group is addressed through policy, practices and values, which recognise that a productive workforce comprises diverse backgrounds, cultures, experiences, characteristics and work styles. The Board recognises that inclusion and diversity are integral to the successful delivery of the Group's strategic priorities: Customer First, Greening Our Business and Operational Efficiency and Resilience. The Group has implemented a Diversity and Inclusion Code and opposes all forms of discrimination. The efficacy of related policies and practices and the embedding of the Group's values is overseen by the Board, which has

endorsed the Group's inclusion and diversity strategy, supported by short-term activities and targets, as one of the key focus areas of the Culture Programme. The Board also considers inclusion and diversity within the context of the Group's People strategy and Future of Work strategy.

### → Further details on how the Board is encouraging inclusion and diversity across the Group are set out on pages 78 and 82 to 87.

The Board is supported in its oversight of inclusion and diversity by its Committees, specifically by NomCo, which considers diversity as a key element within the context of succession planning for the ELT and its succession pipeline within the Group. In addition, the SBAC considers inclusion and diversity in the Group as it relates to that Committee's role in overseeing the Group's efforts to promote economic and social inclusion as part of the sustainability agenda.

With regard to diversity among Directors, there is a Board Diversity Policy in place that sets out our commitment to and also details our approach to achieving, our diversity ambitions. This policy is available on the Group's website at [aib.ie/investorrelations](https://aib.ie/investorrelations).

The Committee is responsible for developing measurable objectives to effect the implementation of this Policy and for monitoring progress towards achievement of the objectives. The Policy and performance relative to the target is reviewed annually by the Committee, in conjunction with Board succession and skills planning and any proposed changes to the Policy are presented to the Board for approval. The Board's target, as set out in its Diversity Policy, is that it shall maintain at least 40% female representation. In addition, at least one Board member shall be from a minority ethnic group and at least one senior Board position shall be held by a female.

The Board recognises that diversity in its widest sense is important, is inclusive of all individuals and is focused on ensuring a truly diverse Board. The Board embraces the benefits of diversity among its members and, through its succession planning, is committed to achieving the most appropriate blend and balance of diversity possible over time.

In terms of implementation of the Board Diversity Policy, NomCo reviews and assesses the Group Board composition and has responsibility for leading the process of identifying and nominating, for approval by the Board, candidates for appointment as Directors. In reviewing the Board composition, balance and appointments, the Committee considers candidates on merit against objective criteria and with due regard for the benefits of diversity, in order to maintain an appropriate range and balance of skills, experience and background on the Board and in consideration of the Group's future strategic plans. Where external search firms are engaged to assist in a candidate search, they are requested to aim for a fair representation of both genders to be included in the initial list of potential candidates, so NomCo has a balanced list from which to select candidates for interview.

Throughout 2025, the Board maintained a gender balance of 40%. However, at 31 December 2025, following the departures of Ann O'Brien and Raj Singh with effect from that date, female representation on the Board decreased to 38%, falling below the stated target. The female INED representation was 45%. At 31 December in addition, the departure of Raj Singh resulted in the Board no longer meeting the target of having at least one member from a minority ethnic background. The Board remains committed to these diversity objectives and the selection process for future appointments will take both factors into consideration with the aim of restoring compliance with the policy. Additionally, in compliance with the UK Listing Rule Requirements, at least one senior Board position, that of the Senior Independent Director, was held by a female. The gender balance of those in the senior management and their direct reports is 41%<sup>1</sup>.

1. ELT and their direct reports.



## Gender and Ethnic Diversity

The tables below outline the gender and ethnic diversity of the Board and Executive Management as at 31 December 2025 as required by the UK Listing Rules, reflecting data gathered through self-identification based on the criteria set out in the tables below.

### Gender (Limited assurance)

|              | Number of<br>Board members | Percentage of<br>the Board <sup>1</sup> | Number of senior<br>positions on the Board <sup>2</sup> | Number in<br>Executive<br>management <sup>3</sup> | Percentage of<br>Executive<br>management <sup>3</sup> |
|--------------|----------------------------|-----------------------------------------|---------------------------------------------------------|---------------------------------------------------|-------------------------------------------------------|
| <b>Men</b>   | 8                          | 62 %                                    | 3                                                       | 8                                                 | 62 %                                                  |
| <b>Women</b> | 5                          | 38 %                                    | 1                                                       | 5                                                 | 38 %                                                  |

1. The Board comprises the INEDs and Executive Directors. Excluding the Executive Directors women represent 45% of the Board.

2. Senior positions on the Board comprises the Group Chair, Chief Executive Officer, Chief Financial Officer and Senior Independent Non-Executive Director.

3. Executive management comprises the Chief Executive Officer, his direct reports and the Group Company Secretary.

### Ethnic Diversity

|                                                                         | Number of<br>Board members | Percentage of<br>the Board <sup>1</sup> | Number of senior<br>positions on the Board <sup>2</sup> | Number in<br>Executive<br>management <sup>3</sup> | Percentage of<br>Executive<br>management <sup>3</sup> |
|-------------------------------------------------------------------------|----------------------------|-----------------------------------------|---------------------------------------------------------|---------------------------------------------------|-------------------------------------------------------|
| <b>White Irish or other white<br/>(including minority-white groups)</b> | 13                         | 100 %                                   | 4                                                       | 13                                                | 100 %                                                 |
| <b>Mixed/multiple ethnic groups</b>                                     | —                          | —                                       | —                                                       | —                                                 | —                                                     |
| <b>Asian/Asian Irish</b>                                                | —                          | —                                       | —                                                       | —                                                 | —                                                     |
| <b>Black/African/Caribbean/Black Irish</b>                              | —                          | —                                       | —                                                       | —                                                 | —                                                     |
| <b>Other ethnic group, including Arab</b>                               | —                          | —                                       | —                                                       | —                                                 | —                                                     |

1. The Board comprises of INEDs and Executive Directors.

2. Senior positions on the Board comprises the Group Chair, Chief Executive Officer, Chief Financial Officer and Senior Independent Non-Executive Director.

3. Executive management comprises the Chief Executive Officer, his direct reports and the Group Company Secretary.

# Report of the Remuneration Committee



“2025 marked a pivotal year for AIB with continued strong performance and the return to full private ownership. This led to the easing of remuneration constraints in place since 2009 enabling important steps to align Executive Director pay with market levels, so as to ensure that we continue to attract and retain the leadership needed and address a material risk for the Group in delivering long-term, sustainable value for our shareholders.”

**Elaine MacLean**  
Committee Chair

## Remuneration Committee members

Elaine MacLean (Chair) **N**  
 Brendan McDonagh **BR A N**  
 Ann O'Brien (until 31 December 2025) **A T**  
 Fergal O'Dwyer (from 25 September 2025) **A**  
 Jim Pettigrew **N**

→ Read more about our cross-Committee Membership on page 132 and Committee Membership changes on page 148.

## Highlights during FY2025

### Return to private ownership and remuneration restrictions

In June, the Department of Finance announced the State's exit from the AIB shareholder register, with the Group returning to full private ownership. This represented a significant milestone for the Group and reflects the transformation achieved in recent years. That transformation has focused on repaying the State investment and supporting our customers, communities and the wider economy. In July 2025, the Minister for Finance announced the removal of the €500,000 cap on base salaries.

While the continuing restrictions on variable pay present challenges in positioning our remuneration arrangements competitively and in such a way that ensures reward is clearly linked to performance, the removal of the cap on base pay is welcomed by the Committee. It has enabled the Committee to move closer to more market-aligned levels of remuneration for Executive Directors.

→ See page 155.

### Executive Director remuneration

The Committee has considered carefully how it might bring the Executive Directors' remuneration to a more market-aligned level, noting the remaining restrictions on variable pay. The Chair of the Board and I have engaged extensively with our largest shareholders and their feedback has helped the Committee to shape our proposals.

The Committee agreed that there should be an increase to base salaries alongside the introduction of a Fixed Share Allowance (FSA). The FSA will be structured as a percentage of base salary, payable in shares which vest immediately and are subject to a holding period. FSAs have been a standard element of remuneration at banks which are subject to CRD V limits on variable pay.

→ See page 153.

On behalf of the Remuneration Committee (RemCo or the Committee) I am pleased to present this report in my capacity as Chair. This report sets out how the Committee operated the Directors' Remuneration Policy in 2025 and explains the changes proposed for shareholder approval at the 2026 AGM. I would like to acknowledge and thank Ann O'Brien for her valuable service. I am also pleased to welcome Fergal O'Dwyer, whose extensive experience in the area of executive reward enhances the Committee's overall expertise. I would like to take this opportunity to thank my fellow Committee members for their valued contribution throughout 2025.

### Committee purpose and responsibilities

The Committee oversees the Group's remuneration framework, ensuring it supports AIB's long-term strategy, values and culture, promotes effective risk management and aligns reward outcomes with business and individual performance. The Committee operates within applicable legal and regulatory requirements and seeks to reward colleagues fairly and responsibly.

→ Please find our Terms of Reference on [aib.ie/investorrelations](https://aib.ie/investorrelations).

### Other key activities in 2025

In what was another very busy year for the Committee it:

- conducted its programme of annual reviews including a review of the Group Remuneration Policy, the process for identifying Material Risk Takers and the limited variable commission schemes in operation across the Group; and
- approved the quantitative and qualitative reports required under Pillar 3 for the Group.

### Priorities for 2026

Our priorities for 2026 are as follows:

- introduce the FSA to mitigate the impact of variable pay limits and support the attraction and retention of senior leadership, while recognising that these measures will not fully close the gap to market levels;
- continue to monitor market developments, regulatory expectations and shareholder feedback, and keep the operation of the Directors' Remuneration Policy under regular review; and
- oversee the Group variable remuneration scheme in 2026, with the outcome to be disclosed in next year's annual report.

**Elaine MacLean**  
Committee Chair

## Key areas of focus

The table below provides a non-exhaustive list of the Committee's areas of focus during 2025:

|                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Changes to Government restrictions on remuneration</b> | While the continuing restrictions on variable pay present challenges in positioning our remuneration arrangements competitively and in such a way that ensures reward is clearly linked to performance, the removal of the cap on base pay is welcomed by the Committee. It has enabled the Committee to move closer to more market-aligned levels of remuneration for Executive Directors.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Executive Director remuneration</b>                    | <p>The Chair of the Board and the Committee Chair have engaged extensively with our largest shareholders and their feedback has helped the Committee to shape our final proposals. The Committee is grateful for the engagement from many of these shareholders, whether that be during consultation meetings or in their written feedback. The feedback was clear. There is compelling support for our Executive Directors and for our proposals as set out below.</p> <p>Noting the time the Government restrictions on remuneration have been in place, the strong performance of both the business and our Executive Directors and the associated retention risks, our shareholders were clear that they supported the Committee in bringing remuneration closer to market norms without delay.</p> <p><b>Introduction of a Fixed Share Allowance</b></p> <p>The FSA will be structured as a percentage of base salary, payable in shares which vest immediately and are subject to a holding period. FSAs have been a standard element of remuneration at banks which are subject to CRD V limits on variable pay.</p> <p>The Committee's preference would be to bring the Executive Directors' remuneration to market levels through the introduction of performance-based variable remuneration schemes. However, as noted above, AIB is subject to restrictions which limit variable remuneration to €20,000 per annum. The award of a FSA does, however, align the remuneration of Executive Directors to the interests of shareholders and the longer-term performance of the business through share ownership.</p> <p>Therefore, shareholders will be asked to approve the updated Directors' Remuneration Policy, which includes the introduction of a FSA and shareholding requirement, at the 2026 AGM. Details of the Policy and changes can be found on page 157.</p> <p><b>Changes to base salaries and other elements of Executive Director remuneration</b></p> <p>Since 2023, in anticipation of the removal of base salary restrictions, the Committee formulated plans for the development of Executive Director remuneration in the period immediately following. This recognised the material talent retention risk faced by the Board and the Committee which the salary restrictions presented. Following the eventual removal of the base salary restrictions in July 2025, the Committee proceeded to implement its plans to increase the remuneration of its Executive Directors closer to market levels on a phased basis, recognising that normal practice and the expectation among shareholders and the proxy adviser firms that large salary increases would be phased.</p> <p>The Committee therefore increased the CEO's salary to €795,000 and the CFO's salary to €700,000 effective from 1 August 2025 as a first step to bring base salaries to market levels. The Committee has been constrained by the remuneration restrictions since their introduction in 2009.</p> <p>When consulting our largest shareholders about the proposals to introduce a FSA, it became clear that there was widespread support for Executive remuneration to be much more closely aligned to market norms. Having regard to the Committee's responsibility for abating the ongoing retention risk given the gap to market, the strong performance of the business and of the Executive Directors, the Committee increased the CEO's salary to €1,350,000 and that of the CFO to €810,000 with effect from 1 January 2026. Base salaries will, in future, be reviewed on an annual basis.</p> <p>At the same time as implementing the salary increases described from 2026, the Committee reduced the pension contribution for the Executive Directors from 20% of salary (applicable during 2025) to the same contribution level as the wider workforce, removed the non-pensionable allowance of €30,000 per annum, increased the notice period from 6 months to 9 months and, subject to the commencement of the Fixed Share Allowance, introduced a shareholding requirement of 200% of base salary for the Executive Directors.</p> <p>The Committee believes that the salaries now in place, combined with the FSA, will appropriately incentivise and retain our Executive Directors recognising however that the Committee's preference, as soon as it can, will be to introduce market aligned, performance based, variable remuneration, which it is constrained from doing currently.</p> |

## Report of the Remuneration Committee *continued*

### Key areas of focus *continued*

#### Executive Director remuneration *continued*

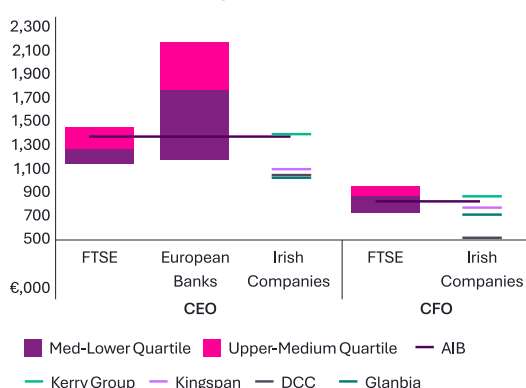
##### Market data

The Committee considered market data for (i) comparably sized FTSE listed businesses; (ii) comparable European banking peers; and (iii) other listed businesses based in Ireland. A summary of the reference points is presented below.

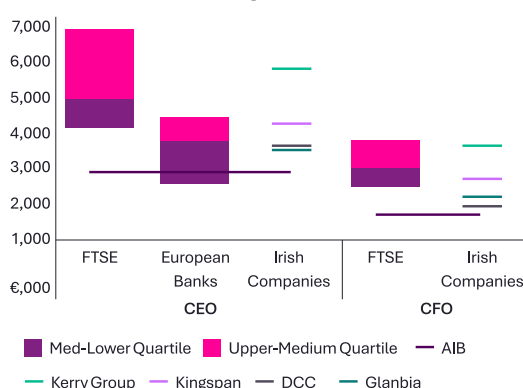
In arriving at base salary and FSA award levels, the Committee has considered the relative values of the certainty of fixed remuneration compared to higher levels of variable pay.

The increases to base salary result in salaries being within, but not above, the market range. However, total target pay is below market levels and total maximum pay is significantly below, providing an appropriate balance between the guaranteed nature of fixed pay, compared to the potential opportunity but uncertainty of variable pay.

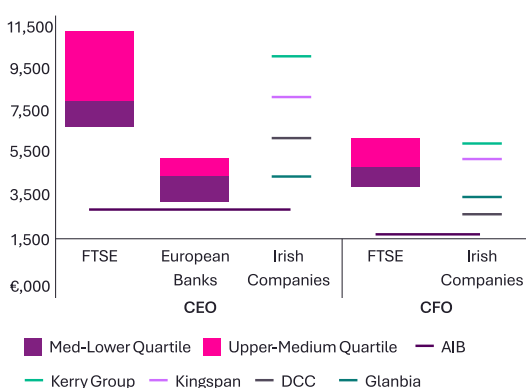
##### Executive Director Salary Levels<sup>1,2,3</sup>



##### Executive Director Total Target Remuneration<sup>1,2,3</sup>



##### Executive Director Total Maximum Remuneration<sup>1,2,3</sup>



1. Given the small number of Irish listed companies, a peer group of comparably sized Irish companies cannot be presented, as such the most comparably sized companies are presented on an individual basis.
2. The European Banking peer group consists of the following constituents: ABN AMRO; Banco BPM; Banco Sabadell; Bankinter; BPER Banca; CaixaBank; Danske Bank; FinecoBank; KBC; and Mediobanca.
3. The remuneration reporting requirements for EU countries require disclosure of CEO and other director pay only. The CFO role is not always a director role in many European companies and therefore pay disclosure for the CFO is limited.

The Committee is confident that these changes result in a remuneration package which is fair and appropriate, aligns Executives more closely with the interests of shareholders and addresses the concerns with the previous remuneration arrangements. The Committee also considers that the revised structure strengthens the link between remuneration and long-term value creation, while recognising the continued constraints on variable remuneration.

#### Wider workforce remuneration

The Committee engaged with our colleagues on remuneration matters through senior leader engagement with their teams; union representatives and our senior management facilitates feedback both to and from the RemCo. Eligible employees receive remuneration in the form of base salary, benefits, pension contributions and variable remuneration.

The Group launched Save As You Earn (SAYE) schemes in Ireland and the UK. AIB operates a variable remuneration scheme which applies to all employees, subject to set eligibility criteria. The formulaic outcome of the variable remuneration scorecard was an award of 5% for those eligible. Further details regarding the performance achieved during 2025 can be found on page 161.

The Committee carefully considered the formulaic outcome against the overall financial and non-financial performance of the Group during 2025 which included input from the BRC and the experience of stakeholders and concluded that the outcomes were appropriate. Therefore, no discretion was applied to the formulaic outcomes.



# Corporate Governance

## Remuneration Statement

### Remuneration Policy and governance

The Directors' Remuneration Policy (the Remuneration Policy or the Policy) applies to the Group's Directors. Under Section 1110M of the Irish Companies Act, AIB is required to obtain shareholder approval for the Remuneration Policy by the fourth anniversary of the previous approval, or sooner if changes are required. UK regulations, which AIB follows as a matter of best practice to the extent practicable, require a new Policy to be brought to shareholders every three years or sooner if changes are required.

The Policy will be subject to a shareholder advisory vote at the 2026 AGM and is expected to apply from the date of approval for a three-year period.

The wider Group Remuneration Policy can be found on our website:

➔ [aib.ie/investorrelations](https://aib.ie/investorrelations)

### Purpose and aims of the Remuneration Policy

The Policy sets the framework for all remuneration related policies, procedures and practices for the Directors of the Group. The principal aim of the Remuneration Policy is to support AIB's purpose, culture and values. The Group's remuneration philosophy aims to ensure that remuneration, within the confines of applicable regulation is aligned with performance and that Executive Directors are rewarded fairly and appropriately for their contribution to the Group's success and growth. The Group is committed to a simple, transparent and affordable reward structure, which is fair, performance-based, and risk-aligned. AIB is subject to the Governments' restriction of a limit on variable remuneration of €20,000 per employee per annum as well as the Excess Bank Remuneration Charge.

The Executive Directors Remuneration Policy is designed to:



**foster a truly customer-focused culture;**



**create long-term sustainable value for our customers and shareholders;**



**attract, develop and retain the best people; and**



**safeguard the Bank's capital, liquidity and risk positions.**

The Committee seeks to provide market competitive levels of remuneration recognising the restrictions on variable remuneration.

The Policy is governed by the Committee on behalf of the Board. The Committee is responsible for determining the Policy and for overseeing its implementation.

The Committee further ensures that the Policy and practices are reviewed at least annually alongside the wider Group Remuneration Policy, taking into account the alignment of remuneration to the Group's culture, and market and regulatory requirements and developments. The annual review is informed by input from Group Risk, Compliance and GIA to ensure that remuneration policies and practices are operating as intended, are consistently applied across the Group and are compliant with regulatory requirements.

The Group reports to and complies with the applicable requirements of the UK Code. The UK Code is used to inform decision-making and disclosures in respect of remuneration. The Group also complies with the Companies Act. Due to the constraints on variable remuneration, certain requirements of the UK Code and disclosure requirements are not currently applicable to the Group. The Group will continue to review these requirements alongside any future changes to the restrictions on variable remuneration to ensure ongoing compliance.

### Summary of proposed changes

The only substantive change proposed as part of this Policy is the ability to award a FSA and the introduction of a shareholding requirement for Executive Directors.

The FSA forms part of fixed remuneration and awards AIB shares to Executive Directors which will be subject to a five-year holding period.

The FSA has the following objectives:

- to bring the Executive Directors' remuneration closer to market levels; and
- to provide a mechanism for Executive Directors to build a material shareholding in the Group over time, aligning to shareholder interests and the long-term sustainable performance of the Group.

The value of a FSA will be approved by the Remuneration Committee up to a maximum of 100% of base salary. To ensure ongoing shareholder alignment, Executive Directors in receipt of the FSA will also be subject to a shareholding requirement both during and post-employment.

### Remaining remuneration constraints

AIB remains subject to an effective limit of €20,000 on individual variable remuneration awards. In the event variable remuneration is paid above this threshold by some banks in Ireland the variable remuneration is subject to the Excess Bank Remuneration Charge of 89%.

Should this remaining restriction be eased, the Committee would consider whether any changes are needed to the Remuneration Policy, including seeking necessary shareholder approvals for any such changes.

## Corporate Governance Remuneration Statement *continued*

### Consideration of employment conditions elsewhere in the Group

The Policy and AIB's approach to the wider employee population is based on the principle that remuneration should be sufficient to attract and retain the best talent and therefore be competitive within our industry, in order to deliver AIB's strategy. Remuneration structure and quantum are driven by seniority and accountability (mindful of the restrictions on variable remuneration), as well as market practice although the remuneration structures are broadly aligned throughout the Group.

The below provides examples of areas of alignment between the remuneration of Executive Directors and the wider workforce:

- (a) The Remuneration Policy and the wider Group Remuneration Policy are based on the same principles.
- (b) AIB's current remuneration structure for all employees predominantly consists of fixed pay elements, encompassing base salary, allowances, benefits (including healthcare) and employer pension contributions. All employees, including Executive Directors, are eligible for inclusion in a variable remuneration scheme based on company performance operating within the restrictions on variable remuneration of €20,000 per employee per year. Eligible employees in the Republic of Ireland (ROI) can participate in an Approved Profit Sharing Scheme (APSS) and employees in the UK can participate in a Share Incentive Plan (SIP).
- (c) While certain benefits are provided based on seniority, there are other aspects of remuneration that do not apply to more senior employees, e.g. overtime.

### Consideration of shareholder views

The Committee is committed to a transparent dialogue with shareholders on key remuneration matters and details of engagement in respect of this Policy is set out in the Annual Report on Remuneration. The Remuneration Policy and Report provide shareholders with a detailed understanding of the decisions that have been made during the year and the Committee Chair is always available to shareholders to discuss the Policy and general approach to remuneration.

As part of the development of the Policy, the Committee Chair met with representatives of a number of our largest institutional investors.

The Committee also keeps up to date with proxy adviser and shareholder guidelines and expectations which are considered when making decisions in respect of the remuneration of the Executive Directors.

### Compliance with relevant regulatory requirements

Remuneration policies, procedures and practices reflect the provisions, where applicable, of national and EU legislation, continuing Irish Government remuneration restrictions on variable remuneration, the CRD, the Investment Firms Directive, corporate governance requirements issued by the Central Bank of Ireland, and relevant guidelines issued by the EBA and other regulatory authorities. The provisions of the EBA Guidelines on sound remuneration will continue to be applied to AIB's new Variable Remuneration Scheme. In particular, the Remuneration Policy incorporates the provisions of the EBA Guidelines in relation to the ongoing design, implementation and governance of remuneration.

## Key components of the Directors' Remuneration Policy

The following table sets out the key components of the Directors' remuneration.

| Pay Element                         | Objective                                                                                                                                                                                                                                                                                                                                                                                | Description                                                                                                                                                                                                                                                                                                                                                                                                                   | Performance Assessment and Maximum Potential Value                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Base Salary</b>                  | <ul style="list-style-type: none"> <li>To attract and retain the right calibre of individuals to support the Group's future success and growth.</li> </ul>                                                                                                                                                                                                                               | <ul style="list-style-type: none"> <li>Set taking into account appropriate market ranges which reflect the size, skills and level of responsibilities attached to the role as well as the restrictions on variable remuneration that can be awarded.</li> <li>Typically reviewed annually as part of the annual pay review process.</li> </ul>                                                                                | <ul style="list-style-type: none"> <li>Reviewed by the Committee on behalf of the Board.</li> <li>Increases in base salary may be awarded following the outcome of the annual pay review, alternatively, to reflect a significant increase in the scope of responsibility of an Executive Director.</li> </ul>                                                                                                                                                                                                                                                                      |
| <b>Fixed Share Allowance</b>        | <ul style="list-style-type: none"> <li>To contribute towards a market-aligned level of overall remuneration and provide an additional element of fixed remuneration where there are restrictions on variable remuneration to align Executive Directors to the long-term sustainable performance of the Company and the interests of shareholders.</li> </ul>                             | <ul style="list-style-type: none"> <li>An allowance of shares, paid on a periodic basis, normally quarterly. Shares will vest immediately.</li> <li>Vested shares will be subject to a holding period of five years and normally be released at the end of this period, subject to sales of shares, permitted to meet taxes on vesting.</li> </ul>                                                                            | <ul style="list-style-type: none"> <li>The maximum annual value that can be awarded under the Fixed Share Allowance is 100% of salary per annum.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Variable Remuneration Scheme</b> | <ul style="list-style-type: none"> <li>To incentivise Executive Directors to deliver strong financial and strategic performance aligned with the performance, risk profile and culture of the Group.</li> <li>Variable remuneration arrangements are designed in a way that promotes the interests of our stakeholders and to comply with applicable regulatory requirements.</li> </ul> | <ul style="list-style-type: none"> <li>Variable remuneration schemes are based on Company performance.</li> <li>Awards under the scheme are granted in cash, however, similar to other eligible employees, Executive Directors will have the opportunity to acquire shares with their annual variable remuneration cash award.</li> </ul>                                                                                     | <ul style="list-style-type: none"> <li>Performance will typically be assessed based on a one year performance period, considering a combination of financial and non-financial performance aligned to AIB's strategy.</li> <li>The maximum award is subject to the limit set out in the Excess Bank Remuneration Charge, currently €20,000 per annum on any award or combination of awards per Executive Director.</li> <li>The Remuneration Committee has the discretion to adjust the formulaic outcome of the award, including the ability to apply risk adjustments.</li> </ul> |
| <b>Pension</b>                      | <ul style="list-style-type: none"> <li>Contributes with other elements of pay to a market-aligned remuneration package and enables Executive Directors to plan for an appropriate standard of living in retirement.</li> </ul>                                                                                                                                                           | <ul style="list-style-type: none"> <li>Executive Directors are entitled to participate in one of the Group's defined contribution schemes.</li> <li>In common, with all similar employees, Executive Directors whose accumulated pension benefits have exceeded or are likely to exceed the Standard Fund Threshold (SFT) have the option of a non-pensionable allowance in lieu of employer pension contribution.</li> </ul> | <ul style="list-style-type: none"> <li>Executive Directors are entitled to an employer pension contribution of 10% of base salary plus an additional matching contribution of up to 8%, depending on the age of the Executive Director or alternatively, a 15% of salary non-pensionable allowance in lieu of pension contribution. The non-pensionable allowance in lieu of employer pension contribution will be reduced, where necessary, by an auto-enrolment offset.</li> </ul>                                                                                                |

## Corporate Governance Remuneration Statement *continued*

| Pay Element                      | Objective                                                                                                                                                                                   | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Performance Assessment and Maximum Potential Value |
|----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|
| <b>Other Benefits</b>            | <ul style="list-style-type: none"> <li>To provide affordable benefits in accordance with general market practice.</li> </ul>                                                                | <ul style="list-style-type: none"> <li>Benefits currently include healthcare, income protection, death-in-service cover and transaction-fee free banking services.</li> <li>A functional car policy is in place. The Group does not provide company cars outside of the policy. Executive Directors may occasionally avail of a pool car and driver.</li> <li>SAYE Scheme is in operation.</li> <li>The Committee may provide additional benefits.</li> </ul>                                                                                                                                                                                                                                                                                                   | Not applicable.                                    |
| <b>Shareholding requirements</b> | <ul style="list-style-type: none"> <li>To provide alignment between Executive Directors, the long-term sustainable performance of the Company and the interests of shareholders.</li> </ul> | <ul style="list-style-type: none"> <li>Where an Executive Director is in receipt of a FSA, they are required to build a shareholding by retaining vested shares under the FSA or other forms of shares, until the shareholding requirement is achieved.</li> <li>The shareholding requirement is 200% of base salary.</li> <li>When an Executive Director steps down from the Board, they must retain the lower of the shares held at that time and the shareholding requirement for a period of two years. The Committee retains the discretion to amend this requirement in exceptional circumstances.</li> <li>Shares acquired by the Executive Director using their own funds are not required to be retained post-stepping down from the Board.</li> </ul> | Not applicable.                                    |
| <b>Non-Executive Directors</b>   | <ul style="list-style-type: none"> <li>To remunerate Non-Executive Directors appropriately recognising skills, experience, responsibilities and time commitment.</li> </ul>                 | <ul style="list-style-type: none"> <li>Non-Executive Directors are paid a base fee and additional fees/allowances for acting as SID and as Chair(s) of Board Committees (or to reflect other additional responsibilities and/or additional/unforeseen time commitments).</li> <li>The Chair of the Board receives an all-inclusive fee.</li> <li>Neither the Chair of the Board nor the Non-Executive Directors participate in any incentive plans.</li> <li>The fee for the Chair of the Board is set by the Remuneration Committee; the Non-Executive Directors' fees are set by the Board.</li> <li>The Group will reimburse any reasonable expenses incurred by Directors in the discharge of their duties (and related tax if applicable).</li> </ul>      | Not applicable.                                    |



## Recruitment and exit under the Remuneration Policy

The following table provides additional detail in respect of the application of the Remuneration Policy to Executive Directors upon their appointment and at the end of employment. In relation to AIB employees appointed as Executive Directors, such elements will only apply from the date of appointment (and not retrospectively) and any existing awards will be honoured and form part of ongoing remuneration arrangements.

| Remuneration Statement                                | Recruitment Policy<br>(subject to compliance with remuneration restrictions)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Exit Policy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Salary, fees, benefits, allowances and pension</b> | <ul style="list-style-type: none"> <li>Base salary would be set at an appropriate level considering the factors mentioned in the Policy table above.</li> <li>Benefits and pension will also be set in line with the Policy.</li> </ul>                                                                                                                                                                                                                                                                                                                                                         | <ul style="list-style-type: none"> <li>If notice is served by either party, the Executive Director can continue to receive base salary, allowances, benefits and pension in line with the Policy for the duration of their notice period.</li> <li>The Executive Director may be asked to perform their normal duties during their notice period, or they may be put on garden leave.</li> <li>The Group may, at its sole discretion, terminate the contract immediately, at any time after notice is served, by making a payment in lieu of notice equivalent to salary, benefits and pension, with any such payments being paid in monthly instalments over the remaining notice period.</li> <li>Benefits may also be provided in connection with termination of employment and may include, but are not limited to, statutory payments, outplacement, legal fees and payments in respect of accrued holiday.</li> </ul> |
| <b>Relocation</b>                                     | <ul style="list-style-type: none"> <li>If an Executive Director needs to re-locate in order to take up the role, the Group may pay to cover the costs of relocation including (but not limited to), actual relocation costs, temporary accommodation and travel expenses.</li> </ul>                                                                                                                                                                                                                                                                                                            | Not applicable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Buyout awards</b>                                  | <ul style="list-style-type: none"> <li>For external candidates, the Committee may (if it is considered appropriate) provide a buyout award equivalent to the value of any outstanding incentive awards that will be forfeited on cessation of previous employment.</li> <li>To the extent possible, the buyout award will be made on a broadly like-for-like basis. The award will take into account the performance conditions attached to the vesting of the forfeited incentives, the timing of vesting, the likelihood of vesting and the nature of the awards (cash or equity).</li> </ul> | Not applicable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Variable Remuneration Scheme</b>                   | <ul style="list-style-type: none"> <li>Joiners may receive a pro-rated award based on their hire date in the performance year.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <ul style="list-style-type: none"> <li>Leavers are not eligible to receive an award.</li> <li>Where an exit date is confirmed, with the sole exception of a retirement, the Executive is treated as a leaver, and not eligible to receive an award.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

In addition to the above, when appointing an Executive Director, all other aspects of the Remuneration Policy such as malus and clawback and shareholding requirements will apply.

## Corporate Governance Remuneration Statement *continued*

### Notes to the Remuneration Policy table

#### Minor amendments

The Committee may amend the arrangements for the Executive Directors as described in the Policy, for regulatory, exchange control, tax or administrative purposes, or to take account of a change in legislation or regulation.

#### Legacy arrangements

For the avoidance of doubt, the Committee may approve payments to satisfy commitments agreed prior to the approval of this Remuneration Policy, and any commitment made to a person before that person became an Executive Director.

#### Discretion

The Committee operates the variable remuneration scheme according to the rules of the scheme. The Committee retains discretion as to the operation and administration of the scheme, within the limits of its rules, including but not limited to:

- participants;
- timings of grant and/or payment;
- award size and/or payment;
- settlement of the award;
- choice and adjustment of performance measures and targets;
- adjustment to outcomes if they are considered to be inappropriate, taking into account any relevant factors;
- measurement of performance in certain circumstances such as change of control or other corporate events; and
- determination of a good leaver.

#### Service agreements and letters of appointment

All Executive Directors have a service agreement whereas all Non-Executive Directors have a letter of appointment.

In respect of Executive Directors, no service agreement exists between the Company and any Director which provides for a notice period from the Company of greater than one year.

Non-Executive Directors are appointed for an initial term of three years. Terms of office for Non-Executive Directors will not be extended beyond nine years in total unless the Board, on the recommendation of the NomCo, concludes that such extension is necessary, appropriate and in compliance with applicable regulatory requirements and approvals.

All Directors, should they choose to stand, are subject to annual re-election by shareholders.

#### External appointments

Subject to the advance approval of the Board, Executive Directors may accept one external appointment as a Non-Executive Director and retain the fees.

#### Malus and clawback

The circumstances in which the Committee may consider it appropriate to apply clawback and/or malus to the variable remuneration scheme include, but are not limited to those summarised below:

- behaviour by a participant which fails to reflect AIB's governance and business values;
- the extent to which any condition satisfied was based on an error, or on inaccurate or misleading information or assumptions which resulted either directly or indirectly in an award being granted or vesting to a greater extent than would have been the case had that error not been made;
- material adverse change in the financial performance of AIB or any division in which the participant works and/or worked;
- a material financial misstatement of AIB's audited financial accounts (other than as a result of a change in accounting practice);
- any action which results in or is reasonably likely to result in reputational damage to AIB;
- a material failure in risk management;
- corporate failure;
- negligence or gross misconduct of a participant; and/or
- fraud effected by or with the knowledge of a participant.

Variable remuneration awards are subject to malus prior to vesting and to clawback following vesting or payment for an appropriate period in line with regulatory requirements. Other elements of remuneration are not subject to malus and clawback provisions.

## Executive Directors' remuneration

The tables below outline the totals of the remuneration of the Group's Executive Directors during 2025 and 2024.

### Fixed remuneration (audited)

Base salaries of the Chief Executive Officer and the Chief Financial Officer were increased to €795,000 and €700,000 respectively during 2025, following the removal of the Irish Government's salary cap restriction. The Chief Executive Officer and Chief Financial Officer received a non-pensionable cash allowance of €30,000. The Chief Executive Officer received an employer pension contribution of 20% (€125,000) which was taken as an allowance in lieu of pension contribution. The Chief Financial Officer also received an employer pension contribution of 20% (€115,000).

The following table details the total remuneration of the Directors in office during 2025 and 2024:

|                            | 2025   |                                   |                                      |             |                       |       | 2024   |                                   |                                      |             |                       |       |
|----------------------------|--------|-----------------------------------|--------------------------------------|-------------|-----------------------|-------|--------|-----------------------------------|--------------------------------------|-------------|-----------------------|-------|
|                            | Salary | Pension contribution <sup>1</sup> | Annual taxable benefits <sup>2</sup> | Total fixed | Variable remuneration | Total | Salary | Pension contribution <sup>1</sup> | Annual taxable benefits <sup>2</sup> | Total fixed | Variable remuneration | Total |
| (audited)                  | € 000  | € 000                             | € 000                                | € 000       | € 000                 | € 000 | € 000  | € 000                             | € 000                                | € 000       | € 000                 | € 000 |
| <b>Executive Directors</b> |        |                                   |                                      |             |                       |       |        |                                   |                                      |             |                       |       |
| Colin Hunt                 | 623    | 125                               | 32                                   | 780         | 13                    | 793   | 500    | 100                               | 31                                   | 631         | 13                    | 644   |
| Donal Galvin               | 575    | 115                               | 32                                   | 722         | 13                    | 735   | 485    | 97                                | 31                                   | 613         | 13                    | 626   |
|                            | 1,198  | 240                               | 64                                   | 1,502       | 26                    | 1,528 | 985    | 197                               | 62                                   | 1,244       | 26                    | 1,270 |

1. Pension contribution represents agreed payments to a defined contribution scheme, to provide post-retirement pension benefits for Executive Directors from the normal retirement date, and an allowance in lieu where Executive Directors' accumulated pension benefits have exceeded or are likely to exceed the Standard Fund Threshold (SFT).

2. Annual taxable benefits represents a non-pensionable cash allowance in lieu of a company car, in addition to medical insurance and other contractual benefits.

### Variable remuneration scheme

The table below provides a summary for the 2025 variable remuneration scheme (the Scheme) outcome. Measures and performance targets were agreed by the Committee and align with the Group's ongoing strategy.

All employees, including the Executive Directors, who participate in the Scheme do so on the same terms.

The Scheme has a Group Profit underpin as its first component. This underpin is a minimum level of profit that must be achieved in order to trigger an award under the Scheme. The underpin was achieved for the 2025 performance year.

| Weighting                                    |       | Achieved                                                                                                                                                                                   |        |             |                 |
|----------------------------------------------|-------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|-------------|-----------------|
| Financial measures (60%)                     |       |                                                                                                                                                                                            |        |             |                 |
|                                              |       | Threshold                                                                                                                                                                                  | Target | Maximum     |                 |
| Underlying Profit                            | 24%   | 90% Target                                                                                                                                                                                 | Target | 110% Target | Maximum         |
| RoTE                                         | 24%   | 90% Target                                                                                                                                                                                 | Target | 110% Target | Maximum         |
| Costs                                        | 12%   | Target: Achieved/Not Achieved                                                                                                                                                              |        |             | Target Achieved |
| Non-financial measures (40%)                 |       |                                                                                                                                                                                            |        |             |                 |
| Green Finance                                | 13.3% | In 2025, we continued to deliver strong performance against our ambitious green lending targets, which remain a key tenet of the Group's Sustainability Strategy.                          |        |             |                 |
| Inclusion & Diversity (I&D) – Gender Balance | 13.3% | AIB is committed to gender balances across the Group. Our ongoing targets is to maintain gender balance (40%-60% female) which has been achieved.                                          |        |             |                 |
| Customer Satisfaction                        | 13.3% | We continue our focus on improving our customer banking experiences. We measure our customer satisfaction across a number of key journeys and we are delivering successfully against them. |        |             |                 |

Based on performance during the year, the amounts that Executives will receive are set out below.

| Executive    | Annual incentive outcome |       |
|--------------|--------------------------|-------|
|              | % of Salary              | € 000 |
| Colin Hunt   | 1.60                     | 12.7  |
| Donal Galvin | 1.80                     | 12.7  |

The Scheme outcome will be paid in cash. Executive Directors are able to participate in the APSS using cash awarded under the 2025 variable remuneration scheme to acquire shares in the company.

Further information on Green Finance, I&D – Gender Balance and Customer Satisfaction can be found on page 95 of this Report.

The Committee considered the formulaic variable remuneration scheme and deemed it appropriate within the wider financial and non-financial performance of the business, and the Executive Directors. As such, no adjustments were applied.

The Committee did not apply malus and/or clawback during the year.

## Corporate Governance Remuneration Statement *continued*

### Non-Executive Directors' remuneration (audited)

The following table details the total remuneration of the Directors in office during 2025 and 2024:

| Non-Executive Directors <sup>1</sup> | 2025                     | 2024                     |
|--------------------------------------|--------------------------|--------------------------|
|                                      | Directors' Fees<br>€ 000 | Directors' Fees<br>€ 000 |
| Anik Chaumartin                      | 83                       | 80                       |
| Basil Geoghegan                      | 76                       | 75                       |
| Tanya Horgan                         | 80                       | 80                       |
| Sandy Kinney Pritchard               | 95                       | 95                       |
| Elaine MacLean <sup>2</sup>          | 105                      | 85                       |
| Andy Maguire <sup>3</sup>            | 115                      | 115                      |
| Brendan McDonagh (Deputy Chair)      | 135                      | 135                      |
| Helen Normoyle <sup>4</sup>          | 63                       | 188                      |
| Ann O'Brien <sup>5,7</sup>           | 130                      | 130                      |
| Fergal O'Dwyer <sup>6</sup>          | 156                      | 155                      |
| Jim Pettigrew (Chair)                | 365                      | 365                      |
| Jan Sijbrand                         | 80                       | 80                       |
| Raj Singh <sup>7</sup>               | 80                       | 80                       |
| Anne Sheehan <sup>8</sup>            | 23                       | —                        |
| <b>Total</b>                         | <b>1,586</b>             | <b>1,663</b>             |

- All Non-Executive Directors were paid a basic, non-pensionable fee in respect of service as a Director of €65,000 and additional non-pensionable remuneration in respect of other responsibilities, such as through the chairing or membership of Board Committees or performing the role of Deputy Chair or Senior Independent Director. Current or former Directors who serve on the Board of any Group Irish subsidiary company are also paid a non-pensionable flat fee for their services as a Director, chairing or membership of Board Committees.
- The material increase in the fees received by Elaine MacLean reflect her change in role (assuming the role of SID) during the year.
- Andy Maguire was paid €35,000 in 2025 (2024: €35,000), in respect of his role as a Director of AIB Mortgage Bank Unlimited Company.
- Current or former Non-Executive Directors of AIB Group plc and Allied Irish Banks, p.l.c., as applicable, who also serve as Directors of AIB Group (UK) p.l.c. (AIB UK) are separately paid a non-pensionable flat fee, which is independently agreed and paid by AIB UK, in respect of their service as a Director of that company. In that regard, Helen Normoyle earned fees during 2025 of €24,000 (2024: €73,000). Helen Normoyle stepped down from both the AIB Group and UK boards during 2025.
- Ann O'Brien was paid €40,000 in 2025 (2024: €40,000) in respect of her role as a Director of EBS d.a.c.
- Fergal O'Dwyer earned fees during 2025 of €80,000 (2024: €80,000) in his role as Director and Chair of the Audit Committee of Goodbody.
- Ann O'Brien and Raj Singh resigned as Non-Executive Directors with effect from 31 December 2025.
- Anne Sheehan was appointed as a Non-Executive Director during 2025.

### Change in remuneration of Directors compared to employees

The table below shows the percentage change in total remuneration, using the single-figure methodology for the year ended 31 December 2025 for the Directors of AIB and the average of all permanent employees of the Group (excluding Executive Directors) on a full-time equivalent basis. The increases in total remuneration for Executive Directors resulted from increases in their salaries, following the removal of the salary cap which had been in place. Data is presented from 2023/2024 as this is the first period where variable remuneration was operated within the Group.

The average increase for employees reflects a combination of annual pay review, promotions and progression where applicable.

|                                           | 2025/2024 | 2024/2023 |
|-------------------------------------------|-----------|-----------|
|                                           | %         | %         |
| Colin Hunt                                | 23 %      | 5 %       |
| Donal Galvin                              | 17 %      | 3 %       |
| Anik Chaumartin                           | 4 %       | — %       |
| Basil Geoghegan                           | 1 %       | — %       |
| Tanya Horgan                              | — %       | — %       |
| Sandy Kinney Pritchard                    | — %       | — %       |
| Elaine MacLean                            | 24 %      | — %       |
| Andy Maguire                              | — %       | 5 %       |
| Brendan McDonagh (Deputy Chair)           | — %       | — %       |
| Helen Normoyle (resigned 1 May 2025)      | — %       | 1 %       |
| Ann O'Brien (resigned 31 December 2025)   | — %       | 9 %       |
| Fergal O'Dwyer                            | 1 %       | — %       |
| Jim Pettigrew (Chair)                     | — %       | — %       |
| Jan Sijbrand                              | — %       | — %       |
| Raj Singh (resigned 31 December 2025)     | — %       | — %       |
| Anne Sheehan (appointed 1 September 2025) | — %       | — %       |
| Average increase for employees            | 4.4 %     | 8 %       |



## Directors' shareholdings and share interests

Under the Remuneration Policy, Executive Directors were not subject to shareholding requirements during 2025.

→ Please refer to page 170 for details of the Directors' shareholdings and interests.

## Payments to former Directors and for loss of office

There were no payments made to former Directors or payments to Directors for loss of office during the 2025 financial year.

## Pillar 3 and other remuneration disclosures

The Group publishes additional remuneration disclosures in its annual Group Pillar 3 Report. These disclosures provide further information about the Group's remuneration policies and practices and, more specifically, qualitative information about:

- (a) The bodies that oversee remuneration.
- (b) The design and structure of the remuneration system for those individuals who have been identified as Material Risk Takers.
- (c) The ways in which current and future risks are considered in remuneration processes.
- (d) The ratios between fixed and variable remuneration, which are set in accordance with the regulatory requirements.
- (e) The ways in which the Group links performance and remuneration.
- (f) The adjustment of remuneration to take account of long-term performance.
- (g) The main parameters and rationale for the variable remuneration schemes for which MRTs are eligible.
- (h) The use of derogations in Article 94(3) of the CRD.

These disclosures also include quantitative information, in aggregate form, about the amounts and structure of the remuneration of MRTs.

The Group's Pillar 3 Report is available on the Group website:

→ [aib.ie/investorrelations](https://aib.ie/investorrelations)

EBA remuneration benchmarking requirements require the Group to disclose remuneration data in respect of all staff, MRTs and high earners (those earning above €1.0 million) to the CBI. The Group continued to comply with these reporting requirements during 2025.

During 2025, the Group published its Gender Pay Gap Reports in relation to its UK and ROI based employees. These disclosures are available at:

→ [aib.ie](https://aib.ie)

→ [aibgb.co.uk](https://aibgb.co.uk)

## Material Risk Takers and risk oversight

The Group is required to maintain a list of employees whose professional activities have the potential to have a material impact on the Group's risk profile. The list of Material Risk Takers (MRTs) is prepared using a combination of qualitative and quantitative criteria in accordance with the relevant EU regulations and guidelines, together with additional criteria specific to the Group's structure, business activities and risk profile. The list is prepared at Group and subsidiary company levels.

Group Risk assesses the risks impacting the Group, including performance against the Group's Risk Appetite Statement, to ensure that the Remuneration Policy is aligned with the Group's risk profile.

The Chief Risk Officer reviews the list of MRTs in conjunction with Group Reward and provides the Committee with an annual assessment of the risks facing the Group, to ensure that policies and practices are consistent with and promote sound and effective risk management.

## Support for Committee

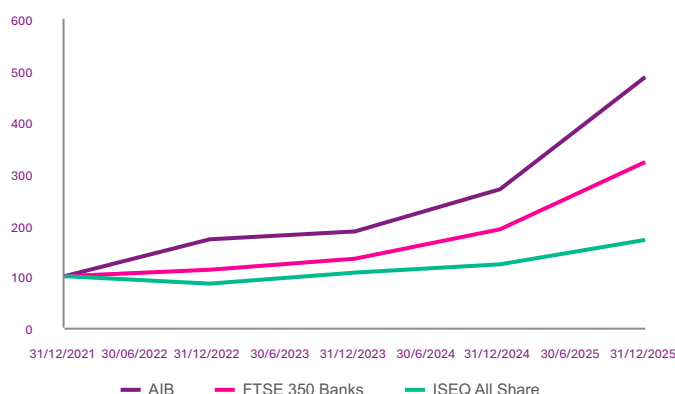
The Committee was supported in its work by the Group Reward team and by Korn Ferry as the external remuneration consultants appointed by the Committee in October 2022. Korn Ferry is a signatory to the Voluntary Code of Conduct in relation to remuneration consulting in the UK.

Aside from their work supporting the Committee, during 2025, Korn Ferry provided professional services in the ordinary course of business to AIB. The Committee is satisfied that the advice received is independent and objective.

## Performance graph and table

The chart below illustrates the Total Shareholder Return (TSR) performance of AIB since the end of 2022 (when variable remuneration was first introduced) against the ISEQ All Share/FTSE 350 Banks, which has been selected as being an appropriate index for comparison purposes.

TSR Performance



## Shareholder votes on remuneration

The table below shows the results of the advisory vote on the Directors' Remuneration Report at the 2025 AGM and the binding vote on the Remuneration Policy at the 2024 AGM.

| Resolution                                       | Votes/%               | For           | Against    | Withheld  |
|--------------------------------------------------|-----------------------|---------------|------------|-----------|
| <b>Directors' Remuneration Report (2025 AGM)</b> | Shareholder Votes     | 1,725,698,928 | 19,103,740 | 8,323,021 |
|                                                  | Votes as a Percentage | 98.91 %       | 1.09 %     | —         |
| <b>Directors' Remuneration Policy (2024 AGM)</b> | Shareholder Votes     | 2,164,992,566 | 44,233,016 | 5,565,014 |
|                                                  | Votes as a Percentage | 98.00 %       | 2.00 %     | —         |

# Report of the Sustainable Business Advisory Committee



“In 2025, the Committee strengthened its oversight of the sustainability strategy — deepening its focus on sustainable finance deployment, transition planning, sustainable propositions — and enters 2026 committed to driving consistent progress across sustainability and customer priorities.”

**Anik Chaumartin**  
Committee Chair

## Sustainable Business Advisory Committee Members

Anik Chaumartin (Chair) A

Helen Normoyle (until 1 May 2025) N T

Jan Sijbrand BR

Raj Singh (until 31 December 2025) BR

Colin Hunt

Orlaith Ryan, Chief Customer Officer (from 1 January 2025)

Paul Travers, Managing Director, Climate & Infrastructure Capital

Mary Whitelaw, Chief Strategy & Sustainability Officer

→ Read more about our cross-Committee Membership on page 132 and Committee Membership changes on page 148.

## Highlights during FY2025

### Sustainable Finance Oversight

Throughout 2025, the Committee strengthened its oversight of sustainable finance across the Group. It received regular updates from business areas on green products, new sustainability-aligned customer propositions, sustainability marketing campaigns, and the AIB Sustainability Conference, all aimed at supporting the deployment of green and transition finance. The Committee also monitored progress against AIB's ambition for 70% of new lending to be green or transition, a core enabler of the Group's Greening Our Business strategic priority.

→ See page 60.

### Expert insight sessions

The Committee strengthened its sustainability oversight through two expert masterclasses. Professor Peter Thorne briefed members and other Directors on the latest climate-science evidence and its implications for Ireland, while Dr Brian Motherway provided insights on the global renewable-energy transition clean-energy policy. These sessions deepened SBAC's technical understanding of climate and energy issues, supporting more informed critique.

→ See pages 148 and 149.

### Transition planning and decarbonisation

The Committee continued its oversight of AIB's transition planning, including progress on decarbonisation across Scope 1, 2 and 3 emissions. Given the central importance of transition planning to the Group's sustainability strategy, decarbonisation progress was considered at every meeting including developments on decarbonising AIB's own operations. This sustained focus reflects the Board's commitment to supporting customers, employees, society and communities through the wider green transition.

→ See page 56.

On behalf of the Sustainable Business Advisory Committee (SBAC or the Committee), I am pleased to present my first report since becoming Chair in June 2025. During the year, membership evolved as part of planned succession.

I would like to thank Helen Normoyle, my predecessor, and acknowledge her significant and lasting contribution as Chair. Her leadership, insight and deep commitment have been instrumental in strengthening the Committee's work and its impact. I would also like to thank Raj Singh, who resigned from the Committee, for his valued service and contribution. I would like to take this opportunity to thank my fellow Committee Members and the wider Sustainability team for their valued contribution throughout 2025.

### Committee purpose and responsibilities

The Committee supports the Board in overseeing the Group's sustainability strategy, advising on climate and environmental action, societal and workforce progress and the embedding of responsible business and ESG practices. It also reviews external sustainability reporting and voluntary commitments.

→ Please find our Terms of Reference on [aib.ie/investorrelations](https://aib.ie/investorrelations).

### Other key activities in 2025

In what was another very busy year for the Committee it:

- strengthened oversight of the sustainability strategy through regular strategic updates, monitoring progress on Key Performance Indicators and regulatory alignment;
- supported the development of the Group's sustainability disclosures through its review, co-ordinating with the Board Audit Committee which approved the disclosures;
- reviewed progress on social impact initiatives including updates on vulnerable customers and stakeholder engagement initiatives;
- supported customer-first delivery by reviewing sustainability propositions aligned to the Group's strategic priorities; and
- completed an external review of the Committee's effectiveness, concluding that the Committee continues to operate effectively.

### Priorities for 2026

Our priorities for 2026 are as follows:

- oversight of progress towards the ambition that 70% of new lending is green or transition;
- continue monitoring decarbonisation progress across Scopes 1, 2 and 3 to support delivery of the Group's transition ambitions;
- oversight of the sustainability strategy, ensuring alignment with evolving EU and prudential requirements with a strong focus on ESG data capture, quality and completeness and ongoing data maturity;
- ongoing review of sustainability propositions to support customer-first delivery; and
- further enhance the Committee's climate and environmental expertise through expert-led thought-leadership sessions.

**Anik Chaumartin**  
Committee Chair

# Report of the Technology and Data Advisory Committee



“In 2025, the Committee had oversight of progress made in strengthening AIB’s resilience with the successful delivery of DORA, along with material advances in the development of the next generation mobile app and the deployment at scale of artificial intelligence (AI) to support ongoing enhancements to customer service and increased productivity.”

**Andy Maguire**  
Committee Chair

## Technology and Data Advisory Committee members

Andy Maguire (Chair)

Tanya Horgan

Helen Normoyle (until 1 May 2025)

Anne Sheehan (from 25 September 2025)

Cathy Bryce, MD of Capital Markets (from 12 December 2025)

Graham Fagan, Chief Operating Officer

Andrew McFarlane (until 17 July 2025)

→ Read more about our cross-Committee Membership on page 132 and Committee Membership changes on page 148.

## Highlights during FY2025

### Digital transformation

The Committee closely monitored the successful delivery of SEPA Instant and the progress of delivery of the next generation mobile app which is on track to launch in H2 2026.

→ See page 15.

### Refreshed 2025 – 2027 Enterprise Information Security and Cyber strategy

The Committee considered and challenged the refreshed Enterprise Information Security and Cyber strategy prior to Board approval. This strategy was grounded in strengthening AIB’s resilience while acting as a critical enabler for its business.

→ See page 19.

### Developments in cloud infrastructure

The Committee maintained oversight of the delivery of cloud foundations required for secure, high-performance banking and enhanced customer experience.

→ See page 15.

On behalf of the Technology and Data Advisory Committee (TDAC or the Committee), I am pleased to present my first report since becoming Chair in December 2025. There were a number of changes to TDAC’s membership over the course of 2025. I would like to thank my predecessor Ann O’Brien and formally acknowledge her significant contribution as Chair of the Committee since 2021. Her time commitment combined with her engagement with the agenda was instrumental in guiding the Committee’s focus and enhancing its effectiveness. I would also like to thank Helen Normoyle and Andrew McFarlane for their valued contributions and service. I welcome Anne Sheehan whose industry-based technology experience will benefit the Committee particularly in its oversight of digital transformation. I also welcome Cathy Bryce whose deep customer focused experience will strengthen the Committee’s oversight responsibilities.

## Committee purpose and responsibilities

The Committee assists the Board with its oversight of Technology, Cyber & Data strategy, Technology & Data Operating Model Effectiveness and Technology and Data Governance. It also reviews and assesses technology related deliverables for key change projects.

→ Please find our Terms of Reference on [aib.ie/investorrelations](https://aib.ie/investorrelations).

## Other key activities in 2025

In what was another very busy year for the Committee it:

- maintained oversight of the delivery of regulatory programmes designed to strengthen AIB’s resilience;
- challenged the delivery of key technology enabled change programmes ensuring downstream milestone impacts were proactively managed to safeguard strategic outcomes and customer benefits;
- monitored advances in data, analytics and AI capability in support of operational efficiency, customer service and fraud prevention; and
- completed an external review of the Committee’s effectiveness, concluding that the Committee continues to operate effectively.

## Priorities for 2026

Our priorities for 2026 are as follows:

- continued oversight of AIB’s cyber and operational resilience, including third-party ecosystems, with strong controls and sustained service integrity;
- stewardship of the responsible scaling of AI and analytics, grounded in strong data quality, lineage and privacy controls to enhance customer, risk and operational decision-making; and
- oversight of enterprise delivery uplift, ensuring simplified structures, strengthened engineering and effective partner management continue to improve customer experience.

**Andy Maguire**  
Committee Chair

# Internal Controls

## Directors' Statement on risk management and internal controls

The Board of Directors is responsible for the Group's system of internal controls, which is designed to manage the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss. The Group has implemented a framework and policy architecture covering business and financial planning, corporate governance and risk management. The system of internal controls is designed to ensure that there is thorough and regular evaluation of the Group's risks in order to mitigate accordingly, rather than to eliminate risk. This is done through a process of identification, assessment, management, measurement, monitoring and reporting. This process includes an assessment of the effectiveness of internal controls, which was in place for the full year under review up to the date of approval of the financial statements and which accords with the CBI Requirements and the UK Code. The Board will continue to strengthen its oversight of the effectiveness of the Group's internal controls and risk management framework and the Group is progressing its preparations to support future reporting aligned with the UK Code, including Provision 29.

Supporting this process, the Group's system of internal controls is based on the following:

### Board governance and oversight

- The Board is ultimately responsible for corporate governance, encompassing leadership, direction and control and is accountable for the effective management of risks and for the system of internal controls within the Group. Some matters are reserved for decision by the Board, including the approval of designated Frameworks and Policies, Risk Appetite and reviewing the effectiveness of the system of internal controls. The Board is assisted in fulfilling its duties by a number of sub-committees. Each committee operates under Terms of Reference approved by the Board.

➔ Further details on these sub-committees can be found on pages 140 to 165.

- The BAC is appointed by the Board to assist it in fulfilling its independent oversight responsibilities in relation to the quality and integrity of the Group's accounting policies, financial and narrative reports, non-financial disclosures and disclosure practices. The Committee also ensures the effectiveness of the Group's internal control, risk management and accounting and financial reporting systems and the adequacy of arrangements by which staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. It also ensures the independence and performance of the internal and external auditors. The BAC works to ensure that this purpose is fully aligned to the Group's strategy and values, considering the interests of stakeholders while operating within all applicable regulatory and statutory requirements. The BAC is composed of INEDs and operates under Board-approved terms of reference. Neither the Chair of the Board nor the CEO are permitted to be members of the BAC. The CFO, the CRO, the Head of Group Internal Audit (GIA) and the External Auditor attend the meetings of the BAC, where appropriate.
- The BRC is appointed by the Board to support the Board by overseeing risk governance, risk management and the Group's risk-aware culture by fostering sound risk governance across all of the Group's finances and operations (including all operations, legal entities and branches in ROI, the UK and the USA), taking a forward-looking perspective and anticipating changes in business conditions. The BRC discharges its responsibilities in ensuring that risks within the Group are appropriately identified, reported, assessed, managed and controlled to include the commission, receipt and consideration of reports on key strategic and operational risk issues. It ensures that the Group's overall actual and future risk appetite and strategy, taking into account all types of risks, are aligned with the business strategy, objectives, corporate culture and values of the institution, while promoting a risk awareness culture within the Group. The BRC oversees and challenges the risk management function, which is managed on a day-to-day basis by the CRO and liaises regularly with the CRO to ensure the development and on-going maintenance of a risk management system within the Group that is effective and proportionate to the nature, scale and complexity of the risks inherent in the business. The BRC provides qualitative and quantitative input to the RemCo on the alignment of variable remuneration to risk performance for material risk-takers. The Dodd Frank Act establishes prudential standards and early remediation requirements applicable to Foreign Banking Organisations having a significant presence in the USA. The BRC acts as the risk committee for the Company's USA operations as required under the Act. The BRC is composed of Independent Non-Executive Directors and operates under Board-approved terms of reference. The CFO, the CRO, the Head of GIA and the External Auditor attend the meetings of the BRC, where appropriate.
- The RemCo is appointed by the Board to ensure the Group's overall Remuneration Policy for employees and directors, is designed to support the long-term business strategy, values and culture of the Group, as well as to promote effective risk management and reward fairly and responsibly, with a clear link to corporate and individual performance in compliance with applicable legal and regulatory requirements. It oversees the operation of Group-wide remuneration policies and practices for all employees, with specific reference to the Company's Executive Directors, the CEO, Group ELT members, Heads of Control Functions, the Group Company Secretary and Material Risk Takers. It also performs any other functions appropriate to a remuneration committee or assigned to it by the Board. The RemCo is composed of independent NEDs and the Chair of the Board and operates under Board-approved terms of reference.
- The SBAC was established by the Board to act as an advisory committee, supporting the execution of the Group's sustainable business strategy in accordance with the approved Group Strategic and Financial Plan. The Strategy includes the development and safeguarding of the Group's social licence to operate through Environmental, Social and Governance activities and the Group's Pledge to Do More. The SBAC is composed of NEDs and members of Senior Management and operates under Board-approved term of reference.
- The TDAC was established by the Board as an advisory committee to assist the Board in fulfilling its oversight responsibilities by reviewing and challenging the strategy, governance and execution of matters relating to technology, data and cyber security and to review and assess technology-related deliverables for key change projects. The TDAC is composed of NEDs and members of Senior Management and operates under Board-approved term of reference.



- The NomCo is appointed by the Board to support and advise it in fulfilling its oversight responsibilities in relation to the composition of the Board. It does this by ensuring that the Board comprises of individuals who are best able to discharge the duties and responsibilities of Directors, by leading the process for nominations and appointments to the Board and Board Committees, as appropriate and making the recommendations in this regard to the Board for its approval. It also supports and advises the Board in fulfilling its oversight responsibilities in relation to the composition of the Group's ELT members and the composition of the Boards of its material subsidiaries. It recommends to the Board suitable candidates for the role of Group Company Secretary and Heads of Control Functions. It supports succession planning for the Board and Group ELT by ensuring that plans are in place for orderly succession and oversees the development of a diverse pipeline, bearing in mind the future demands of the business. It keeps Board governance arrangements, corporate governance compliance and related policies under review and makes appropriate recommendations to the Board to ensure that corporate governance practices are consistent with best practice standards. The NomCo is composed of INEDs and the Chair of the Board and operates under Board-approved terms of reference.

### Executive risk management and controls

- The Board has delegated the day-to-day running of the business and the development of strategy to the Chief Executive Officer (CEO), who is supported by the ELT, this being the most senior management committee of the Group. The ELT operates under defined Terms of Reference and has full authority to delegate any of its powers, authority or activities to identified executives or to one or more of its sub-committees.
- The Group Risk Committee (GRC) is the most senior management risk committee of the Group. It was established by and is accountable to, the ELT, further information on GRC's roles and responsibilities are set out on page 178.
- The Group Asset and Liability Committee (ALCo) is a sub-committee of the ELT. Further details can be found on page 179.
- There is a centralised risk control function headed by the CRO, who is responsible for independent challenge, ensuring that risks are understood, managed, measured, monitored and reported on and for reporting on risk mitigation actions.

➔ **Further details on the risk management framework of the Group see page 177.**

- The centralised credit function is headed by a Chief Credit Officer, who reports to the CRO.
- Compliance, which is part of the Risk function, provides the interpretation and assessment of compliance risk, specifically those laws, regulations, rules and codes of conduct applicable to its banking activities.
- GIA is an independent and effective function responsible for assisting the Board, through the BAC, in carrying out their corporate governance responsibilities by providing an independent view and objective assurance on the key risks facing the Group including outsourcing and on the adequacy and effectiveness of governance, risk management and the internal control environment in managing these risks. The Head of Internal Audit is responsible for the audit function across the Group.
- AIB employees who perform pre-approved controlled functions/ controlled functions must meet the required standards as outlined in the Group's Fitness and Probity programme.

In the event that material failings or weaknesses in the systems of risk management or internal control are identified, Management are required to attend the relevant Board and its sub-committees to provide an explanation of the issue and to present a proposed remediation plan. Agreed remediation plans are tracked to conclusion, with regular status updates provided to the relevant Board and its sub-committees.

Given the work of the Board, BRC and BAC and representations made by the ELT during the year, the Board is satisfied that the necessary actions to address any material failings or weaknesses identified through the operation of the Group's risk management and internal control framework have been taken, or are currently being undertaken.

Taking this and all other information into consideration, as outlined above, the Board is satisfied that there has been an effective system of control in place throughout the year.

# Viability Statement

In accordance with provision 31 of the UK Corporate Governance Code published in January 2024, the Directors have assessed the viability of the Group, taking into account its current position, the prevailing economic and trading conditions and principal risks facing the Group over the next three years to the end of 2028.

## Horizon

The Directors concluded that three years was an appropriate period to assess the viability of the Group, for the following reasons:

- It is the same period used within the Group for strategic and financial planning process.
- The Group prepares its annual Internal Capital Adequacy Assessment Process (ICAAP) and Internal Liquidity Adequacy Assessment Process (ILAAP) on an annual basis using a three year time horizon.
- A three year time horizon is used for both internal and regulatory stress testing. Where certain impacts can be assessed reliably beyond the three year forecast horizon, a quantification is performed and considered.
- A three year time horizon is consistent with the internal risk management practices within the Group, including but not limited to: setting of the Risk Appetite and the Material Risk Assessment, as well as Recovery and Resolution planning.

## Considerations in assessing viability of the Group

### Assessment of prospects

The assessment of the Group's prospects is built up based on the current financial position of the Group, including its liquidity and funding and capital position.

The Group's fully loaded CET1 at 31 December 2025 is 16.2% against a regulatory requirement of 11.29%, as set out on page 38. The Group's LCR, of 204% and NSFR of 163% demonstrate a very strong liquidity position as described on pages 227 and 232.

The Group has completed a review of its Strategy, covering the period of assessment which is described on pages 14 to 15. As part of the delivery of the Group's Strategy, the Directors consider the risks facing the Group, including those that would threaten the competitive position of the business and its operational capacity, as well as the Group's governance and internal control systems.

Profitability and growth were reassessed in the annual planning exercise covering the period 2026 to 2028, undertaken by the Group in the second half of 2025. Given the changing banking landscape, evolving operating environment and the interest rate outlook, the Financial Plan (2026-2028) shows that the Group expects strong profitability. The Board remains cognisant of and monitors a number of headwinds to the credit environment, most notably geopolitical risks.

### Assessment of risks

During the year, the Directors rely on the following processes to identify and assess risks that could impact on the continued viability of the Group:

- The Group's Material Risk Assessment process seeks to ensure that all significant risks to which the Group is exposed have been identified and are being appropriately managed. New and emerging risks are also identified and mitigating actions are put in place.
- As part of the setting of the Group's Risk Appetite, consideration is given to the amount of risk that the Group is willing to accept in pursuit of its strategic objectives.
- Internal stress testing of the Group's capital and liquidity position is conducted, using a variety of different macroeconomic scenarios.
- In recovery and resolution planning, consideration is given to market factors and the operational resiliency of the Group.
- The regular reporting of the Group's financial performance by the CFO and the reporting of the Group's risk profile by the CRO.

- The provision of independent and objective assurance of the adequacy of the design and operational effectiveness of the risk and control environment by Group Internal Audit to the Board Audit Committee.
- The Board Risk Committee oversees the Group's risk management.

A full description of the principal risks facing the Group is provided in the Risk management section, individual risk types pages 182 to 239.

As part of the internal capital adequacy assessment process, material risks to the Group's financial performance are considered in terms of their potential impact on the Group's position. These risks are set out on page 177. Stress testing not only includes changes in macroeconomic forecasts but also other factors such as; financial crime losses, disruption to IT systems or the cost of a cyber incident, as well as financial loss arising from compliance or conduct issues.

In addition, the Group continues to work to understand and manage risks that could arise in relation to climate risk, both in terms of the transition to Net Zero and the physical risks due to climate change.

### Assessment of viability

The financial planning process is the main tool for assessing the continued financial prospects of the Group. The plan is a detailed three-year financial forecast for each segment and includes forecasts of operating results, headcount, investment expenditure and new strategic initiatives. Progress against the plan is reported monthly to the ELT and the Board. Updated forecasts are prepared as required and mitigating management actions are taken where required.

The Board considers the independent review of the plan by the Risk function, covering the alignment of the plan with Group strategy and the Risk Appetite. This review also identifies the key risks to delivery of the Group's plan.

The Group's base case underpins the financial plan and reflects changes in the macro-economic and market environment and also includes the consideration of downside scenarios. The first downside scenario centres around how higher tariffs and deepening global trade fragmentation weigh on growth and lead to a mild recession in 2026-2027.

The second downside looks to further rapid escalation in tariffs by the USA and material retaliation by its trade partners depresses consumer and business confidence, precipitating a collapse in economic growth impacting unemployment and property prices in 2026 and 2027.

After assessing the Group's prospects, risks and reviewing the financial plan as well as the results of stress testing scenarios, the Group continues to:

- demonstrate internal capital generation through continued profitability in each of the forecast years;
- demonstrate capacity to carry out the proposed distribution strategy to shareholders, including sustainability of dividends, as well as the buyback strategy;
- remain in excess of its regulatory capital requirements; and
- have significant liquidity over its regulatory liquidity coverage ratio and net stable funding ratio.

Finally the Group did not identify any material climate related risks for the three year period under consideration.

### Statement of viability

On the basis of the above, the Directors have a reasonable expectation, taking into account the Group's current position and subject to the identified risks and mitigating actions, that the Group will be able to continue in operation and meet its liabilities as they fall due over the three-year period of assessment.

# Directors' Report

## for the financial year ended 31 December 2025

The Directors of AIB Group plc (the Company) present their report and the audited financial statements for the financial year ended 31 December 2025. The Statement of Directors' Responsibilities is shown on page 242.

For the purposes of this report, AIB Group or the Group comprises the Company and its subsidiaries in the financial year ended 31 December 2025.

### Results

The Group's profit attributable to the equity holders of the Company amounted to €2,141 million and was arrived at as shown in the consolidated income statement on page 253.

### Dividend

The Board proposes to pay an ordinary dividend of 46.257 cent per share (totalling €988 million, based on the total number of ordinary shares currently outstanding), payable on 8 May 2026 to shareholders on the register on 27 March 2026. This is subject to shareholder approval at the Annual General Meeting (AGM) on 30 April 2026.

An interim dividend of 12.328 cent per share, equivalent to €263 million, was paid to shareholders on 11 November 2025. This brings the total dividends for the year ended 31 December 2025 to €1,251 million (58.585 cent per share).

On 9 May 2025, the Company paid a final dividend for the year ended 31 December 2024 of 36.984 cent per share, totalling €861 million, to shareholders on the register at the close of business on 28 March 2025.

### Buyback of ordinary shares

At the AGM, the Board normally seeks, and has received, a renewal of its authority from shareholders to undertake on-market purchases of up to 10% of its ordinary shares. This was renewed at the 2025 AGM held on 1 May 2025.

Also at the 2025 AGM, the Company received shareholder approval to enter into a share buyback contract with the Minister for Finance (the Minister) for an off market directed buyback of its ordinary shares from the Minister in a maximum consideration amount of €1.2 billion at a share price calculated in accordance with a formula set out in the contract. Further thereto, on 9 May 2025 the Group completed an off-market purchase of 191,671,857 ordinary shares, representing approximately 8.2% of the Group's issued share capital, from the Minister for a total consideration of €1.2 billion. These shares were repurchased at a price of €6.2607 per share and were cancelled upon settlement. In accordance with regulatory requirements, the Company obtained the prior approval of the ECB for the €1.2 billion share buyback.

→ **A summary of transactions in own shares has been set out below and further information is available in note 34 on page 308.**

|                     | Par Value<br>€ m | Number of Shares<br>000s |
|---------------------|------------------|--------------------------|
| At 1 January 2025   | 1,455            | 2,328,438                |
| Share buybacks*     | (120)            | (191,671)                |
| At 31 December 2025 | 1,335            | 2,136,767                |

\*all of the purchased shares were cancelled

The Company has received regulatory approval from the ECB to undertake an on-market buyback of ordinary shares for a maximum aggregate consideration of €1 billion.

### Odd-lot offer

The Directors intend to seek approval from shareholders at the 2026 AGM to launch an Odd-lot offer to smaller shareholders.

### Warrants

On 31 October 2025, AIB announced the agreement with the Minister for Finance for the cancellation of warrants over 271,166,685 shares held by the Minister on the payment of €390 million.

### Going concern

The financial statements for the year to 31 December 2025 have been prepared on a going concern basis, as the Directors are satisfied, having considered the risks and uncertainties impacting the Group, that it has the ability to continue in business for the period of assessment.

In making this assessment, the Directors have considered a wide range of information relating to present and future conditions. This includes capital forecasts and internally generated macroeconomic scenarios that take account of geopolitical risks, the impacts of tariffs, inflation, interest rates and related impacts on unemployment and property prices. The period of assessment used by the Directors is at least 12 months from the date of approval of these annual financial statements.

### Directors' Compliance Statement

As required by section 225(2) of the Companies Act, the Directors acknowledge that they are responsible for securing the Company's compliance with its relevant obligations (as defined in section 225(1) and section 1374). The Directors confirm that:

- a compliance policy statement (as defined in section 225(3) (a)) has been drawn up that sets out the Company's policies and, in the Directors' opinion, is appropriate to ensure compliance with the Company's relevant obligations;
- appropriate arrangements or structures that are, in the Directors' opinion, designed to secure material compliance with the relevant obligations have been put in place; and
- a review of those arrangements or structures has been conducted in the financial year to which this report relates.

### Capital

Information on the structure of the Company's share capital, including the rights and obligations attaching to shares, is set out in the Schedule on pages 308 to 309 and is part of note 34 to the consolidated financial statements.

### Accounting policies

The principal accounting policies, together with the basis on which the financial statements have been prepared, are set out in note 1 to the consolidated financial statements.

### Review of principal activities

The statement by the Chair on pages 6 and 7, the review by the CEO on page 8 and the Operating and Financial Review on pages 22 to 37 contain an overview of the development of the business of the Group during the year, of recent events and of likely future developments.

## Directors' Report continued

### Directors

At 31 December 2025, the Board of Directors of the Company was comprised of Jim Pettigrew, Anik Chaumartin, Donal Galvin, Basil Geoghegan, Tanya Horgan, Colin Hunt, Sandy Kinney Pritchard, Elaine MacLean, Andy Maguire, Brendan McDonagh, Fergal O'Dwyer, Anne Sheehan and Jan Sijbrand. Biographical details of all Directors are provided on pages 122 to 125.

Elaine MacLean is the Senior Independent Non-Executive Director and was appointed to this position on 1 May 2025. Elaine MacLean has served as an Independent Non-Executive Director since September 2019.

The appointment and replacement of Directors and their powers, are governed by law and the Constitution of the Company and information on these is set out in the Schedule on page 173.

### Directors' and Secretary's Interests in Shares

The beneficial interests of the Directors and the Company Secretary in office at 31 December 2025 and of their spouse, civil partner and minor children, in the Company's ordinary shares as disclosed to the Company are as follows:

| Ordinary shares           | 31 December 2025 | 1 January 2025 | Invested SAYE Options |
|---------------------------|------------------|----------------|-----------------------|
| <b>Directors:</b>         |                  |                |                       |
| Anik Chaumartin           | —                | —              | —                     |
| Donal Galvin              | —                | —              | 5,617                 |
| Basil Geoghegan           | 9,835            | 9,835          | —                     |
| Tanya Horgan              | 10,000           | 10,000         | —                     |
| Colin Hunt                | 64,322           | 62,487         | 5,617                 |
| Sandy Kinney Pritchard    | 10,000           | 10,000         | —                     |
| Elaine MacLean            | —                | —              | —                     |
| Andy Maguire              | 30,000           | 30,000         | —                     |
| Brendan McDonagh          | 20,000           | 20,000         | —                     |
| Anne Sheehan              | —                | —              | —                     |
| Fergal O'Dwyer            | 10,000           | 10,000         | —                     |
| Jim Pettigrew             | 25,000           | 25,000         | —                     |
| Jan Sijbrand              | —                | —              | —                     |
| <b>Company Secretary:</b> |                  |                |                       |
| Conor Gouldson            | 53,966           | 52,226         | 3,370                 |

There is no requirement for Directors, or the Company Secretary, to hold shares in the Company.

Donal Galvin and Colin Hunt held options to buy 5,617 shares under the SAYE scheme which are exercisable from December 2030. Conor Gouldson holds options over 3,370 shares under the same scheme, exercisable from December 2028.

There were no changes in the interests of the Directors and the Company Secretary shown above between 31 December 2025 and 26 February 2026.

### Directors' remuneration

The Group's policy with respect to Directors' remuneration is included in the Corporate Governance Remuneration Statement on pages 155 to 163. Details of the total remuneration of the Directors in office during 2025 and 2024 are shown in the Corporate Governance Remuneration Statement on pages 161 and 162.

### Non-Financial Statement

Our Sustainability Statement, in accordance with Part 28 of the Companies Act, including the requirements of the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017 (as amended by Statutory Instrument No. 410 of 2018), is included in the Sustainability Report on pages 41 to 116 forms part of this report.

### Substantial interests

At 31 December 2025, the Company had been notified of the following substantial interests:

- BlackRock, Inc. held 10.00% of the total voting rights attached to the issued share capital.
- Massachusetts Financial Services Company held 7.88% of the total voting rights attached to the issued share capital.
- Principal Global Investors held 4.99% of the total voting rights attached to the issued share capital.
- Wellington Management Group LLP held 3.99% of the total voting rights attached to the issued share capital.
- FIL Limited held 3.04% of the total voting rights attached to the issued share capital.

The following interests were disclosed to the Company in accordance with the Market Abuse Regulation and Part 5 of the Transparency Regulations and the related transparency rules during the period from 31 December 2025 to 26 February 2026:

- BlackRock, Inc. held 11.01% of the total voting rights attached to the issued share capital.
- FIL Limited held 3.05% of the total voting rights attached to the issued share capital.

### Corporate governance

The Directors' Corporate Governance Report forms part of this report. Additional information, disclosed in accordance with the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006, is included in the Schedule to the Directors' Report on pages 172 to 173.

In accordance with sections 1097 and 1551 of the Companies Act, the Directors confirm that a Board Audit Committee is established. Details on the Board Audit Committee's membership and activities are shown on pages 140 to 142.

### Political donations

The Directors of the Company have satisfied themselves that there were no political contributions that require disclosure under the Electoral Act 1997.



## Accounting records

The measures taken by the Directors to secure compliance with the Company's obligation to keep adequate accounting records include the use of appropriate systems and procedures, incorporating those set out within the Internal Controls section in the Corporate Governance report on pages 166 and 167 and the employment of competent persons. The accounting records are kept at the Company's Registered Office at 10 Molesworth Street, Dublin 2, Ireland and at the principal addresses outlined on page 383.

## Principal risks and uncertainties

Information concerning the principal risks and uncertainties facing the Group, as required under the terms of the European Accounts Modernisation Directive (2003/51/EEC) (implemented in Ireland by the European Communities (International Financial Reporting Standards and Miscellaneous Amendments) Regulations 2005), is set out on pages 17 to 18.

## Financial risk management

Information regarding the financial risk management of the Group, in relation to the use of financial instruments, is set out in Risk Management on pages 177 to 239.

## Branches outside the State

The Company has not established any branches since incorporation. However, the Company's principal operating subsidiary, Allied Irish Banks, p.l.c., has established branches in the United Kingdom and the United States of America.

## Auditor

The Auditors, PricewaterhouseCoopers (PwC), were appointed to the Group on 4 May 2023 following shareholder approval at the 2023 AGM on that date. PwC's continued appointment as Auditor of the Company was approved at the last AGM held on 1 May 2025 and they shall continue to hold office until the conclusion of the next AGM of the Company on 30 April 2026, pursuant to section 383(2) of the Companies Act, at which time their continued appointment will be proposed to the shareholders for approval, pursuant to an advisory resolution. PwC have indicated a willingness to continue in office in accordance with section 383(2) of the Companies Act.

## Statement of relevant audit information

Each of the persons who is a Director at the date of approval of this report confirms that:

- (a) so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- (b) the Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 330 of the Companies Act.

## Other information

Other information relevant to the Directors' Report may be found in the following pages of the report:

|                                                 | Page |
|-------------------------------------------------|------|
| 2025 Results – Financial Performance            | 2    |
| Non-adjusting events after the reporting period | 330  |



**Jim Pettigrew**  
Chair



**Colin Hunt**  
Chief Executive Officer

3 March 2026

# Schedule to the Directors' Report

## for the financial year ended 31 December 2025

### Additional information required to be contained in the Directors' Annual Report by the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006.

As required by these Regulations, the information contained below represents the position of the Company as at 31 December 2025.

### Capital structure

The authorised share capital of the Company is €2,500,000,000, divided into 4,000,000,000 ordinary shares of €0.625 each (Ordinary Shares). The issued share capital of the Company is 2,136,766,718 Ordinary Shares of €0.625 each.

### Rights and obligations of each class of share

The following rights attach to Ordinary Shares:

- the right to receive duly declared dividends, in cash or, where offered by the Directors, by the allotment of additional Ordinary Shares;
- the right to attend and speak, in person or by proxy, at general meetings of the Company;
- the right to vote, in person or by proxy, at general meetings of the Company having, in a vote taken by a show of hands, one vote and on a poll, a vote for each Ordinary Share held;
- the right to appoint a proxy, in the required form, to attend and/or vote at general meetings of the Company;
- the right to receive, (by post or electronically), at least 21 days before the Annual General Meeting, a copy of the Directors' and Auditor's reports, accompanied by copies of the balance sheet, profit and loss account and other documents required by the Companies Act to be annexed to the balance sheet or such summary financial statements as may be permitted by the Companies Act;
- the right to receive notice of general meetings of the Company; and
- in a winding-up of the Company and subject to payments of amounts due to creditors and to holders of shares ranking in priority to the Ordinary Shares, repayment of the capital paid up on the Ordinary Shares and a proportionate part of any surplus from the realisation of the assets of the Company.

There is, attached to the Ordinary Shares, an obligation for the holder, when served with a notice from the Directors requiring the holder to do so, to inform the Company in writing, within not more than 14 days after service of such notice, of the capacity in which the shareholder holds any share of the Company and, if such shareholder holds any share other than as beneficial owner, to furnish in writing, so far as it is within the shareholder's knowledge, the name and address of the person on whose behalf the shareholder holds such a share or, if the name or address of such person is not forthcoming, such particulars as will enable or assist in the identification of such a person and the nature of the interest of such a person in such share. Where the shareholder served with such a notice (or any person named or identified by a shareholder on foot of such notice) fails to furnish the Company with the information required within the time period specified, the shareholder shall not be entitled to attend meetings of the Company, nor to exercise the voting rights attached to such a share and, if the shareholder holds 0.25% or more of the issued Ordinary Shares, the Directors will be entitled to withhold payment of any dividend payable on such shares and the shareholder will not be entitled to transfer such shares except by sale through a Stock Exchange to a bona fide unconnected third party. Such sanctions will cease to apply after not more than seven days from the earlier of date receipt by the Company of notice that the member has sold the shares to an unconnected third party or due compliance, to the satisfaction of the Company, with the notice served as provided for above.

### Restrictions on the transfer of shares

Save as is set out below, there are no limitations in Irish law or in the Company's Constitution on the holding of Ordinary Shares and there is no requirement to obtain the approval of the Company, or of other holders of Ordinary Shares, for a transfer of Ordinary Shares.

The Ordinary Shares are, in general, freely transferable, but the Directors may decline to register a transfer of Ordinary Shares upon notice to the transferee, within two months after the lodgement of a transfer with the Company, in the following cases:

- a lien held by the Company on the shares;
- a purported transfer to an infant or a person lawfully declared to be incapable for the time being of dealing with their affairs; or
- a single transfer of shares that is in favour of more than four persons jointly.

Shares held are transferable in accordance with the rules or conditions imposed by the operator of the relevant system that enables title to the Ordinary Shares to be evidenced and transferred in accordance with the Companies Act.

The rights attaching to Ordinary Shares remain with the transferor until the name of the transferee has been entered on the Register of Members of the Company.

In accordance with the EU Central Securities Depository Regulation EU 909/2014 (CSDR), the Dematerialisation of Irish Securities came into effect on 1 January 2025, requiring all shares issued by AIB Group plc to be held in uncertificated form. Therefore, effective from 1 January 2025, share certificates for AIB Group plc are no longer issued or valid as evidence of title and entries on the shareholder register were replaced and recorded electronically by book entry record.

### Exercise of rights of shares in Employee share schemes

The SIP and APSS provide that where the relevant trustee holds shares for a participant, the trustee may ask that participant how they should vote in respect of those shares. The relevant trustee will vote in accordance with any directions the participant gives (save that under the SIP, they will only vote on a show of hands if all the participants who have given them a direction have given the same direction). The trustees will not vote in respect of any shares they hold that are not allocated to a participant.

### Deadlines for exercising voting rights

Voting rights at general meetings of the Company are exercised when the Chair puts the resolution at issue to a vote of the meeting. A vote decided by a show of hands is taken forthwith. A vote taken on a poll for the election of the Chair or on a question of adjournment is also taken forthwith and a poll on any other question is taken either immediately or at such time (not being more than 30 days from the date of the meeting at which the poll was demanded or directed) as the Chair of the meeting directs. Where a person is appointed to vote for a shareholder as proxy, the instrument of appointment must be received by the Company not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the appointed proxy proposes to vote, or, in the case of a poll, not less than 48 hours before the time appointed for taking the poll.

## Rules concerning amendment of the Company's Constitution

As provided in the Companies Act, the Company may, by special resolution, alter or add to its Constitution. A resolution is a special resolution when it has been passed by not less than three-fourths of the votes cast by shareholders entitled to vote and voting in person or by proxy, at a general meeting at which not less than 21 clear days' notice specifying the intention to propose the resolution as a special resolution, has been duly given. A resolution may also be proposed and passed as a special resolution at a meeting at which less than 21 clear days' notice has been given if it is so agreed by a majority in number of the members having the right to attend and vote at any such meeting, this being a majority together holding not less than 90% in nominal value of the shares giving that right.

## Rules concerning the appointment and replacement of Directors of the Company

- Other than in the case of a casual vacancy, Directors are appointed on a resolution of the shareholders at a general meeting, usually the Annual General Meeting.
- No person, other than a Director retiring at a general meeting, is eligible for appointment as a Director without a recommendation by the Directors for that person's appointment unless, not less than 42 days before the date of the general meeting, written notice by a shareholder duly qualified to be present and vote at the meeting of the intention to propose the person for appointment and notice in writing signed by the person to be proposed of willingness to act, if so appointed, have been given to the Company.
- A shareholder may not propose himself or herself for appointment as a Director.
- The Directors have the power to fill a casual vacancy or to appoint an additional Director (within the maximum number of Directors fixed by the Company in a general meeting) and any Director so appointed holds office only until the conclusion of the next Annual General Meeting following his/her appointment, when the Director concerned shall retire, but shall be eligible for reappointment at that meeting.
- One-third of the Directors for the time being (or, if their number is not three or a multiple of three, not less than one-third) are obliged to retire from office at each Annual General Meeting on the basis of the Directors who have been longest in office since their last appointment. While not obliged to do so, the Directors have, in recent years, adopted the practice of all (those wishing to continue in office) offering themselves for re-election at the Annual General Meeting.
- A person is disqualified from being a Director and their office as a Director is ipso facto vacated, in any of the following circumstances:
  - if at any time the person has been adjudged bankrupt or has made any arrangement or composition with his/her creditors generally;
  - if found to no longer have adequate decision-making capacity in accordance with law;
  - if the person be prohibited or restricted by law from being a Director;
  - if, without prior leave of the Directors, he/she be absent from meetings of the Directors for six successive months (without an alternate attending) and the Directors resolve that his/her office be vacated on that account;
  - if, unless the Directors or a court otherwise determine, he/she be convicted of an indictable offence;
  - if he/she be requested, by resolution of the Directors, to resign his/her office as Director on foot of a unanimous resolution (excluding the vote of the Director concerned) passed at a specially convened meeting at which every Director is present (or represented by an alternate) and of which not less than seven days' written notice of the intention to move the resolution and specifying the grounds therefore has been given to the Director; or
  - if he/she has reached an age specified by the Directors as being that at which that person may not be appointed a Director or, being already a Director, is required to relinquish office and a Director who reaches the specified age continues in office until the last day of the year in which he/she reaches that age.
- In addition, the office of Director is vacated, subject to any right of appointment or reappointment under the Company's Constitution, if:
  - not being a Director holding for a fixed term an executive office in his/her capacity as a Director, he/she resigns their office by a written notice given to the Company, upon the expiry of such notice; or
  - being the holder of an executive office other than for a fixed term, the Director ceases to hold such executive office on retirement or otherwise; or
  - the Director tenders his/her resignation to the Directors and the Directors resolve to accept it; or
  - the Director ceases to be a Director pursuant to any provision of the Company's Constitution.
- Notwithstanding anything in the Company's Constitution or in any agreement between the Company and a Director, the Company may, by ordinary resolution of which extended notice has been given in accordance with the Companies Act, remove any Director before the expiry of his/her period of office.

## The powers of the Directors

Under the Company's Constitution, the business of the Company is to be managed by the Directors, who may exercise all the powers of the Company subject to the provisions of the Companies Act, the Constitution of the Company and to any directions given by special resolution of a general meeting. The Company's Constitution further provides that the Directors may make such arrangements as may be thought fit for the management, organisation and administration of the Company's affairs, including the appointment of such executive and administrative officers, managers and other agents as they consider appropriate and may delegate to such persons (with such powers of sub-delegation as the Directors shall deem fit) such functions, powers and duties as the Directors may deem requisite or expedient.

# Other Governance Information

## Relations with shareholders

The Group has a number of procedures in place to allow its shareholders and other stakeholders to stay informed about matters affecting their interests. In addition to this Annual Financial Report, which is available on the Group's website at [aib.ie/investorrelations](https://aib.ie/investorrelations) and sent in hard copy to those shareholders who request it, the following communication tools are used by the Group:

## Website

The Group's website contains, for the years since 2000, the Annual Financial Report, the Half-Yearly Financial Report and the Annual Report on Form 20-F for the relevant years. In accordance with the Transparency (Directive 2004/109/EC) (Amendment) (No. 2) Regulations 2015, this and all future Annual and Half-Yearly Financial Reports will remain available to the public for at least ten years. For the period 2008 to 2013, the Annual Financial Report and the Annual Report on Form 20-F were combined. The Group's presentation to fund managers and analysts of annual and half-yearly financial results are also available on the Group's website. None of the information on the Group's website is incorporated in, or otherwise forms part of, this Annual Financial Report.

## Annual General Meeting

The AGM is an opportunity for shareholders to hear directly from the Board on the Group's performance and developments of interest for the year to date and, importantly, to ask questions.

All shareholders of the Company are invited to attend the AGM. Separate resolutions are proposed on each separate issue and voting is conducted by way of a poll. The votes for, against and withheld on each resolution are subsequently published on the Group's website. It is usual for all Directors to attend the AGM and to be available to meet shareholders before and after the meeting. The Chairs of the Board Committees are available to answer questions about the Committee's activities. A helpdesk facility is available to shareholders attending the AGM.

The Company's 2026 AGM is scheduled to be held on 30 April 2026. It is intended that Notice of the Meeting will be made available on the Group's website and sent in hard copy to those shareholders who request it, at least 20 working days before the meeting, in accordance with the Financial Reporting Council's Board Effectiveness guidelines. The location of the meeting and attendance options will be communicated with the distribution of the aforementioned Notice.



# Supervision and Regulation

Throughout 2025, the Group worked with its regulators including the European Central Bank; the CBI and the Data Protection Commission in Ireland, the Prudential Regulation Authority (PRA), the Financial Conduct Authority (FCA) and the Information Commissioner's Office in the UK, the New York State Department of Financial Services (NYSDFS), the Federal Reserve Bank of New York (FRBNY), the California Department of Financial Protection and Innovation (DFPI) and the Federal Reserve Bank of San Francisco (FRBSF) in the USA, to ensure compliance with existing regulatory requirements, together with the management of regulatory change.

AIB Group plc is the holding company of Allied Irish Banks, p.l.c. (the principal operating company of AIB Group) and, as such, AIB Group plc is subject to consolidated supervision with respect to Allied Irish Banks, p.l.c. and other credit institutions and investment firms in the Group. Allied Irish Banks London Branch was approved by the PRA/FCA as an incoming third country branch to operate in the UK post-Brexit.

## Current climate of regulatory change

Regulatory change remained high in 2025 as the regulatory landscape for the banking sector continued to evolve and the Group's regulators continued to focus on regulatory change implementation.

The Group is committed to proactively identifying regulatory obligations arising in each of the Group's operating markets in Ireland, the UK and the USA, ensuring the timely implementation of regulatory change.

Throughout 2025, the Group focused on:

- preparing for the forthcoming EU Anti-Money Laundering (AML) Reform package;
- key legislative initiatives in payments (including Instant Payments and planning for the revised EU's Payments Services Directives);
- amendments to primary EU conduct of business legislation (including the Consumer Credit Directive and Distance Marketing Directive);
- finalisation by the CBI of the revised Consumer Protection Code;
- the introduction of new requirements concerning access to and acceptance of cash; and
- new EBA Guidelines on ESG Risk Management and ongoing regulatory guidance.

The Group also closely monitored evolving sanctions legislation which, in a European, UK and USA context, saw continued rounds of sanctions as a response to the war in Ukraine.

The level of regulatory change is expected to remain high in 2026 and beyond, with the implementation of the significantly updated Consumer Protection Code a key focus, along with the new Financial Data Access regulation (FiDA) and key legislative changes in the area of Payments (Payments Services Directive/Payments Services Regulation). Other key regulatory change items include the introduction of an EU Digital Identity Wallet, a revised Consumer Credit Directive and progress with implementing new AI regulation. The Group will also be focused on our preparations for the new EU AML Single Rulebook which is due to go live in 2027.

## United Kingdom & London Branches

In 2025, AIB Group (UK) p.l.c. continued to prioritise compliance with its regulatory obligations in Great Britain and Northern Ireland and will remain focused on this throughout 2026.

In previous years, the UK regulatory regime remained closely aligned with EU regulation. Divergence has now become a factor, with UK regulators focused on 'smarter' and growth-oriented regulation, intended to make the UK attractive to business.

2025 saw the publication of a number of strategic plans and work programmes from the FCA and PRA, with both regulators continuing to focus on similar strategic priorities including growth and competitiveness, consumer protection under the Consumer Duty, operational resilience and technology and AI. There were also significant levels of guidance and policy papers on Financial Crime, including the National Risk Assessment of Money Laundering and Terrorist Financing 2025.

2025 also saw the announcement that the UK Payment Systems Regulator is being abolished, its functions consolidated to the FCA and the Bank of England, as part of the FCA plan to reduce regulatory complexity and stimulate economic growth.

2025 saw the final deadline for implementing all aspects of operational resilience and work now needs to continue in firms to evolve frameworks to continue to prevent intolerable harm as operational resilience sits at the heart of how trust is deepened in financial services. The FCA has set out its support for safe and responsible adoption of AI to drive innovation, benefit consumers and markets and support growth and competitiveness and intends to use existing frameworks such as Consumer Duty to manage the risks associated with using AI. Consumer Duty is now central to the FCA's approach in its attempts to simplify and streamline regulatory requirements. The embedding of Consumer Duty requirements continues, with focus moving to how firms are evidencing good customer outcomes. The FCA also remains focused on environmental claims and will regulate ESG ratings providers from 29 June 2028.

## United States

### Compliance with federal and state banking laws and regulations

AIB New York continues to prioritise compliance with its regulatory obligations in the USA and will remain focused on this throughout 2026. The level of regulatory change remained high in 2025.

AIB New York continues to maintain the annual attestation of compliance to the NYSDFS for the AML and Sanctions (DFS 504) and Cybersecurity (DFS 500) Programmes and to the FRB for its Security and Resiliency requirements.

California has passed climate reporting legislation and AIBNY continues to monitor legal challenges to the laws and related guidance or regulations. New York State also proposed similar climate legislation and AIBNY will continue to engage with AIB Group on meeting regulatory expectations. Expanded use of digital payments, crypto and digital assets has increased the need for defined regulatory authority around key risk areas.

Regulatory focus on Liquidity Risk Management, AML & Sanctions, Climate and Cybersecurity & Resiliency continues in 2026, with regulatory developments related to reputational risk and debanking arising at the federal level and climate laws and third party management guidance a focus at the state level. The NYSDFS finalised its second amendment to its 23 NYCRR Part 500 (Cybersecurity Rules) in 2023. The new compliance requirements were implemented throughout 2024-2025.

While the scope of the beneficial owner reporting requirement has been limited and now covers only foreign entities registered to do business in the USA, several requirements arising out of the Anti-Money Laundering Act 2020 that will continue to be a focus in 2026 and beyond.

AIB New York successfully worked with the California DFPI to meet all regulatory requirements to open a San Francisco Representative Office in 2025. The Representative Office is jointly supervised by the California DFPI and the FRBSF.





# Risk Management

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The information below in sections, paragraphs or tables denoted as audited in sections 2.1 to 2.11 in the Risk Management Report forms an integral part of the audited financial statements as described in note 1 (c) to the financial statements. All other information, including tables, in the Risk Management Report are additional disclosures and do not form an integral part of the audited financial statements.

# Risk Management

## 1. Risk Management Approach

### 1. Introduction

The risk summary on pages 16 to 19 provides an overview of the Group's core risk management principles, the key developments in 2025 and risk management and mitigants. This Risk Management section provides an in-depth picture of how risk is managed within the Group. An analysis of the Principal Risk categories are set out on pages 182 to 239, including the framework by which risks are identified, managed, monitored and reported. Each Principal Risk category is described using standard headings.

The Group uses a comprehensive risk management approach across all risk types. This is outlined in the Group's Risk Management Framework (RMF) including the key practices that are implemented in managing risks. The framework is reviewed, updated and approved by the Board at least annually to reflect any changes to the Group's business or consideration of external regulations, corporate governance requirements and industry best practice. A key part of the overarching RMF are the individual Frameworks and Policies. A Risk Framework is an overarching document that outlines the governance and oversight of the management of financial and non-financial risks. A Risk Policy is a document which supports a Risk Framework and provides the details on the management of a specific risk and the rules that must be followed to appropriately manage the risk within agreed risk appetite.

The Group's independent Risk function designs and maintains the framework. The Risk function is led by the Chief Risk Officer (CRO) who provides oversight and monitoring of all risk management activities.

### 1.1 Risk strategy

#### Risk strategy setting

The following section sets out at a high level the approach to Risk strategy setting applicable across the Group, its subsidiaries and joint ventures.

The Group has a set of strategic risk objectives which supports the delivery of the Group's strategy. A Risk Plan is developed by the risk function and is designed to align to the Group's strategy, with enhanced oversight of compliance with regulation and involvement in the development, implementation, and safe execution of the Group's strategy. The Group's Risk Appetite Statement (RAS) defines the amount and type of risk that the Group is willing to accept, in pursuit of its strategic goals.

The focus of the Group's strategic cycle is centred around customers' needs and anchored in a progressive sustainability agenda. See Our Strategy on pages 14 to 15. Sustainability is a key strategic objective of the Group and Sustainable Communities is one of the Group's three strategic priorities.

### 1.2 Risk governance and oversight

The Group's Governance and Organisation Framework encompasses the leadership, direction and control of the Group, reflecting policies, guidelines and statutory obligations. This ensures that control arrangements provide appropriate governance of the Group's strategy, operations and mitigation of related material risks. This is achieved through a risk governance structure designed to facilitate the reporting, evaluation and escalation of risk concerns from business segments and control functions to the Board and its appointed committees and sub-committees.

#### Board of Directors

The Board of Directors is ultimately responsible and accountable for the effective management of risks and for the system of internal controls in the Group. The Board has delegated a number of risk governance responsibilities to various committees. The roles of the Board, the Board Audit Committee, the Board Risk Committee (BRC), the Remuneration Committee, Sustainable Business Advisory Committee, Technology and Data Advisory Committee and the Nominations and Corporate Governance Committee are all set out in the Governance report on pages 117 to 175.

#### Executive Leadership Team (ELT)

The ELT is the most senior management leadership team and has primary authority and responsibility for the day-to-day operations of and the development of strategy for the Group. Further information is provided in the Governance report on page 128.

#### Group Risk Committee (GRC)

The GRC is the most senior management risk committee and is accountable to the ELT to set policy and monitor all risk types across the Group to enable delivery of the Group's strategy.

The roles and responsibilities of the GRC are:

- Reviewing and approving (or recommending to the Board and/or its sub-committees where appropriate) risk frameworks, risk appetite statements, risk policies and thresholds in order to manage the risk profile of the Group;
- Monitoring and reviewing the Group's risk profile (enterprise wide);
- Periodically reviewing the effectiveness of the Group's risk management policies in identifying, evaluating, monitoring, managing and measuring significant risks;
- Providing oversight and challenge of regulatory, operational and conduct risk related matters;
- Providing oversight and challenge of credit risk management related matters and periodically reviewing the credit portfolio exposures and trends;
- Providing oversight and challenge of risk measurement matters;
- Overseeing the development of the Group's risk management culture;
- Monitoring and reviewing the Group's risk profile and the business segment limits for equity risk;
- Considering the annual Money Laundering Reporting Officer's report; and
- Considering and assessing management's response to Group Internal Audit findings.

The sub-committees of the GRC are as follows:

- The Group Credit Committee (GCC) is responsible for developing and monitoring credit policy within the Group and approval of all large credit transactions. The Credit Committees under GCC exercise approval authority in line with the relevant Credit Approval and Review Authorities for the business areas;
- The Group Internal Ratings Based Committee ensures delivery of the commitments set out in the Internal Rating Based (IRB) IRB Enterprise Plan;
- The Regulatory Culture and Conduct Risk Committee is responsible for the governance and oversight of regulatory and conduct risks;
- The Model Risk Committee reviews the technical and methodological aspects of the Group's material models as well as maintenance of existing material models and approval of less material models;
- The Operational Risk Committee is responsible for the governance and oversight of operational risks.



## 1.2 Risk governance and oversight continued

### Group Asset and Liability Management Committee (ALCo)

ALCo has been established as a sub-committee of the ELT. ALCo is the Group's strategic and business decision making forum for balance sheet management matters. ALCo is tasked with decision-making in respect of the Group's balance sheet structure, including capital, funding, liquidity, interest rate risk in the banking book from an economic value and net interest margin (NIM) perspective, foreign exchange (FX) hedging risks and other market risks to ensure it enables the delivery of the Group's Strategic Plan. ALCo provides oversight of funding and liquidity, capital, market and equity/investments risk as well as balance sheet pricing in line with the relevant risk frameworks and policies in accordance with risk appetite. ALCo also monitors, reviews and makes decisions regarding key legal, regulatory and accounting developments affecting the measurement and control of balance sheet risks and capital. ALCo is supported by its three subcommittees: Equity Investment Committee; the Stress Testing & Scenarios Committee; and the Asset and Liability Management Technical Committee (ALMTC).

### Data governance

Data governance and quality is of prime importance to the risk management process. It supports all stages of risk lifecycle and lays the base for sound decision making. The Group's principles for data governance are in the Data Framework. The framework enhances the monitoring of material risks, risk metrics and mitigates the risk of inadequate data and risk reporting leading to poor decision making by the Board and senior management.

## 1.3 Identification and assessment

Risk is identified and assessed in the Group through a combination of on-going risk management practices including the following:

- Material Risk Assessment (MRA);
- Risk and Control Assessment (RCA);
- Integrated Financial Plan;
- Internal Capital Adequacy Assessment Process (ICAAP);
- Internal Liquidity Adequacy Assessment Process (ILAAP);
- Stress testing & Scenario Analysis;
- Recovery planning; and
- Resolution planning.

### Material Risk Assessment (MRA)

The MRA is a top down process performed on at least an annual basis for the Group which identifies the key Principal Risks and the identification of Evolving and Emerging Risks. This assessment makes use of horizon scanning and takes into account the Group's strategic objectives and incorporates both internal and external risk information. The Board is responsible for the annual approval of the Group's MRA.

### Risk and Control Assessment (RCA)

The first line of defence (1LOD) is responsible for ensuring that detailed bottom-up RCAs are undertaken for all businesses or business processes falling under their responsibility. These assessments are performed regularly and whenever there is a material change in organisation, business processes or business environment.

### Integrated financial plan

The financial plan is integral to how the Group manages its business and monitors performance. It informs the delivery of the Group's strategy and is aligned to its risk appetite. It enables realistic business objectives to be set for management, identifies accountability in the Group's delivery of planning targets and identifies the risks to the delivery of the Group's strategic goals as well as the mitigants of those risks. The plan is produced under a base scenario and assessed under a range of alternative scenarios over a three-year time horizon. This assessment forms the basis for consideration of business model risk and internal capital adequacy.

### Internal Capital Adequacy Assessment Process (ICAAP)

This is the Group process to ensure adequate capital resources are maintained at all times, having regard to the nature and scale of its business and the risks arising from its operations. The ICAAP is the process by which the Group performs a formal and rigorous assessment of its balance sheet, business plans, risk profile and risk management processes to determine whether it holds adequate capital resources to meet both internal objectives and external regulatory requirements. Multiple scenarios are considered in the ICAAP, including both systemic and idiosyncratic stress tests ranging from moderate to extreme, and are informed by the Group's material risks as identified through its MRA. The stress time horizon of three years is aligned with the planning horizon.

### Internal Liquidity Adequacy Assessment Process (ILAAP)

The ILAAP is a process by which the Group performs a formal and rigorous assessment of its balance sheet, business plans, risk profile and risk management processes to determine whether it holds sufficient liquid resources of appropriate quality to meet both internal objectives and external regulatory requirements. Multiple scenarios are considered for each ILAAP including both firm specific, systemic risk events and a combination of both to ensure the continued stability of the Group's liquidity position within the Group's pre-defined liquidity risk tolerance levels. The stress time horizon of three years is aligned with the planning horizon.

### Stress testing

Stress testing is recognised as a key risk management process within the Group. It seeks to ensure that risk assessment is dynamic and forward looking, and considers not only existing risks but also potential and emerging threats. Stress test methodologies are developed to assess the material risks identified in the MRA process.

The Group's stress testing programme embraces a range of forward looking stress tests and takes all the Group's material risks into account. The type of stress tests include:

- ICAAP stress testing undertaken on an annual basis and is integrated with the Group's annual financial planning process. This aims to highlight the key vulnerabilities of the Group and inform potential future capital needs including capital buffers, in excess of minimum regulatory capital requirements, and internal capital requirements under both base and stressed conditions over the planning horizon;
- Internal capital stress tests on all of the material risks of the Group. These consider the implications of a severe shock across the Group's material risks and additional supporting scenarios as deemed appropriate;
- Annual ILAAP stress testing applied to the funding and liquidity plan to formally assess the Group's liquidity risks;
- Internal liquidity stress tests which are performed weekly;
- The climate stress testing approach considers the impact of physical and transition risks across a number of scenarios on the Group's exposures. The initial scope of climate stress testing activities and climate modelling in the Group is primarily focused on the credit risk implications for the loan portfolio;
- Reverse stress testing undertaken at least annually to explore the vulnerabilities of the Group's strategies and plans in extreme adverse events that would cause the Group to fail. If necessary the Group will adopt an action plan to prevent and mitigate these risks;
- Annual recovery stress tests which use scenarios to assess the adequacy of recovery indicators of both capital and liquidity in identifying the onset of a period of stress and the recovery plan options used to exit that stress;
- Ad hoc stress testing on key core portfolios as required. This can include emerging risks identified from the MRA process and as well as in response to regulatory requests;

## Risk Management *continued*

### 1.3 Identification and assessment *continued*

#### Stress testing *continued*

- Sensitivity analysis assesses the marginal impact of an incremental change in one risk parameter on the Group's capital and liquidity position; and
- Subsidiary stress tests conducted on in-scope subsidiaries subject to individual regulatory capital requirements.

#### Stress testing methodology

Across all of the Group's material risks, the methodology is an appropriate blend of model based and expert judgement approaches. Assumptions and outputs are reviewed by impacted businesses and central functions, and via Risk review, to ensure they are plausible and intuitive. All models used in the stress testing process are subject to model validation as per the Group's Model and AI Risk Management Framework. The stress tests comply with all regulatory requirements, achieved through the comprehensive review and challenge of macroeconomic scenarios and stress test outcomes, as well as the ongoing validation requirements of stress testing models.

#### Recovery planning

The Group's recovery plan sets out the arrangements and measures that the Group could adopt in the event of severe financial stress to restore the Group to long term viability. A suite of indicators and options are included in the Group's recovery plan, which together ensures the identification of stress events and the tangible mitigating actions available to the Group to restore viability.

#### Resolution planning

Resolution is the restructuring of a bank (by a resolution authority) given that the bank has failed or is likely to fail. A number of resolution tools in order to:

- Safeguard the public interest;
- Ensure the continuity of the Group's critical functions;
- Ensure financial stability in the economy in which it operates; and
- Minimise costs to taxpayers.

The Group is under the remit of the Single Resolution Board (SRB) due to its systemic importance. The SRB, in cooperation with the National Resolution Authorities (Central Bank of Ireland for Ireland and Bank of England for the UK), draft the resolution plan for the Group. The resolution plan describes the Preferred Resolution Strategy (PRS), in addition to ensuring the continuity of the Group's critical functions and the identification and addressing of any impediments to the Group's resolvability.

The PRS for the Group is a single point of entry bail-in. The resolution authorities set the loss absorbing capacity requirements for Minimum Requirements for own funds and Eligible Liabilities (MREL), in addition to any work programmes required to mitigate any perceived impediments to resolvability. Senior management are responsible for implementing the measures that are needed to ensure the Group's resolvability. There are a number of governance fora such as subject matter working groups and a Resolution Steering Committee that provides governance and oversight around resolution planning. The Risk function liaises with the Resolution Planning Team to provide oversight over the Resolvability Programme to ensure that deliverables are being met as set out within the Board approved project plan and as outlined by regulatory guidelines.

### 1.4 Management, monitoring and reporting

#### Setting risk appetite

The Board sets the risk appetite for the Group informed by the material risk assessment. Risk appetite is the nature and extent of risk that the Group is willing to take, accept, or tolerate, in pursuit of its business objectives and strategy. It also informs the Group's strategy, and as part of the RMF, is a boundary condition to strategy and guides the Group in its risk taking and related business activities. The financial plan is tested to ensure risk appetite adherence. The Group's risk profile is measured against its risk appetite and exceptions are reported to the GRC and BRC through the CRO report.

The Group RAS is an articulation of the Group's appetite for, and tolerance of risk, expressed through qualitative statements and quantitative limits and thresholds. The Group RAS seeks to encourage appropriate risk taking to ensure that risks are consistent with the Group strategy and risk appetite. The Group RAS cascades into key business segments with separate Risk Appetite Statements for each licensed subsidiary reflecting the risk appetite of the subsidiary as a standalone entity. Material breaches of risk appetite are escalated to the Board and reported to the Central Bank of Ireland/Joint Supervisory Team (JST).

#### Risk measurement

Each of the material risks has a specific approach to how the risk is measured. The Group RAS and the separate Risk Appetite Statements for the licensed subsidiaries contain metrics which are measured on a monthly basis against the thresholds set.

#### Risk management

The material risk types are actively managed and measured against their respective frameworks, policies and processes on an ongoing basis. The management and measurement of the Group's risk profile also informs the Group's strategic and operational planning processes.

#### Risk reporting

Risk reporting facilitates management decision making and is a critical component of risk governance and oversight. Risk reporting processes are in place for each of the material risks under the relevant risk frameworks and policies. This enables management, governance committees and other stakeholders to oversee the effectiveness of the risk management processes, adherence to risk policies, and (where relevant) adherence to regulatory requirements.

The CRO reports actual performance against Risk Appetite Statements to the Board Risk Committee. A material breach of a Risk Appetite Statement limit is reported to the Board and the Group's regulator when appropriate.

## 1.5 Risk culture

Risk culture is an integral part of the Group's overall culture and plays a crucial role for the Group to achieve its strategic objectives. The risk culture defines how risk is managed and owned throughout the Group. It is the values, behaviours, beliefs, knowledge, attitudes, awareness and understanding of, and towards risk shared by individuals. It sets the foundation for how the Group manages risk in a consistent and coherent manner. An effective Group RAS is highly dependent on risk culture. Risk culture is one of the key elements of the Group's RMF. It is through the risk framework and policy documents that an awareness of risk and control is set and cascaded throughout the Group, including a Culture and Conduct Risk Framework which emphasises the criticality of ensuring fair customer outcomes.

The Group's promotion of risk learning through recommended risk training and education supports the embedding of risk culture. These ongoing activities are supported by an annual Group wide risk awareness week to reinforce key risk themes.

## 1.6 Control environment

### Three lines of defence model (3LOD)

The Group operates a 3LOD which defines clear responsibilities and accountabilities and ensures effective independent oversight and assurance activities take place covering key decisions. The 1LOD lies with the business line who are required to have effective governance and control frameworks in place for their business and to act within the risk appetite parameters set out. The second line of defence (2LOD) comprises the Risk function, and oversees the first line, providing independent constructive challenge, setting the frameworks, policies and limits, consistent with the risk appetite of the Group. The third line of defence comprises Group Internal Audit who provide an independent view on the key risks facing the Group, and the adequacy and effectiveness of governance, risk management and the internal control environment in managing these risks.

The Board and its sub committees, the BRC and Board Audit Committee (BAC) are ultimately responsible for ensuring the effective operation of the 3LOD. They are supported by the ELT and its sub-committees. The Terms of References for both the BRC and BAC are available on the Group's website.

The Board is accountable for the system of internal controls. Please refer to the Internal Controls section on pages 166 and 167 for further details.

### Assurance testing

The Group has implemented testing and assurance activities with the objective to provide assurance to the Board, and its delegated sub-committees, on the design and operating effectiveness of the control environment within the Group. The material risk types are continuously tested and assured in line with the Group assurance methodology, which distinguishes between risk management, risk control and risk assurance. Each line of defence is responsible for preparing business controls testing plans with consideration of the materiality of the risk identified and the design and effectiveness of the controls in place. Aligned assurance is the coordination of assurance activities across the 2LOD and 3LOD, while maintaining demarcation of roles and responsibilities. Aligned assurance aims to optimise activities and to enable an effective control environment, focused on key risk areas, delivered in an efficient manner, reducing duplication of effort and minimisation of the impact on the areas under review and is linked with the Group's strategy with the objective to provide better co-ordinated efforts, risk reporting, and to continuously improve performance and resilience.

## Risk Management *continued*

## 2. Individual Risk Types

### 2.1 Credit risk

#### Key developments in 2025:

- The credit quality of the lending portfolio has remained stable during the year as the Irish economy continued to show resilience despite a challenging international backdrop.
- New lending activity remained in line with targeted quality levels, with 43% of total new lending relating to green and transition lending, consistent with the Group's ongoing strategy to support sustainable finance.
- Expected credit losses (ECLs) continue to reflect the Group's proactive stance on emerging risks while maintaining a comprehensive and forward looking approach to assessing the credit environment, ensuring that the level of ECL stock remains appropriate.

#### Definition of credit risk

Credit risk is the risk that the Group will incur losses as a result of a customer or counterparty being unable or unwilling to meet their contractual obligations and associated bank credit exposure in respect of loans or other financial transactions.

Based on the annual risk identification and materiality assessment process, credit risk is grouped into the following three sub-categories:

- Credit default risk:** The risk of losses arising as a result of the borrower, issuer, or derivative counterparty not meeting their contractual obligations in full and on time and the resulting credit default risk/risk of loss leading to a risk to capital including residual risk (which is the risk that credit risk mitigation techniques used by the Group prove less effective than expected);
- Concentration risk:** The risk of excessive credit concentration including to an individual, counterparty, group of connected counterparties, industry sector, a geographic region, country, a type of collateral or a type of credit facility; and
- Country risk:** The risk of having exposure to a country, arising from possible changes in the business environment that may adversely affect operating profits or the value of assets related to the country.

Credit risk exposure derives from standard on-balance sheet products such as mortgages, loans, overdrafts and credit cards. However, credit risk also arises from other products and activities including, but not limited to: 'off-balance sheet' guarantees and commitments; securities financing; derivatives; investment securities; asset backed securities and partial failure of a trade in a settlement or payment system.

#### Group Risk Appetite Statement

The Group's Risk Appetite Statement (RAS) sets out the total amount and types of risk the Group is willing to accept in order to achieve its business goals, as determined by the Board. It acts as a boundary for strategy and guides all risk-taking and business activities. The Board defines credit risk appetite, which is described, tracked and reported using both qualitative and quantitative metrics. These metrics cover credit default risk, concentration risk, and country risk, and include limits on new lending, total exposure, and credit quality. The Group regularly stress tests its risk appetite to ensure it stays within its capacity for risk. The credit risk appetite is reviewed and approved by the Board at least once a year.

#### Group Credit Risk Framework (audited)

The Group implements and operates policies to govern the identification, assessment, approval, monitoring and reporting of credit risk. The Group Credit Risk Framework is the overarching Board approved document which sets out the principles of how the Group identifies, assesses, approves, monitors and reports credit risk to ensure that robust credit risk management is in place. This document contains the minimum standards and principles that are applied across the Group to provide a common, robust and consistent approach to the management of credit risk. The Group Credit Risk Framework is supported by a suite of credit policies, standards and guidelines which define in greater detail the minimum standards and credit risk metrics to be applied for specific products, business lines and market segments.

#### Credit risk management

Credit Risk, as an independent risk management function, monitors key credit risk metrics and trends, including policy exceptions and breaches, reviews the overall quality of the loan book, challenges variances to planned outcomes and tracks portfolio performance against agreed credit risk indicators. This allows the Group, if required, to take early and proactive mitigating actions for any potential areas of concern.

The activities which govern the management of credit risk within the Group are as follows:

- Establish governance authority fora to provide independent oversight and assurance to the Board with regard to credit risk management activities and the quality of the credit portfolio;
- Formulate, implement and effectively communicate a comprehensive credit risk strategy that is viable through various economic cycles, supported by appropriate credit risk policies, which is aligned to the Group's approved RAS and generates appropriate returns on capital within acceptable levels of credit quality;
- Operate within a sound and well defined credit granting process, within which, risks for new and existing lending exposures, including connected exposures, are consistently identified, assessed, measured, managed, monitored and reported in line with risk appetite and the credit risk policies;
- Ensure all management and staff involved in core credit risk activities can conduct their duties to the highest standard in compliance with the Group's policies and procedures. Senior management ensure ongoing training and support to staff to ensure strong competencies to effect sound credit risk management;
- Establish and enforce an efficient internal review and reporting system to effectively manage the Group's credit risk including internal controls and assurance practices to ensure that exceptions to policies, deviations to credit standards and limits are monitored and reported in a timely manner for review and action;
- Ensure sound methodology and credit policies are in place to proactively assess credit risk, to identify deteriorating credit quality and to take remedial action to minimise losses, provide customers with affordable and sustainable solutions and maximise recovery for the Group. This includes consideration of, and the granting of, forbearance measures;
- Utilise quality management information and risk data to ensure an effective credit risk management and measurement process when reporting on the holistic credit risk profile of the Group, including changes in risk profile and emerging or horizon risks. The Group's monitoring techniques provide adequate information on the composition of the credit portfolio, including the identification of any concentrations of risk;
- Mitigate potential credit risk arising from new or amended products or activities by designing them in line with regulatory requirements, including the identification and analysis of existing and potential risks inherent in any credit product or activity; and
- Develop and continuously reinforce a strong, credit risk focused culture across the credit risk management functions through the cycle, which supports the Group's goals and enables business growth, provides constructive challenge and avoids credit risks that cannot be adequately measured.



## 2.1 Credit risk continued

### Credit approval overview (audited)

The Group operates credit approval criteria which:

- Include a clear indication of the Group's target market(s), in line with Group and segment risk appetite statements;
- Require a thorough understanding and assessment of the borrower or counterparty, as well as the purpose and structure of credit, and the source of repayment; and
- Enforce compliance with minimum credit assessment and facility structuring standards.

Credit risk approval is undertaken by professionals operating within a defined delegated authority framework. However, for certain selected retail portfolios, scorecards and automated strategies (together referred to as 'score enabled decisions') are deployed to automate and to support credit decisions and credit management (e.g. score enabled auto-renewal of overdrafts).

The Board is the ultimate credit approval authority in the Group. The Board has delegated credit authority to various credit committees and to the Chief Credit Officer (CCO). The CCO is permitted to further delegate this credit authority to individuals within the Group on a risk appropriate basis. Credit limits are approved in accordance with the Group's risk policies and guidelines.

All exposures above certain levels require approval by the Group Credit Committee (GCC) and/or Board. Other exposures are approved according to a structure of tiered individual authorities which reflect credit competence, proven judgement and experience. Depending on the borrower/connection, grade and the level of exposure, limits are sanctioned by the relevant credit authority. Material lending proposals are referred to credit units for independent assessment/approval or formulation of a recommendation and subsequent adjudication by the applicable approval authority.

The Group also has in place an Interbank Exposure Policy which establishes the maximum exposure for each counterparty bank, depending on credit grade rating. Each bank is assessed for the appropriate maximum exposure limit in line with the policy. Risk generating business units in each segment are required to have an approved bank and country limit prior to granting any credit facility, or approving any credit obligation or commitment which has the potential to create interbank or country exposure.

### Credit risk organisation and structure (audited)

The Group's credit risk management structure operates through a hierarchy of lending authorities. All customer loan requests are subject to a credit assessment process. The role of the Credit Risk function is to provide direction, independent oversight of and challenge to credit risk-taking.

### Internal credit ratings (audited)

One of the objectives of credit risk management is to accurately quantify the level of credit risk to which the Group is exposed through the initial credit approval and ongoing review process. All relevant exposures are assigned to a rating model and within that to an internal risk grade (rating). A grade is assigned on the basis of rating criteria within each rating model from which estimates of probability of default (PD) are derived.

Internal credit grades are fundamental in assessing the credit quality of loan exposures, and for assessing capital requirements for portfolios where prior regulatory approval has been received. Internal credit grades are key to management reporting, credit portfolio analysis, credit quality monitoring and in determining the level and nature of management attention applied to exposures. Changes in the objective information are reflected in the credit grade of the borrower/loan with the resultant grade influencing the management of individual loans. In line with the Group's credit management lifecycle, heightened credit management and special attention is paid to lower quality performing loans or 'criticised' loans and non-performing/defaulted loans, which are defined below.

Using internal models, the Group utilises a credit grading masterscale that gives it the ability to categorise credit risk across different rating models and portfolios in a consistent manner. The masterscale consolidates complex credit information into a single attribute, aligning the output from the risk

models with the Group's Forbearance and Definition of Default and Credit Impairment policies. The masterscale grades are driven by grading model appropriate through-the-cycle PDs combined with other asset quality indicators such as default, forbearance and arrears in order to provide the Group with a mechanism for ranking and comparing credit risk associated with a range of customers.

The masterscale categorises loans into a broad range of grades which can be summarised into the following categories: strong/satisfactory grades; criticised grades; and non-performing/default loans. The profile of the Group's loan portfolio under each of the above grade categories is set out on page 202.

The IFRS 9 PD modelling approach uses a combination of rating grades and scores obtained from these credit risk models along with key factors such as the current/recent arrears status or the current/recent forbearance status and macroeconomic factors to obtain the relevant IFRS 9 12 month and Lifetime PDs (i.e. point-in-time). The Group has set out its methodologies and judgements exercised in determining its expected credit loss under IFRS 9 on pages 185 to 196.

### Strong/satisfactory (audited)

Accounts are considered strong/satisfactory if they have no current or recent credit distress and the probability of default is typically less than 6.95%, they are not in arrears and there are no indications that they are unlikely to repay:

- Strong (typically with a PD less than 0.99%): Strong credit with no weakness evident.
- Satisfactory (typically with a PD greater than or equal to 0.99% and less than 6.95%): Satisfactory credit with no weakness evident.

### Criticised (audited)

Accounts of lower credit quality and considered as less than satisfactory are referred to as criticised and include the following:

- Criticised watch: The credit is exhibiting weakness in terms of credit quality and may need additional management attention; the credit may or may not be in arrears.
- Criticised recovery: Includes forborne cases that are classified as performing including those which have transitioned from non-performing forborne, but still require additional management attention to monitor for re-default and continuing improvement in terms of credit quality.

### Non-performing/default (audited)

The Group's definition of default is aligned with the EBA's 'Guidelines on the application of the definition of default' under Article 178 of the Capital Requirements Regulation and the ECB Banking Supervision 'Guidance to banks on non-performing loans'.

The Group has aligned the definitions of 'non-performing', 'classification of default' and IFRS 9 Stage 3 'credit impaired', with the exception of loans measured at fair value through profit or loss, and those loans which have been derecognised and newly originated in Stage 1 or POCI (purchased or originated credit impaired) which are no longer classified as credit impaired but continue to be classified as non-performing and in default. This alignment ensures consistency with the Group's internal credit risk management and assessment practices.

Loans are identified as non-performing or defaulted by a number of characteristics. The key criteria resulting in a classification of non-performing are:

- Where the Group considers a borrower to be unlikely to pay their loans in full without realisation of collateral, regardless of the existence of any past-due amount; or
- The borrower is 90 days or more past due on any material loan. Day count starts when any material amount of principal, interest or fee has not been paid by a borrower on the due date.

The criteria for the definition of financial distress and forbearance are included in the Group's Forbearance Policy. Criteria for the identification of non-performing exposures and unlikelihood to pay are included in the Group's Definition of Default and Credit Impairment Policy.

## Risk Management *continued*

### 2.1 Credit risk *continued*

#### Credit risk monitoring *(audited)*

The Group has developed and implemented processes and information systems to monitor and report on individual credits and credit portfolios in order to manage credit risk effectively. There was significant investment by the Group during 2025 as part of the annual review of the Group Credit Management Policy. This review incorporated material changes to reflect the introduction of the revised Credit Management Lifecycle. It is the Group's practice to ensure that adequate up-to-date credit management information is available to support the credit management of individual account relationships and the overall loan portfolio. Credit risk, at a portfolio level, is monitored using key risk indicators and early warning indicators which are reported regularly to senior management and to the Board Risk Committee. Credit managers proactively manage the Group's credit risk exposures at a transaction and relationship level. Monitoring includes credit exposure and excess management, regular review of accounts, being up-to-date with any developments in customer business, obtaining updated financial information and monitoring of covenant compliance. This is reported on a regular basis to senior management and includes information and detailed commentary on loan book growth, quality of the loan book and expected credit losses including individual large non-performing exposures.

Changes in sectoral and single name concentrations are tracked on a regular basis highlighting changes to risk concentration in the Group's loan book. The Group allocates significant resources to ensure ongoing monitoring and compliance with approved risk limits. Credit risk, including compliance with key credit risk limits, is monitored monthly and is periodically reported to senior management and to the Board Risk Committee. Once an account has been placed on a watch list, the exposure is carefully monitored and where appropriate, exposure reductions are effected.

As a matter of policy, non-retail facilities are subject to a review on, at least, an annual basis, even when they are performing satisfactorily. Annual review processes are supplemented by more frequent portfolio and case review processes in addition to arrears or excess management processes. Borrowers may be subject to an 'unlikely to pay' test at the time of annual review, or earlier, if there is a material adverse change or event in their credit risk profile.

Through a range of forbearance solutions, as outlined on page 221, the Group employs a dedicated approach to loan workout, monitoring and proactive management of non-performing loans. A specialised recovery function focuses on managing the majority of criticised loans and deals with customers in default, collection or insolvency. Their mandate is to support customers in difficulty while maximising the return on non-performing loans. Whilst the basic principles for managing weaknesses in corporate, commercial and retail exposures are broadly similar, the solutions reflect the differing nature of the assets. Further details on forbearance are set out in section 2.1.6 - Forbearance overview.

#### Credit risk mitigants *(audited)*

The perceived strength of a borrower's repayment capacity is the primary factor in granting a loan. However, the Group uses various approaches to help mitigate risks relating to individual credits, including transaction structure, collateral and guarantees. The main types of collateral for loans and advances to customers are described under the following section on collateral. Credit policy and credit management standards are controlled and set centrally by the Credit Risk function.

Occasionally, credit derivatives are purchased to hedge credit risk. Current levels are modest and their use is subject to the normal credit approval process.

The Group enters into netting agreements for derivatives with certain counterparties, to ensure that in the event of default, all amounts outstanding with those counterparties will be settled on a net basis. Depending on the size of the potential exposure derivative transactions with wholesale counterparties are typically collateralised under a Credit Support Annex in conjunction with the International Swaps and Derivatives Association (ISDA) Master Agreement.

#### Collateral *(audited)*

Collateral and/or guarantees are generally taken as a secondary source of repayment in the event of borrower default, in accordance with Group lending policies.

The principal collateral types for loans and advances are:

- Charges over business assets such as premises, inventory and receivables;
- Charges over other plant and machinery and marine vessels;
- Mortgage or legal charge over residential and commercial property; and
- Charges over financial instruments such as debt securities and equities.

Collateral requirements vary by facility type, term and exposure amount. Debt securities and treasury products are typically unsecured, except for asset backed securities, which are secured by a portfolio of financial assets.

Collateral is not usually held against loans/advances to banks or central banks, except where securities are held within reverse repurchase or securities borrowing transactions, where collateral agreement is governed by master netting agreements or where the bank purchases covered bonds.

Where collateral is taken for non-mortgage/non-property lending, it will typically include a charge over the business assets such as inventory and accounts receivable. A charge over property collateral or a personal guarantee supported by a lien over personal assets may also be taken.

Valuations or business appraisals from independent external professionals are utilised in many cases where cash flows arising from the realisation of collateral are included in the expected credit loss assessments.

#### Methodologies for valuing collateral *(audited)*

Details on the valuation rule methodologies applied and processes used to assess the value of property assets taken as collateral are described in the Group Property Valuation Policy and are subject to an annual review.

As property loans, including residential mortgages, represent a significant concentration within the Group's loans and advances to customers portfolio, some key principles have been applied in respect of the valuation of property collateral held by the Group.

The value of property collateral is assessed at loan origination and at certain stages throughout the credit lifecycle in accordance with the Group Property Valuation Policy, e.g. at annual review, where required.

In accordance with the Group Property Valuation Policy, the valuation approaches follow Global International Valuation Standards for secured lending purposes. All valuations undertaken by the Group's panel of valuers must adhere to the valuation approaches outlined in these standards. The Group employs a number of methods to assist in reaching appropriate valuations for property collateral held:

- (a) External valuation firms on the Group's Valuers Panel, are engaged by the Group to undertake valuations of immovable property collateral in accordance with the rules set out in the Group Property Valuation Policy.
- (b) Independent professional internal valuations are completed in limited circumstances (e.g. agricultural land) using a desktop valuation approach by professionally qualified internal valuers who are independent of the credit process in the 2LOD. The assets being valued by this means must have an independent professional external valuation completed within the past three years.

## 2.1 Credit risk continued

### Credit risk mitigants continued (audited)

#### Collateral and ECLs (audited)

Applying one or a combination of the above methodologies, in line with the Group Property Valuation Policy, has resulted in an appropriate range of adjustments to original collateral valuations, influenced by the nature, status and year of purchase of the asset. The frequency and availability of such up-to-date valuations remain a key factor in ECL determination. Additionally, relevant costs likely to be associated with the realisation of the collateral are taken into account in the cash flow forecasts. The spread of discounts is influenced by the type of collateral, e.g. land, developed land or investment property and also its location. The valuation arrived at, is therefore, a function of the nature of the asset.

When assessing the level of ECL allowance required for property loans, apart from the value to be realised from the collateral, other cash flows, such as recourse to other assets or sponsor support, are also considered, where available. The other key driver is the time it takes to receive the funds from the realisation of collateral. While this depends on the type of collateral and the stage of its development, the period of time to realisation is typically one to five years but sometimes this time period is exceeded. These estimates are periodically reassessed on a case by case basis.

When undertaking an ECL review for individually assessed cases that have been deemed unlikely to pay, the present value of future cash flows, including the value of collateral held, and the likely time required to realise such collateral is estimated. An ECL allowance is raised for the difference between this present value and the carrying value of the loan. When multiple discounted cash flows are captured where the gross credit exposure is  $\geq$  €5 million (Republic of Ireland) or  $\geq$  £5 million (UK) or cases in scope for the Group Leveraged Lending Policy, the value of collateral is adjusted to reflect the impacts of up and downside scenarios for these higher value exposures.

#### Summary of risk mitigants by non-credit portfolios

Set out below are details of risk mitigants used by the Group in relation to financial assets detailed in the Maximum exposure to credit risk table on page 197.

#### Securities financing (audited)

In addition to the credit risk mitigants, the Group, from time to time, enters securities financing transactions. Securities financing consists of securities borrowing transactions, reverse repurchase agreements and securities sold under agreements to repurchase. At 31 December 2025, the total fair value of the collateral received was €7,339 million (2024: €6,643 million) in relation to reverse repurchase agreements and securities borrowing transactions (note 18 to the consolidated financial statements).

#### Derivatives (audited)

Derivative financial instruments are recognised in the statement of financial position at their fair value. Those with a positive fair value are reported as assets which at 31 December 2025 amounted to €1,641 million (2024: €2,144 million) and those with a negative fair value are reported as liabilities which at 31 December 2025 amounted to €1,408 million (2024: €1,807 million).

The enforcement of netting agreements would potentially reduce the statement of financial position carrying amount of derivative assets and liabilities by €1,173 million at 31 December 2025 (2024: €1,385 million). The Group also has Credit Support Annexes (CSAs) in place which provide collateral for derivative contracts. At 31 December 2025, €111 million (2024: €698 million) of CSAs are included within financial assets as collateral for derivative liabilities and €497 million (2024: €814 million) of CSAs are included within financial liabilities as collateral for derivative assets (note 37 to the consolidated financial statements). Additionally, the Group has agreements in place which may allow it to net the termination values of cross currency swaps upon occurrence of an event of default.

#### Investment securities

At 31 December 2025, government guaranteed senior bank debt which amounted to €209 million (2024: €164 million) was held within the investment securities portfolio.

### Risk transfer (audited)

The Group also uses other credit risk mitigation and protection techniques such as credit risk transfers to optimise exposure to credit risk and reduce potential credit losses associated with credit events, such as defaults or downgrades in credit quality. At a portfolio level, credit risk is assessed in relation to the degree of single name, sectoral asset class and geographic concentrations. To manage credit risk exposure in the event of emerging risk concentrations, the risk capital implications are assessed and, where appropriate, risk transfer options (e.g. loan disposals, securitisations, etc.) are considered.

In December 2025, the Group executed a significant risk transfer on a €1.97 billion portfolio of residential mortgage loans assets. This transaction reduced the Group's credit risk exposure, and consequently the risk weighted assets on the reference portfolio of loan assets, through a combination of a risk sharing whereby the subscribers of credit linked notes assume the credit risk for €49.8 million of potential credit losses on the reference portfolio of loan assets and a series of insurance policies with highly rated (re)insurance companies that provide protection for the credit risk of an additional €270.8 million of potential credit losses on the same portfolio.

In 2024, the Group executed a significant risk transfer involving a €1 billion portfolio (2025: €663.8 million) of corporate loan assets. That transaction reduced the Group's credit risk exposure and risk-weighted assets associated with the reference portfolio through a structured risk-sharing arrangement. Under that arrangement, credit linked note subscribers accepted credit risk for up to €97.5 million (2025: €64.7 million) in potential losses on the reference portfolio.

## Measurement, methodologies and judgements

### Introduction (audited)

The Group has set out the methodologies used and judgements exercised in determining its expected credit loss allowance for the year to 31 December 2025.

The Group, in estimating its ECL allowance, does so in line with the expected credit loss impairment model as set out by the International Financial Reporting Standard (IFRS) 9 Financial Instruments ('the standard'). This model requires a timely recognition of ECL across the Group. The standard does not prescribe specific approaches to be used in estimating ECL allowance, but stresses that the approach must reflect the following:

- An unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
- Underlying models should be point-in-time and forward looking – recognising economic conditions;
- The ECL must reflect the time value of money;
- A lifetime ECL is calculated for financial assets in Stages 2 and 3 and Purchased or Originated Credit Impaired (POCI); and
- The ECL calculation must incorporate reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The standard defines credit loss as the difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (EIR) or an approximation thereof.

ECLs are defined in the standard as the weighted average of credit losses across multiple macroeconomic scenarios, with weights assigned based on the probability of each scenario occurring, and are an estimate of credit losses over the life of a financial instrument.

The ECL model applies to financial instruments measured at amortised cost or at fair value through other comprehensive income. In addition, the ECL approach applies to lease receivables, loan commitments and financial guarantee contracts that are not measured at fair value through profit or loss.

## Risk Management *continued*

### 2.1 Credit risk *continued*

#### Measurement, methodologies and judgements *continued*

##### Introduction *continued* (audited)

A key principle of the ECL model is to reflect any relative deterioration or improvement in the credit quality of financial instruments occurring (e.g. change in the risk of default). The ECL amount recognised as a loss allowance or provision depends on the extent of credit deterioration since initial recognition together with the impact on credit risk parameters.

##### Bases of measurement (audited)

Under the standard, there are two measurement bases:

1. 12-month ECL (Stage 1), which applies to all financial instruments from initial recognition as long as there has been no significant increase in credit risk; and
2. Lifetime ECL (Stages 2 and 3 and POCI), which applies when a significant increase in credit risk has been identified on an account (Stage 2), an account has been identified as being credit-impaired (Stage 3) or when an account meets the POCI criteria.

##### Staging (audited)

Financial assets are allocated to stages dependent on credit quality relative to when assets were originated. A financial asset, including financial assets acquired by the Group, can only originate in either Stage 1 or POCI.

##### Credit risk at origination (audited)

Credit risk at origination (CRAO) is a key input into the staging allocation process. The origination date of an account is determined by the date on which the Group became irrevocably committed to the contractual obligation and the account was first graded on an appropriate model.

For undrawn credit facilities, the Group uses the date of origination as the date when it becomes party to the irrevocable contractual arrangements or irrevocable commitment. For overdrafts which have both drawn and undrawn components, the date of origination is the same for both. The Group uses best available information for facilities which originated prior to a credit risk rating model or scorecard being in place.

For accounts that originated prior to 1 January 2018, a neutral view of the macroeconomic outlook at the time is used, i.e. where macroeconomic variables are used in the Lifetime PD models, long-run averages are used instead of historical forecasts.

##### Stage 1 characteristics (audited)

Obligations are classified Stage 1 at origination or at acquisition by the Group, unless POCI, with a 12 month ECL being recognised. These obligations remain in Stage 1 unless there has been a significant increase in credit risk.

Accounts can also return to Stage 1 if they no longer meet either the Stage 2 or Stage 3 criteria, subject to satisfaction of the appropriate probation periods, in line with regulatory requirements.

##### Stage 2 characteristics (audited)

Obligations where there has been a 'significant increase in credit risk' (SICR) since initial recognition but do not have objective evidence of credit impairment are classified as Stage 2. For these assets, lifetime ECLs are recognised.

The Group assesses at each reporting date whether a significant increase in credit risk has occurred on its financial obligations since their initial recognition. This assessment is performed on individual obligations, however where appropriate, a collective assessment at a portfolio level can be undertaken. If the increase is considered significant, the obligation will be allocated to Stage 2 and a lifetime ECL will apply to the obligation. If the change is not considered significant, a 12 month ECL will continue to apply and the obligation will remain in Stage 1.

##### SICR assessment (audited)

The Group's SICR assessment is determined based on both quantitative and qualitative measures:

**Quantitative measure:** This measure reflects an arithmetic assessment of the change in credit risk arising from changes in the probability of default. The Group compares each obligation's annualised average probability weighted residual origination lifetime probability of default (LTPD) (see Credit risk at origination) to its current estimated annualised average probability weighted residual LTPD at the reporting date. If the difference between these two LTPDs meets the quantitative definition of SICR, the Group transfers the financial obligation into Stage 2. Increases in LTPD may be due to credit deterioration of the individual obligation or due to macroeconomic factors or a combination of both. The Group has determined that an account had met the quantitative measure if the average residual LTPD at the reporting date was at least double the average residual LTPD at origination, and the difference between the LTPDs was at least 50bps or 85bps in the case of residential mortgages. For lower default models, such as Treasury Debt Securities or Project Finance, individual calibrated thresholds are applied. The appropriateness of these thresholds are kept under review by the Group.

**Qualitative measure:** This measure reflects the assessment of the change in credit risk based on the Group's credit management and the individual characteristics of the financial asset. This is not model driven and seeks to capture any change in credit quality that may not be already captured by the quantitative criteria.

The qualitative assessment reflects proactive credit management including monitoring of account activity on an individual or portfolio level, knowledge of client behaviour and cognisance of industry and economic trends.

The criteria for this qualitative trigger include, for example:

- A downgrade to watch grade of the borrower's/facility's credit grade reflecting the increased credit management focus on these accounts; and/or
- Forbearance has been provided and the account is within the probationary period and the forbearance treatment does not result in Stage 3 classification.
- Lender assessed SICR triggers: For non-retail portfolios, a suite of lender assessed triggers are in place to ensure appropriate and timely identification of increased credit risk, which when occur, trigger a SICR event.

The criteria for this lender assessed trigger include, for example:

- A post distressed restructure payment default occurs where the borrower is neither in default nor forborne;
- A material adverse event has occurred for the borrower which may impact the borrower's ability to repay such as: adverse publicity which raises concerns over the viability of a business; loss of key personnel (CEO/CFO/COO) which raises concerns over the strategy/viability of the business or significant negative macroeconomic events (including but not limited to economic or market volatility, changes in legislation and technological threats to an industry, changes in access to markets) where the financial impact to the borrower is deemed material.
- Backstop indicators: The Group has adopted the rebuttable presumption within IFRS 9 that loans greater than 30 days past due represent a significant increase in credit risk.

Where SICR criteria are no longer a trigger, the account can exit Stage 2 and return to Stage 1.



## 2.1 Credit risk continued

### Measurement, methodologies and judgements continued

#### Stage 3 characteristics (audited)

Defaulted loans (with the exception of newly originated or acquired loans that are in Stage 1 or POCI) are classed as credit impaired and allocated to Stage 3. Where default criteria are no longer met, the borrower exits Stage 3 subject to a probation period, in line with regulatory requirements.

The key criteria resulting in a classification of default are:

- Where the Group considers a borrower to be unlikely to pay their loans in full without realisation of collateral, regardless of the existence of any past-due amount; or
- The borrower is 90 days or more past due on any material loan (day count starts when any material amount of principal, interest or fee has not been paid by a borrower at the date it was due).

Identification of non-performing exposures and unlikelihood to pay are included in the Group's Definition of Default and Credit Impairment Policy.

#### Purchased or originated credit impaired (POCI) (audited)

POCIs are assets originated credit impaired and have a discount to the contractual value when measured at fair value. The Group uses an appropriate discount rate for measuring ECL in the case of POCIs which is the credit-adjusted effective interest rate. This rate is used to discount the expected cash flows of such assets to fair value on initial recognition.

POCI obligations remain outside of the normal stage allocation process for the lifetime of the obligation. The ECL for POCI obligations is always measured at an amount equal to lifetime expected credit losses. The amount recognised as a loss allowance for these assets is the cumulative change in lifetime expected credit losses since the initial recognition of the assets rather than the total amount of lifetime expected credit losses.

#### Measurement of expected credit loss (audited)

The measurement of ECL is estimated through one of the following approaches:

- Standard approach: This approach is used for the majority of exposures where each ECL input parameter (Probability of Default – PD, Loss Given Default – LGD, Exposure at Default – EAD, and Prepayments – PP) is developed in line with standard modelling methodology. The Group's IFRS 9 models have been developed and approved in line with the Group's Model Risk Management Framework.
- Simplified approach: For portfolios not on the standard approach, the Group has followed a simplified approach. This approach consists of applying portfolio level ECL averages, drawn from similar portfolios, where it is not possible to estimate individual parameters. These generally relate to portfolios where specific IFRS 9 models have not been developed due to immateriality, low volumes or where there are no underlying grading models. As granular PDs are not available for these portfolios, a non-standard approach to staging is required with reliance on the qualitative criteria (along with the 30 days past due backstop).
- Discounted cash flows (DCFs): DCFs are used as an input to the ECL calculation for Stage 3 credit-impaired exposures where gross credit exposure is  $\geq$  €1 million in the Republic of Ireland or  $\geq$  £500,000 in the UK. For higher-value cases, multiple DCFs are prepared to ensure that expected losses appropriately reflect forward looking outcomes.

This approach is required where gross credit exposure is  $\geq$  €5 million (Republic of Ireland),  $\geq$  £5 million (UK), or where exposures fall within the Group Leveraged Lending Policy. This approach captures borrower specific impacts under base, downside and upside conditions, with each scenario probability weighted to derive the final scenario weighted ECL. Collateral valuation assumptions and the estimated time to realisation of collateral are key drivers of the DCF approach. Forward looking information is incorporated through the Group's credit assessment process and applied consistently across scenarios. Where the calculated ECL is very low, a minimum ECL floor is applied. This is benchmarked against relevant model outputs to ensure consistency and prudence in ECL recognition.

- Management judgement: Where the estimate of ECL does not adequately capture all available forward looking information about the range of possible outcomes, or where there is a significant degree of uncertainty, management judgement may be considered appropriate for an adjustment to ECL. The management adjustment must consider all relevant and supportable information, including but not limited to, historical data analysis, predictive modelling and management experience. The methodology to incorporate the adjustment should consider the degree of any relevant over collateralisation (headroom) and should not result in a zero overall ECL unless there is sufficient headroom to support this. The key post model adjustments (PMAs) in the 2025 year-end ECL estimates are outlined on pages 195 and 196.

#### IFRS 9 ECL Credit Risk models (audited)

The IFRS 9 ECL models provide the risk parameters which are the inputs into the model driven estimate of ECL which is used across all Stage 1 and Stage 2 assets plus all non-DCF Stage 3 exposures on the standard approach to ECL.

#### IFRS 9 Portfolio Delineation (audited)

The IFRS 9 models are delineated into retail and non-retail portfolios. The retail IFRS 9 portfolios provide exposure level risk parameter estimates which take into account facility, or borrower level characteristics and metrics where appropriate, whilst the non-retail portfolios provide metrics which are either borrower, facility or connection level estimates.

#### Probability of default (audited)

Probability of default (PD) is the likelihood that an account or borrower defaults over an observation period, given that they are not currently in default, for each year of the expected contractual lifetime of the exposure. The PD is a point-in-time estimate which is reflective of the current and expected economic conditions.

In order to capture the appropriate risk dynamics across the lifetime of the exposure the development process considers:

- Macroeconomic effects captured through factors such as unemployment rate and GDP;
- Cross-sectional risk discriminators, in particular the internal rating model outputs plus other factors such as forbearance and days past due; and
- Seasoning factors such as product type, delinquency and forbearance status.

## Risk Management *continued*

### 2.1 Credit risk *continued*

#### Measurement, methodologies and judgements *continued*

##### Loss given default (*audited*)

Loss given default (LGD) is a current assessment of the amount that will not be recovered in the event of default, taking account of future conditions. It can be thought of as the difference between the amount owed to the Group (i.e. the exposure) and the net present value of future cash flows less any relevant costs expected to be incurred in the recovery process. If an account returns to performing from default (excluding any loss making concession) or if the discounted post-default recoveries are equal to or greater than the exposure, the realised loss is (close to) zero.

The LGD modelling approach generally depends on whether the facility has underlying security and, if so, the nature of that security. The following sets out the general approaches for the retail and non-retail portfolios:

##### – Retail portfolios

For unsecured loans, a cash flow curve, which estimates the cumulative cash received following default until the loan is written-off or returns to performing, is used to estimate the future recovery amount. This is discounted at the effective interest rate and compared to the current outstanding balance. Any shortfall between the recovery amount and the outstanding balance is the LGD used to estimate ECL. Where appropriate, this may then be adjusted to reflect economic conditions.

For secured loans the following may be considered:

- The value of underlying property collateral is estimated at the forecasted time of disposal (taking into account forecasted market price growth/falls and haircuts on market values that are expected at the date of sale plus associated relevant costs) in order to calculate the future recovery amount;
- The potential for the exposure to be deleveraged through a portfolio sale taking into account the costs associated with same; and
- Paths for returning to the performing portfolios such as forbearance and self-cure.

##### – Non-retail portfolios

For unsecured loans, characteristics such as borrower sector, borrower financials and nature of collateral linked to affiliated accounts under the same customer group are used to determine future losses based on historical experience of discounted recoveries.

For secured loans, the value of the underlying property collateral is estimated at the reporting date. This is used to estimate the ECL based on historical experience of discounted recoveries.

##### Exposure at default (*audited*)

Exposure at default (EAD) is defined as the exposure amount that will be owed by a customer at the time of default. This will comprise changes in the exposure amount between the reporting date and the date that the customer defaults. This may be due to repayments, interest and fees charged and additional drawdowns by the customer.

##### Prepayments (*audited*)

For term credit products, prepayment occurs where a customer fully prepays an account prior to the end of its contractual term. For revolving credit products, 'prepayment' is defined as the cessation of use and withdrawal of the facility provided that the account was not in default prior to closure.

Prepayment is used in the lifetime ECL calculation for Stage 2 loans to account for the proportion of the facilities/customers that prepay each year.

##### Determining the period over which to measure ECL (*audited*)

Both the origination date and the expected maturity of a facility must be determined for ECL purposes. The origination date is used to measure credit risk at origination.

The expected maturity is used for assets in Stage 2, where the ECL must be estimated over the remaining life of the facility.

The expected maturity approach is:

- Term credit products: the contractual maturity date, with exposure and survival probability adjusted to reflect behaviour, i.e. amortisation and prepayment;
- Revolving credit products: the period may extend beyond the contractual period, i.e. behavioural lifetime estimate over which the Group is exposed to credit risk, e.g. overdrafts and credit cards.

##### Forward looking indicators in the models (*audited*)

For ECL calculations reliant on models in the standard and simplified approaches, forward looking indicators are incorporated into the models through the use of macroeconomic variables. These have been identified statistically as the key macroeconomic variables that drive the parameter being assessed (e.g. PD or LGD). The final model structure incorporates these as inputs with the 12 month and lifetime calculations utilising the macroeconomic forecasts for each scenario. See the Macroeconomic scenarios and weightings section for more detail on the process for generating scenarios and associated key macroeconomic factors relevant for the models. In circumstances where there is a risk that the modelled output fails to capture the appropriate response to changes in the macroeconomic environment such as inflation and interest rate changes, these risks are captured through the use of post model adjustments.

##### Effective interest rate (*audited*)

ECLs are discounted to the reporting date using the effective interest rate (EIR) set at initial recognition, or a suitable approximation. The Group applies an account-level interest rate as an approximation for both drawn and undrawn commitments. This approach is reviewed annually to ensure it remains appropriate and does not materially misstate ECL. Testing has confirmed that using current interest rates provides an appropriate approximation for ECL discounting.

##### Policy elections and simplifications

###### Low credit risk exemption (*audited*)

The Group utilises practical expedients, as allowed by IFRS 9, for the stage allocation of particular financial instruments which are deemed 'low credit risk'. This practical expedient permits the Group to assume, without more detailed analysis, that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have 'low credit risk' at the reporting date. The Group allocates such assets to Stage 1.

Under IFRS 9, the credit risk on a financial instrument is considered low if:

- The financial instrument has a low risk of default;
- The borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- Adverse changes in economic business conditions in the longer term may, (but will not necessarily) reduce the ability of the borrower to fulfil its contractual cash flow obligations.

This low credit risk exemption is applied to particular assets within the Treasury Debt Securities Portfolio, Capital Markets Securitisation Bonds and for Loans and Receivables to Banks, specifically assets which have an internal grade equivalent to an external investment grade rating (BBB-) or higher.

The Group applies a quantitative backstop trigger of a tripling of the probability of default subject to a minimum threshold movement of 30bps to determine whether assets subject to the low credit risk exemption should be allocated to Stage 2. Additionally, if any of such assets are on a watch list based on agreed criteria, they are allocated to Stage 2.

###### Short term cash (*audited*)

The Group's IFRS 9 Impairment Policy does not require calculation of an ECL for short term cash at central banks and other banks which have a low risk of default with a very low risk profile. The calculation of the ECL at each reporting date would be immaterial given these exposures' short term nature and their daily management.

###### Lease receivables and trade receivables (*audited*)

For lease receivables, the Group has elected to use its standard approach for both stage allocation and the ECL calculation and has elected to use an expedient (simplified approach) for trade receivables.

## 2.1 Credit risk continued

### Measurement, methodologies and judgements continued

#### Write-offs (audited)

When the prospects of recovering a loan, either partially or fully, do not improve, a point may come when it will be concluded that as there is no realistic prospect of recovery, the loan and any related ECL will be written-off. The Group determines, based on specific criteria, the point at which there is no reasonable expectation of recovery. When the following criteria exist (or comparable circumstances arise), the loan can be subject to a partial or full write-off:

- A decision has been taken to enforce on a loan, due to no agreement with the customer for a restructure/settlement and all customer engagement with the Group regarding their loan agreement has ceased;
- Inception of informal insolvency proceedings has commenced or is about to commence;
- Receivership or other formal recovery action (e.g. where expectation of recovery of collateral is expected through enforcement activity but no additional recoveries above the collateral value are anticipated) has commenced or is about to commence; and
- A loan is substantially provided for or no material repayments have been received for a period of time (minimum 12 months) and all customer engagement with the Group regarding their loan agreement has ceased.

Debt forgiveness may subsequently arise where there is a formal contract with the customer for the write-off of the loan. In addition, certain forbearance solutions and restructuring agreements may include an element of debt write-down (debt forgiveness). Further details on forbearance are set out in section 2.1.6 - Forbearance overview.

The contractual amount outstanding of loans written-off during the year that are still subject to enforcement activity are outlined on page 211 and relate to non-contracted write-offs, both full and partial. The Group recognises cash received from the customer in excess of the carrying value of the loan after a non-contracted write-off as 'recoveries of amounts previously written-off' in the income statement.

#### ECL governance (audited)

The Board has put in place a framework, incorporating the governance and delegation structures commensurate with a material risk, to ensure credit risk is appropriately managed throughout the Group.

The key governance points in the ECL allowance approval process during 2025 were:

- Model Risk Committee;
- Asset and Liability Committee;
- Business level ECL Forum;
- Group Credit Committee; and
- Board Audit Committee.

For ECL governance, the Group's senior management employ expert judgement in assessing the adequacy of the ECL allowance. This is supported by detailed information on the portfolios of credit risk exposures and by the outputs of the measurement and classification approaches, coupled with internal and external data provided on both the short-term and long-term economic outlook. Business segments and Group management are required to ensure that there are appropriate levels of cover for all of the credit portfolios and must take account of both accounting and regulatory compliance when assessing the expected levels of loss.

Assessment of the credit quality of each business segment and subsidiaries is initially informed by the output of the quantitative analytical models but may be subject to management adjustments.

This ECL output is then scrutinised and approved at an individual business unit level (ECL Forum), which also includes subsidiaries, prior to onward submission to the GCC.

GCC reviews and challenges ECL levels for onward recommendation to the Board Audit Committee as the final approval authority. The Board Audit Committee then recommends the Group's financial results to the Board for ultimate final approval.

### Credit risk management consideration of Climate and Environmental (C&E) risks

The Group's year-end 2025 assessment concluded that C&E risks are not materially affecting credit quality or ECLs, with portfolio performance remaining stable and no adverse movements attributable to climate-related factors. Physical risks, notably flood risk, are well understood and managed through underwriting standards, collateral controls and established governance, while transition risks remain concentrated in a small number of sectors and are subject to enhanced monitoring, with no material credit impacts observed to date.

The Group's Climate and Environmental Risk Framework, including scenario analysis, ESG governance and credit underwriting/limits, remains aligned with prevailing supervisory expectations and continues to strengthen as data and modelling improve. While work to enhance climate-related data remains ongoing, current assessments do not indicate under-capture of risk, and therefore no climate-specific PMA is required for year-end 2025. Further details on C&E risks are outlined in section 2.8 on page 236.

## Risk Management *continued*

### 2.1 Credit risk *continued*

#### Measurement, methodologies and judgements *continued*

##### Management judgements during the year:

- The international backdrop remains volatile, but the global economy is forecast to grow at a relatively solid pace. Inflation rates have normalised, and interest rate reduction cycles are nearing an end. Prior monetary policy easing is still supporting the real economy and property markets.
- Despite the recent period of heightened geopolitical uncertainty, unemployment rates have remained low in most economies. Although there are some signs of softening in labour markets (e.g. rising jobless rates etc.), conditions are forecast to remain resilient.
- There are significant downside risks to the outlook, including current geopolitical tensions as well as uncertainty over economic and trade policies related to the current US administration.
- The Group is of the view that risks to the economic outlook remain tilted to the downside and, for the purposes of IFRS 9 ECL reporting, has applied the following weightings for 31 December 2025, which are unchanged from 31 December 2024: Base 50%, Moderate Upside 5%, Moderate Downside 40% and Severe 5%. Further details are outlined in the Macroeconomic scenarios and weightings section below.
- The Group's sensitivity analysis to the macroeconomic scenario weightings are outlined on page 194. Under the 100% Downside 2 (Global trade war/Irish FDI shock) scenario, a 63% increase in ECL compared to the Reported ECL allowance stock is estimated.
- ECL allowance stock relating to post model adjustments (PMAs) has decreased by €59 million in the year to €294 million. ECL allowance stock relating to PMAs as a percentage of total ECL stock on loans and advances to customers has remained unchanged at 26%. The reduction in PMA stock is largely driven by utilisation as risks previously identified are now captured in the modelled outcomes and through portfolio disposals. Further details are outlined under the PMA section on pages 195 and 196.

#### Macroeconomic scenarios and weightings

The macroeconomic scenarios used by the Group for ECL allowance calculation purposes have been developed in a consistent way with that set out in the 2024 Annual Financial Report and have been subject to the Group's established governance process covering the development and approval of macroeconomic scenarios used for planning and internal stress testing purposes. The macroeconomic scenarios are reviewed by the Asset and Liability Committee (ALCo) regularly, and such reviews took place frequently during 2025 in response to economic developments. The macroeconomic scenarios are then reviewed by the Board Risk Committee (BRC) and approved for use by the Board. The scenario probabilities are approved by the Board Audit Committee (BAC).

The parameters used within the Group's ECL models include macroeconomic factors which have been established as drivers of the default risk and loss estimates. Therefore, a different credit loss estimate is produced for each scenario based on a combination of these identified macroeconomic factors. The credit loss estimates for each scenario are then weighted by the assessed likelihood of occurrence of the respective scenarios to yield the ECL outcome.

The IMF expects modest global growth of 3.3% and 3.2% in 2026 and 2027, with headline inflation projected to converge back to target gradually, with stickier inflation in the US and other advanced economies compared to developing markets such as China. The UK and EU economies saw modest activity growth during 2025, in line with 2024. There are significant downside risks to the outlook, including ongoing geopolitical tensions, geo-economic fragmentation, as well as elevated trade policy uncertainty associated with the current US administration, which has the potential to reinforce fragility in the European economy. Upside potential exists in the form of improved business and consumer sentiment that could boost economic activity if geopolitical tensions subside and monetary policy continues to ease, productivity gains from artificial intelligence, and the use of savings to support higher consumer spending in countries such as Ireland.

As part of the process of deriving an ECL calculation, a range of plausible scenarios was considered given the prevailing trends, emerging risks and uncertainties facing the domestic and global economies, as at the financial reporting date.

The Group has applied four scenarios in the calculation of ECL that, in its view, reflect ongoing uncertainty regarding the economic outlook, as at the reporting date. These four scenarios consist of a base case scenario and three alternative scenarios (consisting of one upside and two downside scenarios). These alternative scenarios encompass a range of outcomes due to heightened geopolitical tensions, compared to Base (Downside 1), a global trade war and a severe correction in financial markets, leading to a credit crunch (Downside 2) and the impact of a de-escalation of geopolitical tensions on global economic activity

(Upside). Non-linear effects are captured in the development of the respective risk parameters.

The Group's Economic Research Unit (ERU) provide the assumptions for each scenario over five years. These are then independently reviewed and challenged, on both a quantitative and qualitative basis, by the Group's Risk function. The base case is benchmarked against the outlook available from official sources (e.g., Central Bank of Ireland, IMF, ECB, Bank of England, etc.), as well as private sector sources to ensure it is appropriate.

The long-term projections reflect the relatively limited climate change mitigation policies, mainly comprising the continued gradual substitution of gas for coal, that have been announced so far. Without significantly enhanced mitigating actions, the world is on course to warm by about 2°C above pre-industrial levels by 2050. The long-term baseline scenario seeks to follow the International Energy Agency (IEA) 'stated policies' scenario and implies emissions remaining roughly constant.

The scenarios used for the year-end ECL process are described below and reflect the views of the Group as at the reporting date.

**Base case:** The economic backdrop is characterised by robust growth, despite geopolitical risk. Lower inflation and prior cuts to central bank rates should continue to support economic activity in the near term. Geopolitical tensions act as a headwind to growth via higher potential fragmentation in global trade patterns, but artificial intelligence (AI) deployment is also underpinning global trade and investment.

Ireland's economy is projected to grow moderately, by 3% in 2026. The outlook is for low and stable inflation (averaging 2% over the 2026-2030 period). Labour market performance remains solid, with unemployment expected to average 5% over the same period. House prices are anticipated to rise modestly, by 2.5% in 2026, due to robust demand alongside improvements in supply, while commercial property prices are expected to grow by 5%, following several years of contraction.

UK economic momentum remains subdued, and GDP growth of 1.2% is expected in 2026. Unemployment is projected to remain low at 4.9%. Property prices are likely to rise modestly driven by factors such as falling interest rates, gains in real incomes and supply shortages. Gains are also expected for commercial property prices.

Growth in the US economy is forecasted to decelerate with average growth of 1.7% over the 2026-2030 period expected. Interest rates are projected to trough during 2026 as all central banks near the end of the current easing cycles.

Subdued GDP growth of 1.1% is anticipated for the Euro area in 2026, picking up in later years as the fiscal stimulus begins to boost economic activity.



## 2.1 Credit risk continued

### Measurement, methodologies and judgements continued

#### Macroeconomic scenarios and weightings continued

Downside 1 (Escalating geopolitical tensions): In this scenario, deepening geopolitical tensions and global fragmentation weighs on global trade and GDP growth. Consequently, global inflation proves to be initially sticky in 2026, but falls below the 2% target thereafter.

Central banks rates move in line with base case, including no change by the ECB, until end-2026, before cutting rapidly during 2027. Conditions in financial markets tighten, with rises in bond yields and credit spreads and falls on stock markets.

Corrections in financial markets amplify the downturn in the real economy. As a result, all major economies experience a shallow recession in 2026-2027, followed by a sluggish recovery in activity. In Ireland, GDP growth slows sharply and unemployment peaks at 10% in 2028.

Downside 2 (Global trade war/Irish FDI shock): In this scenario, a further rapid escalation in tariffs by the US and material retaliation by its trade partners, alongside a severe correction in financial markets, depresses consumer and business confidence, precipitating a collapse in economic growth in 2026 and 2027. GDP growth is seen picking up thereafter in the period 2028-2030. While tariffs are temporarily inflationary, the hit to demand means central banks begin cutting rates aggressively to support economies from mid-2026. The severe downturn exposes underlying vulnerabilities in the financial sector, especially in the global commercial real estate market and potential credit stresses lead to increased defaults and instability within the financial system.

Upside (Easing geopolitical tensions): In this scenario, we see the combination of easing global trade tensions resulting in lower tariffs from 2026, boosting business and consumer confidence, and having a positive impact on financial markets, which combined with faster labour force growth raises global economic activity. AI productivity gains amplify the growth cycle. Combined with faster labour force growth, this raises global economic activity which benefits the Group's key markets.

The table below sets out the five-year average forecast for each of the key macroeconomic variables that are required to generate the scenarios or are material drivers of the ECL under (i) Base, (ii) Downside 1, (iii) Downside 2 and (iv) Upside scenarios at 31 December 2025 (average over 2026-2030) and at 31 December 2024 (average over 2025-2029).

| Macroeconomic factor (%)          | December 2025<br>5 year (2026-2030) average forecast |                                                        |                                                        |                                                | December 2024<br>5 year (2025-2029) average forecast |                                          |                                  |                               |
|-----------------------------------|------------------------------------------------------|--------------------------------------------------------|--------------------------------------------------------|------------------------------------------------|------------------------------------------------------|------------------------------------------|----------------------------------|-------------------------------|
|                                   | Base                                                 | Downside 1<br>(Escalating<br>geopolitical<br>tensions) | Downside 2<br>(Global trade<br>war/Irish FDI<br>shock) | Upside<br>(Easing<br>geopolitical<br>tensions) | Base                                                 | Downside 1<br>(Geopolitical<br>tensions) | Downside 2<br>(Credit<br>crunch) | Upside<br>(Quick<br>recovery) |
| <b>Republic of Ireland</b>        |                                                      |                                                        |                                                        |                                                |                                                      |                                          |                                  |                               |
| GDP growth                        | 3.0                                                  | 2.4                                                    | 0.9                                                    | 3.8                                            | 3.0                                                  | 1.8                                      | 0.7                              | 3.8                           |
| Residential property price growth | 2.1                                                  | 0.1                                                    | (4.1)                                                  | 4.2                                            | 2.5                                                  | (0.1)                                    | (4.7)                            | 4.2                           |
| Unemployment rate                 | 5.0                                                  | 8.3                                                    | 10.7                                                   | 4.4                                            | 4.5                                                  | 7.4                                      | 10.1                             | 3.9                           |
| Commercial property price growth  | 3.4                                                  | (1.1)                                                  | (3.9)                                                  | 5.8                                            | 3.4                                                  | (1.2)                                    | (5.2)                            | 5.8                           |
| Employment growth                 | 1.8                                                  | 0.9                                                    | (0.5)                                                  | 2.2                                            | 1.5                                                  | 1.0                                      | (0.6)                            | 1.9                           |
| Average disposable Income growth  | 5.0                                                  | 3.6                                                    | 2.6                                                    | 6.3                                            | 4.4                                                  | 4.0                                      | 3.0                              | 6.5                           |
| Inflation                         | 2.0                                                  | 1.9                                                    | 1.7                                                    | 3.1                                            | 2.0                                                  | 2.9                                      | 1.9                              | 3.1                           |
| <b>United Kingdom</b>             |                                                      |                                                        |                                                        |                                                |                                                      |                                          |                                  |                               |
| GDP growth                        | 1.4                                                  | 0.6                                                    | (0.3)                                                  | 1.8                                            | 1.5                                                  | 0.6                                      | (0.1)                            | 2.1                           |
| Residential property price growth | 2.2                                                  | (0.7)                                                  | (4.9)                                                  | 4.4                                            | 2.6                                                  | (1.1)                                    | (5.4)                            | 4.6                           |
| Unemployment rate                 | 4.8                                                  | 7.6                                                    | 9.1                                                    | 3.9                                            | 4.6                                                  | 7.6                                      | 9.1                              | 3.8                           |
| Commercial property price growth  | 2.9                                                  | (1.7)                                                  | (4.2)                                                  | 5.3                                            | 2.8                                                  | (1.8)                                    | (6.1)                            | 5.1                           |
| Inflation                         | 2.1                                                  | 2.1                                                    | 1.9                                                    | 3.5                                            | 2.1                                                  | 2.7                                      | 1.8                              | 3.4                           |

## Risk Management *continued*

### 2.1 Credit risk *continued*

#### Measurement, methodologies and judgements *continued*

##### Macroeconomic scenarios and weightings *continued*

Additional information is provided in the table below which details the individual macroeconomic factor forecast for each year across the four scenarios, at 31 December 2025.

| Macroeconomic factor              | Estimate  | Base      |           |           |           |           | Downside 1<br>(Escalating geopolitical tensions) |           |           |           |           |
|-----------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|--------------------------------------------------|-----------|-----------|-----------|-----------|
|                                   | 2025<br>% | 2026<br>% | 2027<br>% | 2028<br>% | 2029<br>% | 2030<br>% | 2026<br>%                                        | 2027<br>% | 2028<br>% | 2029<br>% | 2030<br>% |
| <b>Republic of Ireland</b>        |           |           |           |           |           |           |                                                  |           |           |           |           |
| GDP growth <sup>1</sup>           | 7.0       | 3.0       | 3.8       | 2.8       | 2.8       | 2.7       | 1.7                                              | 1.3       | 2.7       | 3.1       | 3.3       |
| Residential property price growth | 3.5       | 2.5       | 2.0       | 2.0       | 2.0       | 2.0       | (6.0)                                            | (2.5)     | 4.0       | 2.5       | 2.5       |
| Unemployment rate                 | 4.8       | 5.0       | 5.2       | 5.1       | 5.0       | 4.9       | 5.9                                              | 8.0       | 10.0      | 9.1       | 8.4       |
| Commercial property price growth  | 1.0       | 5.0       | 3.0       | 3.0       | 3.0       | 3.0       | (10.0)                                           | (3.5)     | 3.0       | 3.0       | 2.0       |
| Employment growth                 | 2.2       | 1.8       | 1.6       | 1.9       | 2.0       | 1.9       | 0.6                                              | (1.0)     | 0.6       | 2.5       | 2.0       |
| Average disposable income growth  | 5.7       | 4.6       | 4.0       | 5.5       | 5.5       | 5.5       | 3.8                                              | 1.7       | 2.7       | 4.7       | 5.0       |
| Inflation                         | 1.7       | 1.9       | 2.1       | 2.0       | 2.0       | 2.0       | 1.8                                              | 1.7       | 2.0       | 2.0       | 2.0       |
| <b>United Kingdom</b>             |           |           |           |           |           |           |                                                  |           |           |           |           |
| GDP growth                        | 1.2       | 1.2       | 1.5       | 1.4       | 1.4       | 1.3       | —                                                | (0.7)     | 0.8       | 1.4       | 1.5       |
| Residential property price growth | 1.7       | 3.0       | 2.0       | 2.0       | 2.0       | 2.0       | (8.5)                                            | (3.0)     | 2.0       | 3.0       | 3.0       |
| Unemployment rate                 | 4.7       | 4.9       | 4.8       | 4.7       | 4.7       | 4.7       | 6.1                                              | 7.8       | 8.6       | 8.1       | 7.5       |
| Commercial property price growth  | 2.5       | 5.0       | 3.0       | 2.5       | 2.0       | 2.0       | (11.0)                                           | (3.0)     | 1.5       | 2.0       | 2.0       |
| Inflation                         | 3.5       | 2.7       | 2.0       | 2.0       | 2.0       | 2.0       | 2.7                                              | 1.7       | 2.0       | 2.0       | 2.0       |

1. The macroeconomic scenario assumptions presented in these tables were prepared in Q4 2025 using information available at the time.

| Macroeconomic factor              | Downside 2<br>(Global trade war/Irish FDI shock) |           |           |           |           | Upside<br>(Easing geopolitical tensions) |           |           |           |           |
|-----------------------------------|--------------------------------------------------|-----------|-----------|-----------|-----------|------------------------------------------|-----------|-----------|-----------|-----------|
|                                   | 2026<br>%                                        | 2027<br>% | 2028<br>% | 2029<br>% | 2030<br>% | 2026<br>%                                | 2027<br>% | 2028<br>% | 2029<br>% | 2030<br>% |
| <b>Republic of Ireland</b>        |                                                  |           |           |           |           |                                          |           |           |           |           |
| GDP growth                        | (0.5)                                            | (4.3)     | 2.4       | 3.3       | 3.8       | 5.9                                      | 5.4       | 3.4       | 1.9       | 2.4       |
| Residential property price growth | (10.0)                                           | (12.5)    | (0.5)     | 1.0       | 1.5       | 6.5                                      | 5.0       | 4.0       | 3.0       | 2.5       |
| Unemployment rate                 | 6.7                                              | 9.7       | 12.1      | 12.5      | 12.6      | 4.5                                      | 4.4       | 4.3       | 4.3       | 4.3       |
| Commercial property price growth  | (11.5)                                           | (13.0)    | (1.0)     | 2.5       | 3.5       | 7.0                                      | 10.0      | 5.0       | 4.0       | 3.0       |
| Employment growth                 | (1.1)                                            | (2.8)     | (1.6)     | 1.3       | 1.8       | 2.7                                      | 2.5       | 2.1       | 1.9       | 1.8       |
| Average disposable income growth  | 2.3                                              | 0.1       | 1.4       | 4.3       | 5.0       | 7.1                                      | 7.6       | 6.5       | 5.1       | 5.0       |
| Inflation                         | 1.8                                              | 1.2       | 1.6       | 2.0       | 2.0       | 3.4                                      | 4.6       | 3.0       | 2.5       | 2.0       |
| <b>United Kingdom</b>             |                                                  |           |           |           |           |                                          |           |           |           |           |
| GDP growth                        | (1.6)                                            | (3.3)     | 0.3       | 1.5       | 1.7       | 1.6                                      | 2.4       | 2.0       | 1.6       | 1.2       |
| Residential property price growth | (11.0)                                           | (14.0)    | (2.0)     | 1.0       | 1.5       | 6.5                                      | 5.5       | 4.0       | 3.0       | 3.0       |
| Unemployment rate                 | 6.4                                              | 8.6       | 10.0      | 10.5      | 10.0      | 4.2                                      | 3.9       | 3.8       | 3.5       | 3.9       |
| Commercial property price growth  | (12.5)                                           | (14.0)    | (1.0)     | 2.5       | 4.0       | 7.5                                      | 6.0       | 5.0       | 4.0       | 4.0       |
| Inflation                         | 2.1                                              | 1.5       | 1.7       | 2.0       | 2.0       | 5.0                                      | 4.8       | 3.0       | 2.5       | 2.0       |

The key differences to the scenario forecasts versus 31 December 2024 relate to downward revisions to inflation in our main markets, with somewhat weaker economic growth and higher inflation in the US. Irish, UK and Euro area projections remain broadly unchanged. Labour markets in all our key markets have remained robust, but unemployment rates are expected to trend slightly higher as conditions soften. House price growth expectations remain largely unchanged. The four scenarios detailed above are designed to capture a reasonable range of plausible outcomes. The ECL allowance reflects a weighted average of the credit loss estimates under the four scenarios. Similar to the scenario forecasts, the probability weight assigned to each scenario is proposed by the ERU, with a review and challenge from the Group Risk function. The probabilities described below reflect the views of the Group at the reporting date.

## 2.1 Credit risk *continued*

### Measurement, methodologies and judgements *continued*

#### Macroeconomic scenarios and weightings *continued*

The weights for the scenarios at the reporting date are ultimately based on expert judgement, with reference to external market information where possible, though the decision is also informed by analysis using more formal econometric methods (e.g., early warning indicators of economic activity) to assess the relative probabilities of moderate and more severe economic downturns. The weightings associated with the four scenarios remain unchanged compared to those at 31 December 2024. The continued high weighting for Downside 1 for this reporting period reflects an elevated geopolitical risk affecting the economy via key global trade channels.

The weightings that have been applied as at 31 December 2025 and 2024 are:

| Scenario <i>(audited)</i>                     | Weighting     |                                    | Weighting     |
|-----------------------------------------------|---------------|------------------------------------|---------------|
|                                               | December 2025 |                                    | December 2024 |
| Base                                          | <b>50%</b>    | Base                               | 50%           |
| Downside 1 (Escalating geopolitical tensions) | <b>40%</b>    | Downside 1 (Geopolitical tensions) | 40%           |
| Downside 2 (Global trade war/Irish FDI shock) | <b>5%</b>     | Downside 2 (Credit crunch)         | 5%            |
| Upside (Easing geopolitical tensions)         | <b>5%</b>     | Upside (Quick recovery)            | 5%            |

In assessing the adequacy of the ECL allowance, the Group has considered all available forward looking information as of the balance sheet date in order to estimate the future expected credit losses. The Group, through its risk management processes (including the use of expert credit judgement and other techniques) assesses its ECL allowance for events that cannot be captured by the statistical models it uses and for other risks and uncertainties. The assessment of ECL at the balance sheet date does not reflect the worst case outcome, but rather a probability weighted outcome of the four scenarios. Should the credit environment deteriorate beyond the Group's expectation, the Group's estimate of ECL would increase accordingly.

## Risk Management *continued*

### 2.1 Credit risk *continued*

#### Measurement, methodologies and judgements *continued*

##### Sensitivities (audited)

The Group's estimates of expected credit losses are responsive to varying economic conditions and forward looking information. These estimates are driven by the relationship between historic experienced loss and the combination of macroeconomic variables. Given the co-relationship of each of the macroeconomic variables to one another and the fact that loss estimates do not follow a linear path, a sensitivity to any single economic variable is not meaningful. As such, the following sensitivities provide an indication of ECL movements that include changes in model estimates and quantitative 'significant increase in credit risk' (SICR) staging assignments, with a single 100% weighting applied individually.

Relative to the 100% Base scenario, the ECL allowance in the 100% Downside 1 and 2 scenarios increases by 30% (€312 million) and 85% (€896 million), respectively, and declines by 8% (€87 million) in the 100% Upside scenario. Relative impacts are similar for the AIB UK portfolio in most scenarios, with lower relative impact observed in the 100% Downside 2 scenario.

| ECL allowance at 31 December 2025                |              |              |                                                                |                                                                    |                                                        |
|--------------------------------------------------|--------------|--------------|----------------------------------------------------------------|--------------------------------------------------------------------|--------------------------------------------------------|
|                                                  | Reported     | 100% Base    | 100% Downside Scenario 1<br>(Escalating geopolitical tensions) | 100% Downside Scenario 2<br>(Global trade war/<br>Irish FDI shock) | 100% Upside Scenario<br>(Easing geopolitical tensions) |
| <b>Loans and advances to customers (audited)</b> | € m          | € m          | € m                                                            | € m                                                                | € m                                                    |
| Residential mortgages                            | 176          | 150          | 204                                                            | 427                                                                | 135                                                    |
| Other personal                                   | 131          | 122          | 139                                                            | 168                                                                | 117                                                    |
| Property and construction                        | 432          | 395          | 487                                                            | 586                                                                | 357                                                    |
| Non-property business                            | 404          | 339          | 480                                                            | 700                                                                | 313                                                    |
| <b>Total</b>                                     | <b>1,143</b> | <b>1,006</b> | <b>1,310</b>                                                   | <b>1,881</b>                                                       | <b>922</b>                                             |
| Off-balance sheet loan commitments               | 38           | 34           | 41                                                             | 53                                                                 | 32                                                     |
| Financial guarantee contracts                    | 10           | 9            | 10                                                             | 11                                                                 | 8                                                      |
|                                                  | <b>1,191</b> | <b>1,049</b> | <b>1,361</b>                                                   | <b>1,945</b>                                                       | <b>962</b>                                             |
| Of which:                                        |              |              |                                                                |                                                                    |                                                        |
| AIB UK segment                                   | 94           | 83           | 109                                                            | 114                                                                | 78                                                     |

| ECL allowance at 31 December 2024                |              |              |                                                     |                                             |                                          |
|--------------------------------------------------|--------------|--------------|-----------------------------------------------------|---------------------------------------------|------------------------------------------|
|                                                  | Reported     | 100% Base    | 100% Downside Scenario 1<br>(Geopolitical tensions) | 100% Downside Scenario 2<br>(Credit crunch) | 100% Upside Scenario<br>(Quick recovery) |
| <b>Loans and advances to customers (audited)</b> | € m          | € m          | € m                                                 | € m                                         | € m                                      |
| Residential mortgages                            | 270          | 241          | 304                                                 | 464                                         | 223                                      |
| Other personal                                   | 137          | 128          | 145                                                 | 167                                         | 124                                      |
| Property and construction                        | 464          | 410          | 569                                                 | 689                                         | 384                                      |
| Non-property business                            | 473          | 415          | 535                                                 | 636                                         | 393                                      |
| <b>Total</b>                                     | <b>1,344</b> | <b>1,194</b> | <b>1,553</b>                                        | <b>1,956</b>                                | <b>1,124</b>                             |
| Off-balance sheet loan commitments               | 44           | 36           | 46                                                  | 60                                          | 34                                       |
| Financial guarantee contracts                    | 13           | 12           | 16                                                  | 20                                          | 12                                       |
|                                                  | <b>1,401</b> | <b>1,242</b> | <b>1,615</b>                                        | <b>2,036</b>                                | <b>1,170</b>                             |
| Of which:                                        |              |              |                                                     |                                             |                                          |
| AIB UK segment                                   | 174          | 160          | 192                                                 | 206                                         | 151                                      |



## 2.1 Credit risk continued

### Measurement, methodologies and judgements continued

#### Post model adjustments (PMAs) (audited)

PMAs are applied where management believe that they are necessary to ensure an adequate level of ECL provision and to address known model limitations and/or novel risks not captured in the models. They may also be used where models are being redeveloped but are not yet deployed, where the impact of introducing the new models can be accurately quantified.

PMAs are approved through the ECL governance process within which the appropriateness of PMAs is considered against:

- The backdrop of the risk profile of the loan book;
- Recent loss history or changes in underlying resolution strategies not captured in the models; and
- Management's view of novel risks.

At 31 December 2025, the Group has continued to consider all PMAs in light of the current economic environment and continued geopolitical tensions. The calculation of PMAs and ECL adjustments requires a high degree of judgement, particularly in relation to emerging macroeconomic and sectoral risks. PMAs were reviewed within this context, and a cautious approach was taken to ensure an appropriate level of protection against potential vulnerabilities amid ongoing economic uncertainty. Release of PMAs will occur as new models are deployed or where the risk has been judged by management to be captured in the modelled outcomes, or to have passed.

The PMAs approved for 31 December 2025 (and 2024 comparison) are set out below and are categorised as follows:

- **Non-performing exposure (NPE) resolution (€79 million)** – ECL adjustments where the current model does not consider all potential downside risks or a range of outcomes that should be incorporated into the final loss estimate for defaulted assets.
- **Sectoral/Emerging risks (€115 million)** – ECL adjustments which reflect novel risks within a sector or portfolio for which there has not been time to embed an adjustment within the related models. This also refers to ECL adjustments for which time is needed for events to evolve or impacts to crystallise.
- **Future model developments/Other (€100 million)** – ECL adjustments required where the impact of upcoming model changes or recalibrations is known with sufficient accuracy and ECL adjustments where it was judged that an amendment to the modelled ECL was required for reasons other than the above.

| Post model adjustments<br>(audited)                 | 2025                         |                |                             |                                        |            |                        |                                                 |
|-----------------------------------------------------|------------------------------|----------------|-----------------------------|----------------------------------------|------------|------------------------|-------------------------------------------------|
|                                                     | ECL allowance<br>before PMAs | NPE resolution | Sectoral/<br>Emerging risks | Future model<br>developments/<br>Other | Total PMAs | Total ECL<br>allowance | Proportion of<br>PMAs to total<br>ECL allowance |
|                                                     | € m                          | € m            | € m                         | € m                                    | € m        | € m                    | %                                               |
| Residential mortgages                               | 163                          | 12             | —                           | 1                                      | 13         | 176                    | 7                                               |
| Other personal                                      | 113                          | 18             | —                           | —                                      | 18         | 131                    | 14                                              |
| Property and construction                           | 264                          | 34             | 63                          | 71                                     | 168        | 432                    | 39                                              |
| Non-property business                               | 309                          | 15             | 52                          | 28                                     | 95         | 404                    | 24                                              |
| Total loans and advances to<br>customers            | 849                          | 79             | 115                         | 100                                    | 294        | 1,143                  | 26                                              |
| Loan commitments and<br>financial guarantees issued | 48                           | —              | —                           | —                                      | —          | 48                     | —                                               |
| <b>Total ECL allowance</b>                          | <b>897</b>                   | <b>79</b>      | <b>115</b>                  | <b>100</b>                             | <b>294</b> | <b>1,191</b>           | <b>25</b>                                       |

| Post model adjustments<br>(audited)                 | 2024                         |                |                             |                                        |            |                        |                                                 |
|-----------------------------------------------------|------------------------------|----------------|-----------------------------|----------------------------------------|------------|------------------------|-------------------------------------------------|
|                                                     | ECL allowance<br>before PMAs | NPE resolution | Sectoral/<br>Emerging risks | Future model<br>developments/<br>Other | Total PMAs | Total ECL<br>allowance | Proportion of<br>PMAs to total<br>ECL allowance |
|                                                     | € m                          | € m            | € m                         | € m                                    | € m        | € m                    | %                                               |
| Residential mortgages                               | 222                          | 48             | —                           | —                                      | 48         | 270                    | 18                                              |
| Other personal                                      | 125                          | 12             | —                           | —                                      | 12         | 137                    | 9                                               |
| Property and construction                           | 234                          | 76             | 60                          | 94                                     | 230        | 464                    | 50                                              |
| Non-property business                               | 410                          | 6              | 3                           | 54                                     | 63         | 473                    | 13                                              |
| Total loans and advances to<br>customers            | 991                          | 142            | 63                          | 148                                    | 353        | 1,344                  | 26                                              |
| Loan commitments and<br>financial guarantees issued | 57                           | —              | —                           | —                                      | —          | 57                     | —                                               |
| <b>Total ECL allowance</b>                          | <b>1,048</b>                 | <b>142</b>     | <b>63</b>                   | <b>148</b>                             | <b>353</b> | <b>1,401</b>           | <b>25</b>                                       |

## Risk Management *continued*

### 2.1 Credit risk *continued*

#### Measurement, methodologies and judgements *continued*

##### Post model adjustments (PMAs) *(audited)*

##### NPE resolution *(audited)*

At 31 December 2025, a total PMA of €79 million on non-performing exposures reflects the Group's continued prudent approach to downside risks not fully captured by the existing models.

A PMA of €12 million continues to be held against Stage 3 mortgages at 31 December 2025. This has reduced from €48 million at 31 December 2024 following the recent NPE portfolio sale. The PMA addresses potential ECL underestimation relating to portfolio sale assumptions embedded in the mortgage model and is informed by the outcome of the recent portfolio sale, with a read across applied to the remaining Stage 3 mortgage portfolio.

Within the unsecured Stage 3 Retail portfolio, a PMA of €26 million (€18 million for other personal, €7 million for non-property business and €1 million for property) was approved at 31 December 2025, informed by the outcome of the recent portfolio sale and read across to the residual unsecured Retail Stage 3 portfolio. This adjustment recognises the potential for further loss emergence in this segment, particularly considering recent disposal activity.

A PMA of €40 million (€32 million for property and €8 million for non-property business) continues to account for latent risks and alternative resolution strategies, such as NPE portfolio loan sales or collateral valuations, which remain sensitive to prevailing market conditions. This adjustment reflects the Group's assessment of potential reductions in asset values and the impact of market volatility on recovery strategies.

Other PMAs amounting to a further €1 million in this category are not individually significant.

##### Sectoral/Emerging risks *(audited)*

At 31 December 2025, a total PMA of €115 million reflects sectoral and emerging risks, consistent with the Group's cautious stance in addressing novel risks within specific sectors or portfolios.

A PMA of €72 million addresses the latent risk of potential increased forbearance activity. This PMA also takes into consideration the Group's cautious approach to the potential increase in case migrations to forbearance against the current uncertain economic outlook. €62 million of the PMA predominantly relates to the commercial real estate property portfolio. At 31 December 2025, €10 million reflects the increased risk of forbearance in the non-property business portfolio.

A further €40 million PMA was approved at 31 December 2025 for the C&IC segment. A PMA of €30 million reflects the identification of specific risk characteristics and emerging underperforming trends impacting a small number of borrowers within the fibre/broadband infrastructure sector. A PMA of €10 million reflects novel geopolitical risks impacting some renewable assets.

Other PMAs amounting to a further €3 million in this category are not individually significant.

##### Future model developments/Other *(audited)*

At 31 December 2025, a total PMA of €100 million primarily reflects the impact of upcoming model changes.

Within the Capital Markets property portfolio, the recalibrated investment property model which was deployed in June 2025 is expected to result in additional exposures migrating to Stage 2. At 31 December 2024, a PMA of €90 million was introduced to reflect the potential increase in Stage 2 balances and associated ECL. At 31 December 2025, the PMA has been reduced to €70 million, which includes the impact of a staging adjustment to transfer €0.6 billion of Stage 1 loans to Stage 2.

PMAs in place for the deployment of new models for non-property business (€13 million) and the Syndicated & International Finance (SIF) portfolio (€6 million) in Capital Markets have been retained at reduced levels for 31 December 2025. This reduction reflects the regrading of cases on the new models and a more stable geopolitical risk outlook.

Other PMAs amounting to a further €11 million in this category are not individually significant.

## 2.1.1 Credit risk – Credit exposure overview

### Key credit profile metrics in 2025:

- The credit quality of the lending portfolio remained stable during the year, supported by the continued resilience of the Irish economy despite a more challenging international environment. While latent and emerging risks, including geopolitical factors have moderated during the year, they continue to be monitored closely given the uncertain external landscape. There was a net credit impairment charge of €172 million in 2025 (2024: €55 million) comprising a €178 million charge on loans and advances to customers (2024: €60 million) partially offset by an €8 million writeback for off-balance sheet exposures (2024: €3 million writeback). There was a further €3 million charge for investment securities exposures (2024: €2 million writeback) and a €1 million writeback for securities financing exposures (2024: Nil).
- Total gross loans and advances to customers increased to €72.3 billion from €71.2 billion year-on-year. The movement reflects new lending of €14.7 billion, partially offset by redemptions/repayments of €12.3 billion, adverse foreign exchange movements of €0.8 billion, and portfolio disposals of €0.4 billion. ECL stock of €1.1 billion represents an overall coverage ratio of 1.6% (2024: €1.3 billion, 1.9%). The reduction in coverage primarily reflects the impact of model recalibrations and deleveraging activity within higher-coverage portfolios.
- Total new lending amounted to €14.7 billion for the year, representing an increase of €0.2 billion or 2% compared with 2024 (€14.5 billion). The growth was driven primarily by a 25% increase in property lending to €2.0 billion, reflecting a degree of recovery in real estate investment activity and UK lending from a subdued prior period. New lending in the non-property business sector remained broadly in line with the prior year, while personal lending was up 4%, mortgage lending recorded a decline of 4%.
- The staging composition of the portfolio remained stable during the year, with Stage 1 loans at 87%, Stage 2 at 11%, and Stage 3 at 2% (2024: 86%, 11% and 3%, respectively). Stage 1 loans increased by €1.7 billion to €62.8 billion (2024: €61.1 billion), while Stage 2 loans decreased by €0.2 billion to €7.8 billion (2024: €8.0 billion). Reductions in Stage 2 loans were recorded across all asset classes with the exception of the non-property business portfolio, which increased by €0.3 billion. The increase was primarily driven by the C&IC portfolio, reflecting enhanced qualitative SICR triggers and a number of sector-specific borrower downgrades from Stage 1 to Stage 2. Non-performing loans reduced to €1.6 billion, a year-on-year decline of €0.4 billion, largely attributable to portfolio disposals of €0.3 billion. NPLs represent 2.2% of total gross loans (2024: 2.8%).

### Maximum exposure to credit risk (audited)

Maximum exposure to credit risk from on-balance sheet and off-balance sheet financial instruments is presented before taking account of any collateral held or other credit enhancements (unless such enhancements meet accounting offsetting requirements). For financial assets recognised on the statement of financial position, the maximum exposure to credit risk is their carrying amount, and for financial guarantees and similar contracts granted, it is the maximum amount the Group would have to pay if the guarantees were called upon. For loan commitments and other credit related commitments that are irrevocable over the life of the respective facilities, it is generally the full amount of the committed facilities.

Credit risk exposure derives from standard on-balance sheet products such as mortgages, loans, overdrafts and credit cards. In addition, credit risk arises from other products and activities including, but not limited to: 'off-balance sheet' guarantees and commitments; securities financing; investment securities; asset backed securities; and the failure/partial failure of a trade in a settlement or payments system.

The Group manages and reduces its net exposure to credit risk through the use of collateral, netting arrangements and risk transfer strategies. Further information on credit risk mitigants is provided on pages 184 and 185.

The following table sets out the financial instruments in the statement of financial position and the Group's maximum exposure to credit risk on those financial instruments at 31 December 2025 and 2024.

| Maximum exposure to credit risk (audited)             | 2025                                   |                                 |                |                     |                  |               |                |
|-------------------------------------------------------|----------------------------------------|---------------------------------|----------------|---------------------|------------------|---------------|----------------|
|                                                       | Income statement                       | Statement of financial position |                |                     | Maximum exposure |               |                |
|                                                       | Net credit impairment charge/writeback | Exposure                        | ECL allowance  | Carrying amount     | Amortised cost   | Fair value    | Total          |
|                                                       | € m                                    | € m                             | € m            | € m                 | € m              | € m           | € m            |
| Cash and balances at central banks <sup>1</sup>       | —                                      | 40,571                          | —              | 40,571 <sup>1</sup> | 39,920           | —             | 39,920         |
| Derivative financial instruments                      | —                                      | 1,641                           | —              | 1,641               | —                | 1,641         | 1,641          |
| Loans and advances to banks                           | —                                      | 601                             | —              | 601                 | 601              | —             | 601            |
| Loans and advances to customers                       | (178)                                  | 72,343                          | (1,143)        | 71,200              | 71,116           | 84            | 71,200         |
| Securities financing                                  | 1                                      | 7,339                           | —              | 7,339               | 7,339            | —             | 7,339          |
| Investment securities <sup>2</sup>                    | (3)                                    | 21,245                          | (1)            | 21,244              | 5,043            | 16,201        | 21,244         |
| Trading portfolio financial assets                    | —                                      | 286                             | —              | 286                 | —                | 286           | 286            |
| Other financial assets                                | —                                      | 1,039                           | (1)            | 1,038               | 1,012            | 26            | 1,038          |
|                                                       | (180)                                  | 145,065                         | (1,145)        | 143,920             | 125,031          | 18,238        | 143,269        |
| Loan commitments and other credit related commitments | 3                                      | 17,033                          | (38)           | (38)                | 16,995           | —             | 16,995         |
| Financial guarantees                                  | 5                                      | 1,206                           | (10)           | (10)                | 1,196            | —             | 1,196          |
|                                                       | 8                                      | 18,239 <sup>3</sup>             | (48)           | (48)                | 18,191           | —             | 18,191         |
| <b>Total</b>                                          | <b>(172)</b>                           | <b>163,304</b>                  | <b>(1,193)</b> | <b>143,872</b>      | <b>143,222</b>   | <b>18,238</b> | <b>161,460</b> |

1. Comprises balances at central banks of €39,920m and other cash on hand of €651m.

2. Excluding equity shares of €304m.

3. Comprises off-balance sheet instruments.

## Risk Management *continued*

### 2.1.1 Credit risk – Credit exposure overview *continued*

| Maximum exposure to credit risk <i>(audited)</i>      | 2024                                          |                                 |                  |                     |                   |               |                     |
|-------------------------------------------------------|-----------------------------------------------|---------------------------------|------------------|---------------------|-------------------|---------------|---------------------|
|                                                       | Income statement                              | Statement of financial position |                  |                     | Maximum exposure  |               |                     |
|                                                       | Net credit<br>impairment charge/<br>writeback | Exposure                        | ECL<br>allowance | Carrying<br>amount  | Amortised<br>cost | Fair<br>value | Total               |
|                                                       | € m                                           | € m                             | € m              | € m                 | € m               | € m           | € m                 |
| Cash and balances at central banks                    | —                                             | 37,315                          | —                | 37,315 <sup>1</sup> | 36,651            | —             | 36,651 <sup>1</sup> |
| Derivative financial instruments                      | —                                             | 2,144                           | —                | 2,144               | —                 | 2,144         | 2,144               |
| Loans and advances to banks                           | —                                             | 1,321                           | —                | 1,321               | 1,321             | —             | 1,321               |
| Loans and advances to customers                       | (60)                                          | 71,233                          | (1,344)          | 69,889              | 69,825            | 64            | 69,889              |
| Securities financing                                  | —                                             | 6,644                           | (1)              | 6,643               | 6,643             | —             | 6,643               |
| Investment securities <sup>2</sup>                    | 2                                             | 18,372                          | (1)              | 18,371              | 4,803             | 13,568        | 18,371              |
| Trading portfolio financial assets                    | —                                             | 136                             | —                | 136                 | —                 | 136           | 136                 |
| Other financial assets                                | —                                             | 592                             | (1)              | 591                 | 592               | —             | 592                 |
|                                                       | (58)                                          | 137,757                         | (1,347)          | 136,410             | 119,835           | 15,912        | 135,747             |
| Loan commitments and other credit related commitments | 1                                             | 16,823                          | (44)             | (44)                | 16,823            | —             | 16,823              |
| Financial guarantees                                  | 2                                             | 976                             | (13)             | (13)                | 976               | —             | 976                 |
|                                                       | 3                                             | 17,799 <sup>3</sup>             | (57)             | (57)                | 17,799            | —             | 17,799              |
| <b>Total</b>                                          | (55)                                          | 155,556                         | (1,404)          | 136,353             | 137,634           | 15,912        | 153,546             |

1. Comprises balances at central banks of €36,651m and other cash on hand of €664m.

2. Excluding equity shares of €297m.

3. Comprises off-balance sheet instruments.



## 2.1.1 Credit risk – Credit exposure overview continued

### Concentration by industry sector

The following tables set out the concentration of credit by industry sector and geography for loans and advances to customers and loan commitments and financial guarantee contracts issued together with the related ECL allowance analysed by the ECL stage profile at 31 December 2025 and 2024:

| Gross exposures to customers                         |                                 |                                                  |        | 2025                      |         |         |      |        |          |
|------------------------------------------------------|---------------------------------|--------------------------------------------------|--------|---------------------------|---------|---------|------|--------|----------|
|                                                      |                                 |                                                  |        | At amortised cost         |         |         |      |        | At FVTPL |
|                                                      | Gross carrying amount           |                                                  |        | Analysed by stage profile |         |         |      |        |          |
|                                                      | Loans and advances to customers | Loan commitments and financial guarantees issued | Total  | Stage 1                   | Stage 2 | Stage 3 | POCI | Total  | Total    |
| Concentration by industry sector                     | € m                             | € m                                              | € m    | € m                       | € m     | € m     | € m  | € m    | € m      |
| Non-property business:                               |                                 |                                                  |        |                           |         |         |      |        |          |
| Natural resources                                    | 5,443                           | 2,099                                            | 7,542  | 6,543                     | 942     | 57      | —    | 7,542  | 29       |
| Of which renewables                                  | 4,972                           | 1,379                                            | 6,351  | 5,408                     | 893     | 50      | —    | 6,351  | —        |
| Leisure                                              | 2,796                           | 448                                              | 3,244  | 2,754                     | 438     | 50      | 2    | 3,244  | —        |
| Manufacturing                                        | 2,894                           | 2,323                                            | 5,217  | 4,319                     | 830     | 67      | 1    | 5,217  | —        |
| Health, education and social work                    | 1,887                           | 392                                              | 2,279  | 2,017                     | 248     | 14      | —    | 2,279  | 10       |
| Services                                             | 2,458                           | 1,630                                            | 4,088  | 3,713                     | 321     | 52      | 2    | 4,088  | —        |
| Agriculture, forestry and fishing                    | 1,634                           | 677                                              | 2,311  | 1,823                     | 405     | 78      | 5    | 2,311  | —        |
| Retail and wholesale trade                           | 2,059                           | 1,911                                            | 3,970  | 3,395                     | 518     | 53      | 4    | 3,970  | 27       |
| Transport and storage                                | 1,839                           | 749                                              | 2,588  | 2,382                     | 185     | 20      | 1    | 2,588  | —        |
| Telecommunications, media and technology             | 1,444                           | 397                                              | 1,841  | 1,431                     | 206     | 204     | —    | 1,841  | 18       |
| Financial, insurance and other government activities | 446                             | 1,057                                            | 1,503  | 1,471                     | 31      | 1       | —    | 1,503  | —        |
| Total non-property business                          | 22,900                          | 11,683                                           | 34,583 | 29,848                    | 4,124   | 596     | 15   | 34,583 | 84       |
| Property and construction                            | 8,389                           | 2,105                                            | 10,494 | 7,565                     | 2,554   | 374     | 1    | 10,494 | —        |
| Residential mortgages                                | 37,531                          | 1,409                                            | 38,940 | 36,399                    | 1,795   | 596     | 150  | 38,940 | —        |
| Other personal                                       | 3,439                           | 3,042                                            | 6,481  | 5,654                     | 731     | 96      | —    | 6,481  | —        |
| Total                                                | 72,259                          | 18,239                                           | 90,498 | 79,466                    | 9,204   | 1,662   | 166  | 90,498 | 84       |
| Concentration by location <sup>1</sup>               |                                 |                                                  |        |                           |         |         |      |        |          |
| Republic of Ireland                                  | 56,375                          | 13,278                                           | 69,653 | 61,061                    | 7,145   | 1,281   | 166  | 69,653 | 84       |
| United Kingdom                                       | 9,143                           | 3,531                                            | 12,674 | 11,420                    | 973     | 281     | —    | 12,674 | —        |
| North America                                        | 3,829                           | 629                                              | 4,458  | 4,063                     | 394     | 1       | —    | 4,458  | —        |
| Rest of the World                                    | 2,912                           | 801                                              | 3,713  | 2,922                     | 692     | 99      | —    | 3,713  | —        |
| Total                                                | 72,259                          | 18,239                                           | 90,498 | 79,466                    | 9,204   | 1,662   | 166  | 90,498 | 84       |

|                                                      |                                 |                                                  |       | 2025                      |         |         |      |       |  |
|------------------------------------------------------|---------------------------------|--------------------------------------------------|-------|---------------------------|---------|---------|------|-------|--|
|                                                      |                                 |                                                  |       | At amortised cost         |         |         |      |       |  |
|                                                      | ECL allowance                   |                                                  |       | Analysed by stage profile |         |         |      |       |  |
|                                                      | Loans and advances to customers | Loan commitments and financial guarantees issued | Total | Stage 1                   | Stage 2 | Stage 3 | POCI | Total |  |
| Concentration by industry sector                     | € m                             | € m                                              | € m   | € m                       | € m     | € m     | € m  | € m   |  |
| Non-property business:                               |                                 |                                                  |       |                           |         |         |      |       |  |
| Natural resources                                    | 36                              | 1                                                | 37    | 5                         | 20      | 12      | —    | 37    |  |
| Of which renewables                                  | 30                              | —                                                | 30    | 2                         | 17      | 11      | —    | 30    |  |
| Leisure                                              | 85                              | 2                                                | 87    | 14                        | 55      | 19      | (1)  | 87    |  |
| Manufacturing                                        | 42                              | 5                                                | 47    | 8                         | 24      | 16      | (1)  | 47    |  |
| Health, education and social work                    | 20                              | 1                                                | 21    | 6                         | 11      | 4       | —    | 21    |  |
| Services                                             | 34                              | 4                                                | 38    | 9                         | 16      | 13      | —    | 38    |  |
| Agriculture, forestry and fishing                    | 31                              | 2                                                | 33    | 5                         | 14      | 18      | (4)  | 33    |  |
| Retail and wholesale trade                           | 58                              | 7                                                | 65    | 8                         | 37      | 20      | —    | 65    |  |
| Transport and storage                                | 26                              | 1                                                | 27    | 6                         | 9       | 12      | —    | 27    |  |
| Telecommunications, media and technology             | 70                              | 4                                                | 74    | 5                         | 16      | 53      | —    | 74    |  |
| Financial, insurance and other government activities | 2                               | —                                                | 2     | 1                         | 1       | —       | —    | 2     |  |
| Total non-property business                          | 404                             | 27                                               | 431   | 67                        | 203     | 167     | (6)  | 431   |  |
| Property and construction                            | 432                             | 14                                               | 446   | 83                        | 218     | 145     | —    | 446   |  |
| Residential mortgages                                | 176                             | —                                                | 176   | 13                        | 48      | 125     | (10) | 176   |  |
| Other personal                                       | 131                             | 7                                                | 138   | 23                        | 53      | 62      | —    | 138   |  |
| Total                                                | 1,143                           | 48                                               | 1,191 | 186                       | 522     | 499     | (16) | 1,191 |  |
| Concentration by location <sup>1</sup>               |                                 |                                                  |       |                           |         |         |      |       |  |
| Republic of Ireland                                  | 925                             | 35                                               | 960   | 128                       | 441     | 407     | (16) | 960   |  |
| United Kingdom                                       | 125                             | 11                                               | 136   | 41                        | 33      | 62      | —    | 136   |  |
| North America                                        | 21                              | —                                                | 21    | 7                         | 14      | —       | —    | 21    |  |
| Rest of the World                                    | 72                              | 2                                                | 74    | 10                        | 34      | 30      | —    | 74    |  |
| Total                                                | 1,143                           | 48                                               | 1,191 | 186                       | 522     | 499     | (16) | 1,191 |  |

1. Based on country of risk.

## Risk Management continued

### 2.1.1 Credit risk – Credit exposure overview continued

#### Concentration by industry sector continued

##### Gross exposures to customers

| Gross exposures to customers                         |                                 |                                                  |        |                           |         |         |      |          | 2024  |
|------------------------------------------------------|---------------------------------|--------------------------------------------------|--------|---------------------------|---------|---------|------|----------|-------|
|                                                      | At amortised cost               |                                                  |        |                           |         |         |      | At FVTPL |       |
|                                                      | Gross carrying amount           |                                                  |        | Analysed by stage profile |         |         |      |          |       |
|                                                      | Loans and advances to customers | Loan commitments and financial guarantees issued | Total  | Stage 1                   | Stage 2 | Stage 3 | POCI | Total    | Total |
| Concentration by industry sector                     | € m                             | € m                                              | € m    | € m                       | € m     | € m     | € m  | € m      | € m   |
| Non-property business:                               |                                 |                                                  |        |                           |         |         |      |          |       |
| Natural resources                                    | 4,995                           | 2,221                                            | 7,216  | 6,904                     | 294     | 18      | —    | 7,216    | 29    |
| Of which renewables                                  | 4,479                           | 1,506                                            | 5,985  | 5,734                     | 248     | 3       | —    | 5,985    | —     |
| Leisure                                              | 2,942                           | 490                                              | 3,432  | 2,706                     | 605     | 118     | 3    | 3,432    | —     |
| Manufacturing                                        | 2,753                           | 2,234                                            | 4,987  | 4,409                     | 537     | 40      | 1    | 4,987    | —     |
| Health, education and social work                    | 1,879                           | 358                                              | 2,237  | 1,774                     | 442     | 19      | 2    | 2,237    | —     |
| Services                                             | 2,250                           | 1,311                                            | 3,561  | 3,156                     | 361     | 41      | 3    | 3,561    | —     |
| Agriculture, forestry and fishing                    | 1,691                           | 685                                              | 2,376  | 1,875                     | 405     | 89      | 7    | 2,376    | —     |
| Retail and wholesale trade                           | 1,895                           | 1,916                                            | 3,811  | 3,126                     | 617     | 63      | 5    | 3,811    | 17    |
| Transport and storage                                | 1,848                           | 699                                              | 2,547  | 2,226                     | 244     | 77      | —    | 2,547    | —     |
| Telecommunications, media and technology             | 1,450                           | 201                                              | 1,651  | 1,436                     | 165     | 50      | —    | 1,651    | 18    |
| Financial, insurance and other government activities | 470                             | 1,018                                            | 1,488  | 1,417                     | 59      | 12      | —    | 1,488    | —     |
| Total non-property business                          | 22,173                          | 11,133                                           | 33,306 | 29,029                    | 3,729   | 527     | 21   | 33,306   | 64    |
| Property and construction                            | 8,761                           | 2,103                                            | 10,864 | 7,274                     | 3,013   | 574     | 3    | 10,864   | —     |
| Residential mortgages                                | 36,970                          | 1,577                                            | 38,547 | 35,731                    | 1,870   | 776     | 170  | 38,547   | —     |
| Other personal                                       | 3,265                           | 2,986                                            | 6,251  | 5,322                     | 820     | 109     | —    | 6,251    | —     |
| Total                                                | 71,169                          | 17,799                                           | 88,968 | 77,356                    | 9,432   | 1,986   | 194  | 88,968   | 64    |
| Concentration by location <sup>1</sup>               |                                 |                                                  |        |                           |         |         |      |          |       |
| Republic of Ireland                                  | 56,215                          | 13,103                                           | 69,318 | 59,738                    | 7,759   | 1,627   | 194  | 69,318   | 64    |
| United Kingdom                                       | 9,132                           | 3,378                                            | 12,510 | 11,058                    | 1,163   | 289     | —    | 12,510   | —     |
| North America                                        | 2,850                           | 705                                              | 3,555  | 3,514                     | 41      | —       | —    | 3,555    | —     |
| Rest of the World                                    | 2,972                           | 613                                              | 3,585  | 3,046                     | 469     | 70      | —    | 3,585    | —     |
|                                                      | 71,169                          | 17,799                                           | 88,968 | 77,356                    | 9,432   | 1,986   | 194  | 88,968   | 64    |

##### ECL allowance

| ECL allowance                                        | 2024                            |                                                  |       |                           |         |         |      |       |
|------------------------------------------------------|---------------------------------|--------------------------------------------------|-------|---------------------------|---------|---------|------|-------|
|                                                      | At amortised cost               |                                                  |       |                           |         |         |      |       |
|                                                      | ECL allowance                   |                                                  |       | Analysed by stage profile |         |         |      |       |
|                                                      | Loans and advances to customers | Loan commitments and financial guarantees issued | Total | Stage 1                   | Stage 2 | Stage 3 | POCI | Total |
| Concentration by industry sector                     | € m                             | € m                                              | € m   | € m                       | € m     | € m     | € m  | € m   |
| Non-property business:                               |                                 |                                                  |       |                           |         |         |      |       |
| Natural resources                                    | 32                              | 2                                                | 34    | 17                        | 15      | 2       | —    | 34    |
| Of which renewables                                  | 23                              | 1                                                | 24    | 15                        | 9       | —       | —    | 24    |
| Leisure                                              | 86                              | 5                                                | 91    | 21                        | 38      | 33      | (1)  | 91    |
| Manufacturing                                        | 59                              | 6                                                | 65    | 10                        | 36      | 19      | —    | 65    |
| Health, education and social work                    | 51                              | 2                                                | 53    | 12                        | 37      | 5       | (1)  | 53    |
| Services                                             | 34                              | 4                                                | 38    | 10                        | 16      | 12      | —    | 38    |
| Agriculture, forestry and fishing                    | 37                              | 3                                                | 40    | 5                         | 16      | 23      | (4)  | 40    |
| Retail and wholesale trade                           | 56                              | 5                                                | 61    | 10                        | 31      | 21      | (1)  | 61    |
| Transport and storage                                | 73                              | 2                                                | 75    | 8                         | 7       | 60      | —    | 75    |
| Telecommunications, media and technology             | 31                              | 1                                                | 32    | 8                         | 13      | 11      | —    | 32    |
| Financial, insurance and other government activities | 14                              | —                                                | 14    | 2                         | 2       | 10      | —    | 14    |
| Total non-property business                          | 473                             | 30                                               | 503   | 103                       | 211     | 196     | (7)  | 503   |
| Property and construction                            | 464                             | 20                                               | 484   | 67                        | 230     | 188     | (1)  | 484   |
| Residential mortgages                                | 270                             | 1                                                | 271   | 11                        | 53      | 210     | (3)  | 271   |
| Other personal                                       | 137                             | 6                                                | 143   | 20                        | 57      | 66      | —    | 143   |
| Total                                                | 1,344                           | 57                                               | 1,401 | 201                       | 551     | 660     | (11) | 1,401 |
| Concentration by location <sup>1</sup>               |                                 |                                                  |       |                           |         |         |      |       |
| Republic of Ireland                                  | 1,071                           | 46                                               | 1,117 | 127                       | 467     | 534     | (11) | 1,117 |
| United Kingdom                                       | 196                             | 9                                                | 205   | 51                        | 42      | 112     | —    | 205   |
| North America                                        | 12                              | 1                                                | 13    | 11                        | 2       | —       | —    | 13    |
| Rest of the World                                    | 65                              | 1                                                | 66    | 12                        | 40      | 14      | —    | 66    |
|                                                      | 1,344                           | 57                                               | 1,401 | 201                       | 551     | 660     | (11) | 1,401 |

1. Based on country of risk.

## 2.1.2 Credit risk – Credit profile of the loan portfolio

The Group's customer loan portfolio comprises loans (including overdrafts), instalment credit and finance lease receivables. An overdraft provides a demand credit facility combined with a current account. Borrowings occur when the customer's drawings take the current account into debit. The balance may, therefore, fluctuate with the requirements of the customer. Although overdrafts are contractually repayable on demand (unless a fixed term has been agreed), provided the account is deemed to be satisfactory, full repayment is not generally demanded without notice.

### Credit profile of the loan portfolio

The following table analyses loans and advances to customers at amortised cost by segment, internal credit ratings and ECL staging at 31 December 2025 and 2024:

| At amortised cost                                      | 2025                  |                        |                          |               |              |               | 2024                  |                        |                          |               |              |               |
|--------------------------------------------------------|-----------------------|------------------------|--------------------------|---------------|--------------|---------------|-----------------------|------------------------|--------------------------|---------------|--------------|---------------|
|                                                        | Retail Banking<br>€ m | Capital Markets<br>€ m | C&IC <sup>1</sup><br>€ m | AIB UK<br>€ m | Group<br>€ m | Total<br>€ m  | Retail Banking<br>€ m | Capital Markets<br>€ m | C&IC <sup>1</sup><br>€ m | AIB UK<br>€ m | Group<br>€ m | Total<br>€ m  |
| <b>Gross carrying amount</b>                           |                       |                        |                          |               |              |               |                       |                        |                          |               |              |               |
| Residential mortgages                                  | 36,043                | 508                    | —                        | 980           | —            | 37,531        | 35,520                | 479                    | —                        | 971           | —            | 36,970        |
| Other personal                                         | 3,282                 | 97                     | —                        | 60            | —            | 3,439         | 3,106                 | 93                     | —                        | 66            | —            | 3,265         |
| Property and construction                              | 407                   | 5,256                  | —                        | 2,726         | —            | 8,389         | 428                   | 5,912                  | —                        | 2,421         | —            | 8,761         |
| Non-property business                                  | 2,905                 | 11,214                 | 6,342                    | 2,348         | 91           | 22,900        | 3,033                 | 11,018                 | 5,528                    | 2,544         | 50           | 22,173        |
| <b>Total</b>                                           | <b>42,637</b>         | <b>17,075</b>          | <b>6,342</b>             | <b>6,114</b>  | <b>91</b>    | <b>72,259</b> | <b>42,087</b>         | <b>17,502</b>          | <b>5,528</b>             | <b>6,002</b>  | <b>50</b>    | <b>71,169</b> |
| <b>Analysed by internal credit ratings<sup>2</sup></b> |                       |                        |                          |               |              |               |                       |                        |                          |               |              |               |
| Strong                                                 | 30,759                | 6,989                  | 5,367                    | 3,481         | —            | 46,596        | 29,594                | 10,467                 | 4,858                    | 3,468         | 20           | 48,407        |
| Satisfactory                                           | 8,911                 | 8,522                  | 656                      | 2,365         | 91           | 20,545        | 9,058                 | 5,568                  | 579                      | 2,083         | 30           | 17,318        |
| <b>Total strong/satisfactory</b>                       | <b>39,670</b>         | <b>15,511</b>          | <b>6,023</b>             | <b>5,846</b>  | <b>91</b>    | <b>67,141</b> | <b>38,652</b>         | <b>16,035</b>          | <b>5,437</b>             | <b>5,551</b>  | <b>50</b>    | <b>65,725</b> |
| Criticised watch                                       | 1,883                 | 735                    | 50                       | 72            | —            | 2,740         | 2,039                 | 466                    | 2                        | 59            | —            | 2,566         |
| Criticised recovery                                    | 189                   | 445                    | 66                       | 85            | —            | 785           | 221                   | 471                    | 51                       | 132           | —            | 875           |
| <b>Total criticised</b>                                | <b>2,072</b>          | <b>1,180</b>           | <b>116</b>               | <b>157</b>    | <b>—</b>     | <b>3,525</b>  | <b>2,260</b>          | <b>937</b>             | <b>53</b>                | <b>191</b>    | <b>—</b>     | <b>3,441</b>  |
| <b>Non-performing</b>                                  | <b>895</b>            | <b>384</b>             | <b>203</b>               | <b>111</b>    | <b>—</b>     | <b>1,593</b>  | <b>1,175</b>          | <b>530</b>             | <b>38</b>                | <b>260</b>    | <b>—</b>     | <b>2,003</b>  |
| <b>Gross carrying amount</b>                           | <b>42,637</b>         | <b>17,075</b>          | <b>6,342</b>             | <b>6,114</b>  | <b>91</b>    | <b>72,259</b> | <b>42,087</b>         | <b>17,502</b>          | <b>5,528</b>             | <b>6,002</b>  | <b>50</b>    | <b>71,169</b> |
| <b>Analysed by ECL staging</b>                         |                       |                        |                          |               |              |               |                       |                        |                          |               |              |               |
| Stage 1                                                | 38,803                | 13,027                 | 5,245                    | 5,646         | 91           | 62,812        | 37,728                | 12,976                 | 5,206                    | 5,159         | 50           | 61,119        |
| Stage 2                                                | 2,864                 | 3,663                  | 894                      | 357           | —            | 7,778         | 3,112                 | 3,995                  | 284                      | 583           | —            | 7,974         |
| Stage 3                                                | 812                   | 384                    | 203                      | 111           | —            | 1,510         | 1,062                 | 529                    | 38                       | 260           | —            | 1,889         |
| POCI                                                   | 158                   | 1                      | —                        | —             | —            | 159           | 185                   | 2                      | —                        | —             | —            | 187           |
| <b>Total</b>                                           | <b>42,637</b>         | <b>17,075</b>          | <b>6,342</b>             | <b>6,114</b>  | <b>91</b>    | <b>72,259</b> | <b>42,087</b>         | <b>17,502</b>          | <b>5,528</b>             | <b>6,002</b>  | <b>50</b>    | <b>71,169</b> |
| <b>ECL allowance – statement of financial position</b> |                       |                        |                          |               |              |               |                       |                        |                          |               |              |               |
| Stage 1                                                | 42                    | 91                     | 4                        | 36            | —            | 173           | 39                    | 91                     | 19                       | 35            | —            | 184           |
| Stage 2                                                | 125                   | 323                    | 31                       | 20            | —            | 499           | 138                   | 335                    | 20                       | 31            | —            | 524           |
| Stage 3                                                | 254                   | 144                    | 59                       | 30            | —            | 487           | 351                   | 192                    | 6                        | 99            | —            | 648           |
| POCI                                                   | (15)                  | (1)                    | —                        | —             | —            | (16)          | (11)                  | (1)                    | —                        | —             | —            | (12)          |
| <b>Total</b>                                           | <b>406</b>            | <b>557</b>             | <b>94</b>                | <b>86</b>     | <b>—</b>     | <b>1,143</b>  | <b>517</b>            | <b>617</b>             | <b>45</b>                | <b>165</b>    | <b>—</b>     | <b>1,344</b>  |
| <b>ECL allowance cover percentage</b>                  |                       |                        |                          |               |              |               |                       |                        |                          |               |              |               |
|                                                        | %                     | %                      | %                        | %             | %            | %             | %                     | %                      | %                        | %             | %            | %             |
| Stage 1                                                | 0.1                   | 0.7                    | 0.1                      | 0.6           | —            | 0.3           | 0.1                   | 0.7                    | 0.4                      | 0.7           | —            | 0.3           |
| Stage 2                                                | 4.4                   | 8.8                    | 3.5                      | 5.6           | —            | 6.4           | 4.4                   | 8.4                    | 6.9                      | 5.4           | —            | 6.6           |
| Stage 3                                                | 31.3                  | 37.5                   | 29.1                     | 27.0          | —            | 32.3          | 33.1                  | 36.4                   | 16.0                     | 38.1          | —            | 34.3          |
| POCI                                                   | (9.5)                 | (100.0)                | —                        | —             | —            | (10.1)        | (5.7)                 | (59.6)                 | —                        | —             | —            | (6.2)         |
| <b>Income statement</b>                                | <b>€ m</b>            | <b>€ m</b>             | <b>€ m</b>               | <b>€ m</b>    | <b>€ m</b>   | <b>€ m</b>    | <b>€ m</b>            | <b>€ m</b>             | <b>€ m</b>               | <b>€ m</b>    | <b>€ m</b>   | <b>€ m</b>    |
| Net remeasurement of ECL allowance                     | 68                    | 18                     | 69                       | 49            | —            | 204           | 50                    | (69)                   | 22                       | 89            | —            | 92            |
| Recoveries of amounts previously written-off           | (15)                  | (4)                    | —                        | (7)           | —            | (26)          | (20)                  | (10)                   | —                        | (2)           | —            | (32)          |
| <b>Net credit impairment charge/ (writeback)</b>       | <b>53</b>             | <b>14</b>              | <b>69</b>                | <b>42</b>     | <b>—</b>     | <b>178</b>    | <b>30</b>             | <b>(79)</b>            | <b>22</b>                | <b>87</b>     | <b>—</b>     | <b>60</b>     |

1. Climate & Infrastructure Capital (2024: Climate Capital).

2. Further analysis of internal credit grade profile by ECL staging is set out on page 202.

## Risk Management *continued*

### 2.1.2 Credit risk – Credit profile of the loan portfolio *continued*

#### Credit profile of the loan portfolio *continued*

The following table analyses loans and advances to customers at FVTPL by segment and internal credit ratings at 31 December 2025 and 2024:

| FVTPL                 | 2025           |                 |          |          |          |           | 2024           |                 |          |          |          |           |
|-----------------------|----------------|-----------------|----------|----------|----------|-----------|----------------|-----------------|----------|----------|----------|-----------|
|                       | Retail Banking | Capital Markets | C&IC     | AIB UK   | Group    | Total     | Retail Banking | Capital Markets | C&IC     | AIB UK   | Group    | Total     |
| Carrying amount       | € m            | € m             | € m      | € m      | € m      | € m       | € m            | € m             | € m      | € m      | € m      | € m       |
| Non-property business | —              | 84              | —        | —        | —        | 84        | —              | 64              | —        | —        | —        | 64        |
| <b>Total</b>          | <b>—</b>       | <b>84</b>       | <b>—</b> | <b>—</b> | <b>—</b> | <b>84</b> | <b>—</b>       | <b>64</b>       | <b>—</b> | <b>—</b> | <b>—</b> | <b>64</b> |

#### Analysed by internal credit ratings

|                                  |          |           |          |          |          |           |          |           |          |          |          |           |
|----------------------------------|----------|-----------|----------|----------|----------|-----------|----------|-----------|----------|----------|----------|-----------|
| Strong                           | —        | 84        | —        | —        | —        | 84        | —        | 64        | —        | —        | —        | 64        |
| Satisfactory                     | —        | —         | —        | —        | —        | —         | —        | —         | —        | —        | —        | —         |
| <b>Total strong/satisfactory</b> | <b>—</b> | <b>84</b> | <b>—</b> | <b>—</b> | <b>—</b> | <b>84</b> | <b>—</b> | <b>64</b> | <b>—</b> | <b>—</b> | <b>—</b> | <b>64</b> |
| <b>Total criticised</b>          | <b>—</b> | <b>—</b>  | <b>—</b> | <b>—</b> | <b>—</b> | <b>—</b>  | <b>—</b> | <b>—</b>  | <b>—</b> | <b>—</b> | <b>—</b> | <b>—</b>  |
| <b>Non-performing</b>            | <b>—</b> | <b>—</b>  | <b>—</b> | <b>—</b> | <b>—</b> | <b>—</b>  | <b>—</b> | <b>—</b>  | <b>—</b> | <b>—</b> | <b>—</b> | <b>—</b>  |
| <b>Total</b>                     | <b>—</b> | <b>84</b> | <b>—</b> | <b>—</b> | <b>—</b> | <b>84</b> | <b>—</b> | <b>64</b> | <b>—</b> | <b>—</b> | <b>—</b> | <b>64</b> |

#### Internal credit grade profile by ECL staging (audited)

The table below analyses the internal credit grading profile by ECL staging for the Group's loans and advances to customers at 31 December 2025 and 2024:

| At amortised cost                | 2025           |                |                |             |               |  | 2024           |                |                |             |               |  |
|----------------------------------|----------------|----------------|----------------|-------------|---------------|--|----------------|----------------|----------------|-------------|---------------|--|
|                                  | Stage 1<br>€ m | Stage 2<br>€ m | Stage 3<br>€ m | POCI<br>€ m | Total<br>€ m  |  | Stage 1<br>€ m | Stage 2<br>€ m | Stage 3<br>€ m | POCI<br>€ m | Total<br>€ m  |  |
| <b>Total</b>                     |                |                |                |             |               |  |                |                |                |             |               |  |
| Strong                           | 44,871         | 1,702          | —              | 23          | 46,596        |  | 45,774         | 2,593          | —              | 40          | 48,407        |  |
| Satisfactory                     | 16,950         | 3,558          | —              | 37          | 20,545        |  | 14,598         | 2,706          | —              | 14          | 17,318        |  |
| <b>Total strong/satisfactory</b> | <b>61,821</b>  | <b>5,260</b>   | <b>—</b>       | <b>60</b>   | <b>67,141</b> |  | <b>60,372</b>  | <b>5,299</b>   | <b>—</b>       | <b>54</b>   | <b>65,725</b> |  |
| Criticised watch                 | 987            | 1,746          | —              | 7           | 2,740         |  | 728            | 1,828          | —              | 10          | 2,566         |  |
| Criticised recovery              | 3              | 772            | —              | 10          | 785           |  | 18             | 847            | —              | 10          | 875           |  |
| <b>Total criticised</b>          | <b>990</b>     | <b>2,518</b>   | <b>—</b>       | <b>17</b>   | <b>3,525</b>  |  | <b>746</b>     | <b>2,675</b>   | <b>—</b>       | <b>20</b>   | <b>3,441</b>  |  |
| <b>Non-performing</b>            | <b>1</b>       | <b>—</b>       | <b>1,510</b>   | <b>82</b>   | <b>1,593</b>  |  | <b>1</b>       | <b>—</b>       | <b>1,889</b>   | <b>113</b>  | <b>2,003</b>  |  |
| Gross carrying amount            | 62,812         | 7,778          | 1,510          | 159         | 72,259        |  | 61,119         | 7,974          | 1,889          | 187         | 71,169        |  |
| ECL allowance                    | (173)          | (499)          | (487)          | 16          | (1,143)       |  | (184)          | (524)          | (648)          | 12          | (1,344)       |  |
| <b>Carrying amount</b>           | <b>62,639</b>  | <b>7,279</b>   | <b>1,023</b>   | <b>175</b>  | <b>71,116</b> |  | <b>60,935</b>  | <b>7,450</b>   | <b>1,241</b>   | <b>199</b>  | <b>69,825</b> |  |



## 2.1.2 Credit risk – Credit profile of the loan portfolio *continued*

### Aged analysis of contractually past due loans and advances to customers

The following table shows aged analysis of contractually past due loans and advances to customers by industry sector analysed by ECL staging and segment at 31 December 2025 and 2024:

| Industry sector                                               | Of which past due |            |            |            |             |              |            | 2025           |               |
|---------------------------------------------------------------|-------------------|------------|------------|------------|-------------|--------------|------------|----------------|---------------|
|                                                               | Not past due      | 1-30 days  | 31-60 days | 61-90 days | 91-180 days | 181-365 days | > 365 days | Total past due | Total         |
|                                                               | € m               | € m        | € m        | € m        | € m         | € m          | € m        | € m            | € m           |
| <b>At amortised cost</b>                                      |                   |            |            |            |             |              |            |                |               |
| Non-property business:                                        |                   |            |            |            |             |              |            |                |               |
| Natural resources                                             | 5,441             | 1          | —          | —          | —           | —            | 1          | 2              | 5,443         |
| <i>Of which renewables</i>                                    | 4,972             | —          | —          | —          | —           | —            | —          | —              | 4,972         |
| Leisure                                                       | 2,776             | 3          | 1          | 1          | 2           | 3            | 10         | 20             | 2,796         |
| Manufacturing                                                 | 2,883             | 1          | —          | —          | 1           | 2            | 7          | 11             | 2,894         |
| Health, education and social work                             | 1,885             | —          | —          | —          | —           | —            | 2          | 2              | 1,887         |
| Services                                                      | 2,436             | 6          | 1          | 1          | 3           | 5            | 6          | 22             | 2,458         |
| Agriculture, forestry and fishing                             | 1,609             | 10         | 2          | —          | 1           | 2            | 10         | 25             | 1,634         |
| Retail and wholesale trade                                    | 2,018             | 22         | 1          | 1          | 2           | 8            | 7          | 41             | 2,059         |
| Transport and storage                                         | 1,832             | 2          | 1          | —          | 1           | 1            | 2          | 7              | 1,839         |
| Telecommunications, media and technology                      | 1,442             | 1          | —          | —          | —           | —            | 1          | 2              | 1,444         |
| Financial, insurance and other government activities          | 446               | —          | —          | —          | —           | —            | —          | —              | 446           |
| <b>Total non-property business</b>                            | <b>22,768</b>     | <b>46</b>  | <b>6</b>   | <b>3</b>   | <b>10</b>   | <b>21</b>    | <b>46</b>  | <b>132</b>     | <b>22,900</b> |
| Property and construction                                     | 8,282             | 22         | 46         | 2          | 8           | 5            | 24         | 107            | 8,389         |
| Residential mortgages                                         | 37,082            | 59         | 31         | 13         | 42          | 53           | 251        | 449            | 37,531        |
| Other personal                                                | 3,322             | 37         | 11         | 8          | 24          | 34           | 3          | 117            | 3,439         |
| <b>Total gross carrying amount</b>                            | <b>71,454</b>     | <b>164</b> | <b>94</b>  | <b>26</b>  | <b>84</b>   | <b>113</b>   | <b>324</b> | <b>805</b>     | <b>72,259</b> |
| <b>ECL staging</b>                                            |                   |            |            |            |             |              |            |                |               |
| Stage 1                                                       | 62,756            | 56         | —          | —          | —           | —            | —          | 56             | 62,812        |
| Stage 2                                                       | 7,620             | 85         | 55         | 18         | —           | —            | —          | 158            | 7,778         |
| Stage 3                                                       | 986               | 21         | 38         | 8          | 83          | 110          | 264        | 524            | 1,510         |
| POCI                                                          | 92                | 2          | 1          | —          | 1           | 3            | 60         | 67             | 159           |
|                                                               | <b>71,454</b>     | <b>164</b> | <b>94</b>  | <b>26</b>  | <b>84</b>   | <b>113</b>   | <b>324</b> | <b>805</b>     | <b>72,259</b> |
| <b>Segment</b>                                                |                   |            |            |            |             |              |            |                |               |
| Retail Banking                                                | 41,991            | 115        | 46         | 24         | 77          | 100          | 284        | 646            | 42,637        |
| Capital Markets                                               | 17,006            | 30         | 25         | —          | —           | 3            | 11         | 69             | 17,075        |
| C&IC                                                          | 6,342             | —          | —          | —          | —           | —            | —          | —              | 6,342         |
| AIB UK                                                        | 6,024             | 19         | 23         | 2          | 7           | 10           | 29         | 90             | 6,114         |
| Group                                                         | 91                | —          | —          | —          | —           | —            | —          | —              | 91            |
|                                                               | <b>71,454</b>     | <b>164</b> | <b>94</b>  | <b>26</b>  | <b>84</b>   | <b>113</b>   | <b>324</b> | <b>805</b>     | <b>72,259</b> |
| <b>As a percentage of total gross loans at amortised cost</b> | %                 | %          | %          | %          | %           | %            | %          | %              | %             |
|                                                               | <b>98.9</b>       | <b>0.2</b> | <b>0.1</b> | <b>—</b>   | <b>0.1</b>  | <b>0.2</b>   | <b>0.4</b> | <b>1.1</b>     | <b>100.0</b>  |

The figures reported are inclusive of overdrafts, bridging loans and cases with expired limits. There were no contractually past due loans measured at FVTPL at 31 December 2025 and 2024.

## Risk Management *continued*

### 2.1.2 Credit risk – Credit profile of the loan portfolio *continued*

#### Aged analysis of contractually past due loans and advances to customers *continued*

At amortised cost

2024

| Industry sector                                               | Not past due<br>€ m | 1-30 days<br>€ m | 31-60 days<br>€ m | Of which past due |                    |                     |                   | Total past due<br>€ m | Total<br>€ m  |
|---------------------------------------------------------------|---------------------|------------------|-------------------|-------------------|--------------------|---------------------|-------------------|-----------------------|---------------|
|                                                               |                     |                  |                   | 61-90 days<br>€ m | 91-180 days<br>€ m | 181-365 days<br>€ m | > 365 days<br>€ m |                       |               |
| Non-property business:                                        |                     |                  |                   |                   |                    |                     |                   |                       |               |
| Natural resources                                             | 4,989               | —                | —                 | —                 | 3                  | —                   | 3                 | 6                     | 4,995         |
| Of which renewables                                           | 4,476               | —                | —                 | —                 | 3                  | —                   | —                 | 3                     | 4,479         |
| Leisure                                                       | 2,849               | 25               | 3                 | 12                | 4                  | 11                  | 38                | 93                    | 2,942         |
| Manufacturing                                                 | 2,617               | 113              | —                 | —                 | 1                  | 18                  | 4                 | 136                   | 2,753         |
| Health, education and social work                             | 1,870               | —                | —                 | —                 | 1                  | 1                   | 7                 | 9                     | 1,879         |
| Services                                                      | 2,229               | 5                | 1                 | 1                 | 3                  | 3                   | 8                 | 21                    | 2,250         |
| Agriculture, forestry and fishing                             | 1,654               | 13               | 2                 | 3                 | 5                  | 3                   | 11                | 37                    | 1,691         |
| Retail and wholesale trade                                    | 1,849               | 16               | 1                 | 5                 | 9                  | 4                   | 11                | 46                    | 1,895         |
| Transport and storage                                         | 1,808               | 35               | —                 | —                 | 1                  | 1                   | 3                 | 40                    | 1,848         |
| Telecommunications, media and technology                      | 1,448               | —                | —                 | —                 | —                  | 1                   | 1                 | 2                     | 1,450         |
| Financial, insurance and other government activities          | 459                 | 1                | —                 | —                 | —                  | —                   | 10                | 11                    | 470           |
| <b>Total non-property business</b>                            | <b>21,772</b>       | <b>208</b>       | <b>7</b>          | <b>21</b>         | <b>27</b>          | <b>42</b>           | <b>96</b>         | <b>401</b>            | <b>22,173</b> |
| Property and construction                                     | 8,444               | 57               | 1                 | 7                 | 164                | 28                  | 60                | 317                   | 8,761         |
| Residential mortgages                                         | 36,350              | 80               | 14                | 25                | 50                 | 103                 | 348               | 620                   | 36,970        |
| Other personal                                                | 3,136               | 38               | 10                | 7                 | 22                 | 33                  | 19                | 129                   | 3,265         |
| <b>Total gross carrying amount</b>                            | <b>69,702</b>       | <b>383</b>       | <b>32</b>         | <b>60</b>         | <b>263</b>         | <b>206</b>          | <b>523</b>        | <b>1,467</b>          | <b>71,169</b> |
| <b>ECL staging</b>                                            |                     |                  |                   |                   |                    |                     |                   |                       |               |
| Stage 1                                                       | 60,931              | 188              | —                 | —                 | —                  | —                   | —                 | 188                   | 61,119        |
| Stage 2                                                       | 7,818               | 111              | 20                | 25                | —                  | —                   | —                 | 156                   | 7,974         |
| Stage 3                                                       | 855                 | 82               | 12                | 34                | 259                | 194                 | 453               | 1,034                 | 1,889         |
| POCI                                                          | 98                  | 2                | —                 | 1                 | 4                  | 12                  | 70                | 89                    | 187           |
|                                                               | 69,702              | 383              | 32                | 60                | 263                | 206                 | 523               | 1,467                 | 71,169        |
| <b>Segment</b>                                                |                     |                  |                   |                   |                    |                     |                   |                       |               |
| Retail Banking                                                | 41,217              | 148              | 29                | 34                | 88                 | 153                 | 418               | 870                   | 42,087        |
| Capital Markets                                               | 17,057              | 173              | —                 | 7                 | 170                | 44                  | 51                | 445                   | 17,502        |
| C&IC                                                          | 5,528               | —                | —                 | —                 | —                  | —                   | —                 | —                     | 5,528         |
| AIB UK                                                        | 5,850               | 62               | 3                 | 19                | 5                  | 9                   | 54                | 152                   | 6,002         |
| Group                                                         | 50                  | —                | —                 | —                 | —                  | —                   | —                 | —                     | 50            |
|                                                               | 69,702              | 383              | 32                | 60                | 263                | 206                 | 523               | 1,467                 | 71,169        |
| <b>As a percentage of total gross loans at amortised cost</b> | %                   | %                | %                 | %                 | %                  | %                   | %                 | %                     | %             |
|                                                               | 97.9                | 0.5              | 0.1               | 0.1               | 0.4                | 0.3                 | 0.7               | 2.1                   | 100.0         |

## 2.1.2 Credit risk – Credit profile of the loan portfolio *continued*

### Gross loans<sup>1</sup> and ECL movements (audited)

The following tables set out the movements in the gross carrying amount and ECL allowance for loans and advances to customers at amortised cost by ECL staging between 1 January 2025 and 31 December 2025 and the corresponding movements between 1 January 2024 and 31 December 2024.

Accounts that triggered movements between Stage 1 and Stage 2 as a result of failing/curing a quantitative measure only (as disclosed on page 186) and that subsequently reverted within the year to their original stage, are excluded from 'Transferred from Stage 1 to Stage 2' and 'Transferred from Stage 2 to Stage 1'. The Group believes this presentation aids the understanding of the underlying credit migration.

### Gross carrying amount movements – total (audited)

|                                                | 2025           |                |                |             |               |
|------------------------------------------------|----------------|----------------|----------------|-------------|---------------|
|                                                | Stage 1<br>€ m | Stage 2<br>€ m | Stage 3<br>€ m | POCI<br>€ m | Total<br>€ m  |
| <b>At 1 January</b>                            | <b>61,119</b>  | <b>7,974</b>   | <b>1,889</b>   | <b>187</b>  | <b>71,169</b> |
| Transferred from Stage 1 to Stage 2            | (6,859)        | 6,859          | —              | —           | —             |
| Transferred from Stage 2 to Stage 1            | 5,262          | (5,262)        | —              | —           | —             |
| Transferred to Stage 3                         | (84)           | (791)          | 875            | —           | —             |
| Transferred from Stage 3                       | 18             | 196            | (214)          | —           | —             |
| New loans originated/top-ups                   | 15,840         | —              | —              | 49          | 15,889        |
| Redemptions/repayments                         | (13,448)       | (2,513)        | (458)          | (44)        | (16,463)      |
| Interest credited                              | 2,724          | 423            | 67             | 7           | 3,221         |
| Write-offs                                     | —              | —              | (113)          | (1)         | (114)         |
| Derecognised due to disposals                  | (144)          | (70)           | (549)          | (43)        | (806)         |
| Exchange translation adjustments               | (829)          | (71)           | (15)           | —           | (915)         |
| Impact of model, parameter and overlay changes | (1,039)        | 1,039          | —              | —           | —             |
| Other movements                                | 252            | (6)            | 28             | 4           | 278           |
| <b>At 31 December</b>                          | <b>62,812</b>  | <b>7,778</b>   | <b>1,510</b>   | <b>159</b>  | <b>72,259</b> |

|                                                | 2024           |                |                |             |               |
|------------------------------------------------|----------------|----------------|----------------|-------------|---------------|
|                                                | Stage 1<br>€ m | Stage 2<br>€ m | Stage 3<br>€ m | POCI<br>€ m | Total<br>€ m  |
| <b>At 1 January</b>                            | <b>57,252</b>  | <b>7,672</b>   | <b>1,923</b>   | <b>122</b>  | <b>66,969</b> |
| Transferred from Stage 1 to Stage 2            | (6,290)        | 6,290          | —              | —           | —             |
| Transferred from Stage 2 to Stage 1            | 4,509          | (4,509)        | —              | —           | —             |
| Transferred to Stage 3                         | (149)          | (907)          | 1,056          | —           | —             |
| Transferred from Stage 3                       | 29             | 217            | (246)          | —           | —             |
| New loans originated/top-ups                   | 15,898         | —              | —              | 88          | 15,986        |
| Redemptions/repayments                         | (11,842)       | (2,704)        | (765)          | (31)        | (15,342)      |
| Interest credited                              | 2,863          | 469            | 89             | 5           | 3,426         |
| Write-offs                                     | —              | —              | (126)          | —           | (126)         |
| Derecognised due to disposals                  | (264)          | (112)          | (81)           | —           | (457)         |
| Exchange translation adjustments               | 530            | 49             | 15             | 1           | 595           |
| Impact of model, parameter and overlay changes | (1,499)        | 1,499          | —              | —           | —             |
| Other movements                                | 82             | 10             | 24             | 2           | 118           |
| <b>At 31 December</b>                          | <b>61,119</b>  | <b>7,974</b>   | <b>1,889</b>   | <b>187</b>  | <b>71,169</b> |

1. The gross carrying amount movement is recorded at each month end with movements calculated versus the position at previous month end. The sum of all 12 months movement is then presented.

## Risk Management *continued*

### 2.1.2 Credit risk – Credit profile of the loan portfolio *continued*

#### Gross loans and ECL movements *continued*

#### ECL allowance movements – total (*audited*)

|                                              | 2025           |                |                |             |              |
|----------------------------------------------|----------------|----------------|----------------|-------------|--------------|
|                                              | Stage 1<br>€ m | Stage 2<br>€ m | Stage 3<br>€ m | POCI<br>€ m | Total<br>€ m |
| <b>At 1 January</b>                          | <b>184</b>     | <b>524</b>     | <b>648</b>     | <b>(12)</b> | <b>1,344</b> |
| Transferred from Stage 1 to Stage 2          | (88)           | 287            | —              | —           | 199          |
| Transferred from Stage 2 to Stage 1          | 61             | (170)          | —              | —           | (109)        |
| Transferred to Stage 3                       | (1)            | (90)           | 152            | —           | 61           |
| Transferred from Stage 3                     | 1              | 19             | (38)           | —           | (18)         |
| Net remeasurement (within Stage)             | 2              | 25             | 76             | (7)         | 96           |
| New loans originated/top-ups                 | 77             | —              | —              | —           | 77           |
| Redemptions/repayments                       | (14)           | (43)           | —              | 1           | (56)         |
| Impact of model changes <sup>1</sup>         | —              | (16)           | (1)            | —           | (17)         |
| Impact of overlay changes <sup>1</sup>       | 41             | (4)            | (6)            | —           | 31           |
| Impact of credit or economic risk parameters | (41)           | (18)           | (1)            | —           | (60)         |
| <b>Net remeasurement of ECL allowance</b>    | <b>38</b>      | <b>(10)</b>    | <b>182</b>     | <b>(6)</b>  | <b>204</b>   |
| Write-offs                                   | —              | —              | (113)          | (1)         | (114)        |
| Derecognised due to disposals                | (44)           | (12)           | (228)          | (2)         | (286)        |
| Exchange translation adjustments             | (5)            | (3)            | (5)            | —           | (13)         |
| Other movements                              | —              | —              | 3              | 5           | 8            |
| <b>At 31 December</b>                        | <b>173</b>     | <b>499</b>     | <b>487</b>     | <b>(16)</b> | <b>1,143</b> |

|                                              | 2024           |                |                |             |              |
|----------------------------------------------|----------------|----------------|----------------|-------------|--------------|
|                                              | Stage 1<br>€ m | Stage 2<br>€ m | Stage 3<br>€ m | POCI<br>€ m | Total<br>€ m |
| <b>At 1 January</b>                          | <b>254</b>     | <b>635</b>     | <b>634</b>     | <b>(3)</b>  | <b>1,520</b> |
| Transferred from Stage 1 to Stage 2          | (79)           | 277            | —              | —           | 198          |
| Transferred from Stage 2 to Stage 1          | 87             | (243)          | —              | —           | (156)        |
| Transferred to Stage 3                       | —              | (108)          | 190            | —           | 82           |
| Transferred from Stage 3                     | —              | 21             | (47)           | —           | (26)         |
| Net remeasurement (within Stage)             | (8)            | 15             | 75             | (10)        | 72           |
| New loans originated/top-ups                 | 57             | —              | —              | —           | 57           |
| Redemptions/repayments                       | (33)           | (69)           | —              | —           | (102)        |
| Impact of model changes <sup>1</sup>         | 14             | 53             | —              | —           | 67           |
| Impact of overlay changes <sup>1</sup>       | (10)           | (12)           | (37)           | —           | (59)         |
| Impact of credit or economic risk parameters | (16)           | (17)           | (8)            | —           | (41)         |
| <b>Net remeasurement of ECL allowance</b>    | <b>12</b>      | <b>(83)</b>    | <b>173</b>     | <b>(10)</b> | <b>92</b>    |
| Write-offs                                   | —              | —              | (126)          | —           | (126)        |
| Derecognised due to disposals                | (88)           | (29)           | (56)           | —           | (173)        |
| Exchange translation adjustments             | 7              | 4              | 5              | —           | 16           |
| Other movements                              | (1)            | (3)            | 18             | 1           | 15           |
| <b>At 31 December</b>                        | <b>184</b>     | <b>524</b>     | <b>648</b>     | <b>(12)</b> | <b>1,344</b> |

1. For further clarity, the ECL allowance movements regarding the impact of model and overlay changes have been reported as separate categories for 2025 and 2024 comparatives.



## 2.1.2 Credit risk – Credit profile of the loan portfolio *continued*

### Gross loans and ECL movements *continued (audited)*

Total exposures to which an ECL applies increased during the year by €1.0 billion from €71.2 billion at 1 January 2025 to €72.2 billion at 31 December 2025. The increase in the year was driven by new loans originated/top-ups of €15.9 billion, partially offset by redemptions/repayments net of interest credited of €13.2 billion, adverse foreign exchange movements of €0.9 billion, and loan disposals including write-offs of €0.9 billion.

Stage transfers are a key component of ECL allowance movements (i.e. Stage 1 to Stage 2 to Stage 3 and vice versa) in addition to the net remeasurement of ECL due to a change in risk parameters within a stage. Excluding the impact of model changes, overlay changes and the updated macroeconomic scenarios, an ECL charge of €250 million occurred due to underlying credit management activity and a slight deterioration in credit parameters which inform the modelled outcomes. This was primarily driven by a €99 million charge for the non-property business sector which included the credit deterioration of a small number of borrowers in the fibre/broadband infrastructure sectors. The property and construction sector also experienced a €95 million charge which was driven by the recognition of risk through the modelled outcomes and offset by a release of PMAs.

The impact of model changes resulted in a net writeback of €17 million. This was primarily driven by a €47 million writeback due to the redeveloped corporate LGD models deployed and partially offset by a €31 million charge due to the deployment of the recalibrated investment property model.

The impact of overlay changes resulted in a net charge of €31 million. New PMAs in the year of €40 million relating to the C&IC segment and €26 million for the unsecured Stage 3 Retail portfolio were offset by a reduction in existing PMAs due to the utilisation of PMAs which are now captured in the modelled outcomes and through portfolio disposals. Further details on PMAs are outlined on pages 195 and 196. PMAs ensure exposures subject to risks which are not adequately reflected in the modelled outcomes, retain an appropriate ECL.

The updated macroeconomic scenarios and weightings resulted in an ECL release of €60 million. This ECL movement is presented separately within 'Impact of credit or economic risk parameters'. This release was most significant within the property and construction (€28 million) and non-property business (€22 million) portfolios. The reduction reflects improvements in the actual unemployment rates for 2025 in addition to more favourable revised forecasts for 2026/27.

The gross loan transfers from Stage 1 to Stage 2 of €6.9 billion are due to underlying credit management activity where a significant increase in credit risk occurred during the year through either the quantitative or qualitative criteria for stage movement. 50% of the movements relied on a qualitative or backstop indicator of significant increase in credit risk (e.g. forbearance or movement to a watch grade) with 1% caused solely by the backstop of 30 days past due. Of the €6.9 billion which transferred from Stage 1 to Stage 2 in the year, approximately €4.4 billion is reported as Stage 2 at 31 December 2025.

Where a movement to Stage 2 is triggered by multiple drivers simultaneously, these are reported in the following order: quantitative, qualitative and backstop.

Similarly, transfers from Stage 2 to Stage 1 of €5.3 billion represent those loans where the triggers for significant increase in credit risk no longer apply or loans that have fulfilled a probation period.

These transfers include loans which have been upgraded through normal credit management processes and incorporate loans which transferred due to the impact of the updated macroeconomic scenarios and weightings.

Transfers from Stage 2 to Stage 3 of €0.8 billion represent those loans that defaulted during the year. These arose in cases where it was determined that the customers were unlikely to pay their loans in full without the realisation of collateral regardless of the existence of any past due amount or the number of days past due. In addition, transfers also include all borrowers that are 90 days or more past due on a material obligation. Of the transfers from Stage 2 to Stage 3, €0.2 billion had transferred from Stage 1 to Stage 2 earlier in the year.

Transfers from Stage 3 to Stage 2 of €0.2 billion were mainly driven by resolution activity with the customer, through either restructuring or forbearance previously granted and which subsequently adhered to default probation requirements. As part of the credit management practices, active monitoring of loans and their adherence to default probation requirements is in place.

## Risk Management *continued*

### 2.1.2 Credit risk – Credit profile of the loan portfolio *continued*

#### Movements in off-balance sheet exposures *(audited)*

The following tables set out the movements in the nominal amount and ECL allowance for loan commitments and financial guarantees by ECL staging for the year to 31 December 2025 and 2024:

#### Nominal amount movements *(audited)*

|                                     | 2025             |              |            |          |               |                               |           |           |          |              |
|-------------------------------------|------------------|--------------|------------|----------|---------------|-------------------------------|-----------|-----------|----------|--------------|
|                                     | Loan commitments |              |            |          |               | Financial guarantee contracts |           |           |          |              |
|                                     | Stage 1          | Stage 2      | Stage 3    | POCI     | Total         | Stage 1                       | Stage 2   | Stage 3   | POCI     | Total        |
|                                     | € m              | € m          | € m        | € m      | € m           | € m                           | € m       | € m       | € m      | € m          |
| <b>At 1 January</b>                 | <b>15,354</b>    | <b>1,379</b> | <b>83</b>  | <b>7</b> | <b>16,823</b> | <b>883</b>                    | <b>79</b> | <b>14</b> | <b>—</b> | <b>976</b>   |
| Transferred from Stage 1 to Stage 2 | (832)            | 832          | —          | —        | —             | —                             | —         | —         | —        | —            |
| Transferred from Stage 2 to Stage 1 | 632              | (632)        | —          | —        | —             | 221                           | (221)     | —         | —        | —            |
| Transferred to Stage 3              | (57)             | (13)         | 70         | —        | —             | —                             | (5)       | 5         | —        | —            |
| Transferred from Stage 3            | 3                | 5            | (8)        | —        | —             | —                             | —         | —         | —        | —            |
| Other movements <sup>1</sup>        | 418              | (197)        | (10)       | (1)      | 210           | 31                            | 199       | —         | —        | 230          |
| <b>At 31 December</b>               | <b>15,518</b>    | <b>1,374</b> | <b>135</b> | <b>6</b> | <b>17,033</b> | <b>1,135</b>                  | <b>52</b> | <b>19</b> | <b>—</b> | <b>1,206</b> |

|                                     | 2024             |              |           |          |               |                               |           |           |          |            |
|-------------------------------------|------------------|--------------|-----------|----------|---------------|-------------------------------|-----------|-----------|----------|------------|
|                                     | Loan commitments |              |           |          |               | Financial guarantee contracts |           |           |          |            |
|                                     | Stage 1          | Stage 2      | Stage 3   | POCI     | Total         | Stage 1                       | Stage 2   | Stage 3   | POCI     | Total      |
|                                     | € m              | € m          | € m       | € m      | € m           | € m                           | € m       | € m       | € m      | € m        |
| <b>At 1 January</b>                 | <b>14,921</b>    | <b>1,136</b> | <b>71</b> | <b>8</b> | <b>16,136</b> | <b>790</b>                    | <b>52</b> | <b>14</b> | <b>1</b> | <b>857</b> |
| Transferred from Stage 1 to Stage 2 | (835)            | 835          | —         | —        | —             | (71)                          | 71        | —         | —        | —          |
| Transferred from Stage 2 to Stage 1 | 401              | (401)        | —         | —        | —             | 28                            | (28)      | —         | —        | —          |
| Transferred to Stage 3              | (16)             | (20)         | 36        | —        | —             | (2)                           | —         | 2         | —        | —          |
| Transferred from Stage 3            | 10               | 8            | (18)      | —        | —             | 1                             | —         | (1)       | —        | —          |
| Other movements <sup>1</sup>        | 873              | (179)        | (6)       | (1)      | 687           | 137                           | (16)      | (1)       | (1)      | 119        |
| <b>At 31 December</b>               | <b>15,354</b>    | <b>1,379</b> | <b>83</b> | <b>7</b> | <b>16,823</b> | <b>883</b>                    | <b>79</b> | <b>14</b> | <b>—</b> | <b>976</b> |

1. Includes new commitments, utilised and expired commitments.

The internal credit grade profile of loan commitments and financial guarantee contracts is set out in the following table *(audited)*:

|                     | 2025<br>€ m   | 2024<br>€ m   |
|---------------------|---------------|---------------|
| Strong              | 10,651        | 10,858        |
| Satisfactory        | 6,935         | 6,435         |
| Criticised watch    | 452           | 381           |
| Criticised recovery | 46            | 22            |
| Default             | 155           | 103           |
| <b>Total</b>        | <b>18,239</b> | <b>17,799</b> |

## 2.1.2 Credit risk – Credit profile of the loan portfolio *continued*

### Movements in off-balance sheet exposures *continued* (audited)

#### ECL allowance movements (audited)

|                                             | 2025             |            |          |          |            |                               |          |            |          |            |
|---------------------------------------------|------------------|------------|----------|----------|------------|-------------------------------|----------|------------|----------|------------|
|                                             | Loan commitments |            |          |          |            | Financial guarantee contracts |          |            |          |            |
|                                             | Stage 1          | Stage 2    | Stage 3  | POCI     | Total      | Stage 1                       | Stage 2  | Stage 3    | POCI     | Total      |
|                                             | € m              | € m        | € m      | € m      | € m        | € m                           | € m      | € m        | € m      | € m        |
| <b>At 1 January</b>                         | <b>16</b>        | <b>23</b>  | <b>4</b> | <b>1</b> | <b>44</b>  | <b>1</b>                      | <b>4</b> | <b>8</b>   | <b>—</b> | <b>13</b>  |
| Transferred from Stage 1 to Stage 2         | (3)              | 15         | —        | —        | 12         | (1)                           | 3        | —          | —        | 2          |
| Transferred from Stage 2 to Stage 1         | 6                | (17)       | —        | —        | (11)       | —                             | (2)      | —          | —        | (2)        |
| Transferred to Stage 3                      | —                | (1)        | 5        | —        | 4          | —                             | (1)      | 1          | —        | —          |
| Transferred from Stage 3                    | —                | —          | (1)      | —        | (1)        | —                             | 1        | (1)        | —        | —          |
| Net remeasurement                           | (6)              | —          | (1)      | —        | (7)        | —                             | (1)      | (4)        | —        | (5)        |
| <b>Net income statement (credit)/charge</b> | <b>(3)</b>       | <b>(3)</b> | <b>3</b> | <b>—</b> | <b>(3)</b> | <b>(1)</b>                    | <b>—</b> | <b>(4)</b> | <b>—</b> | <b>(5)</b> |
| Other movements                             | (1)              | —          | (1)      | (1)      | (3)        | 1                             | —        | 1          | —        | 2          |
| <b>At 31 December</b>                       | <b>12</b>        | <b>20</b>  | <b>6</b> | <b>—</b> | <b>38</b>  | <b>1</b>                      | <b>4</b> | <b>5</b>   | <b>—</b> | <b>10</b>  |

|                                             | 2024             |            |            |          |            |                               |            |            |          |            |
|---------------------------------------------|------------------|------------|------------|----------|------------|-------------------------------|------------|------------|----------|------------|
|                                             | Loan commitments |            |            |          |            | Financial guarantee contracts |            |            |          |            |
|                                             | Stage 1          | Stage 2    | Stage 3    | POCI     | Total      | Stage 1                       | Stage 2    | Stage 3    | POCI     | Total      |
|                                             | € m              | € m        | € m        | € m      | € m        | € m                           | € m        | € m        | € m      | € m        |
| <b>At 1 January</b>                         | <b>12</b>        | <b>26</b>  | <b>4</b>   | <b>1</b> | <b>43</b>  | <b>2</b>                      | <b>5</b>   | <b>9</b>   | <b>—</b> | <b>16</b>  |
| Transferred from Stage 1 to Stage 2         | (3)              | 22         | —          | —        | 19         | —                             | 5          | —          | —        | 5          |
| Transferred from Stage 2 to Stage 1         | 6                | (32)       | —          | —        | (26)       | 2                             | (3)        | —          | —        | (1)        |
| Transferred to Stage 3                      | —                | —          | 2          | —        | 2          | —                             | (1)        | 2          | —        | 1          |
| Transferred from Stage 3                    | —                | —          | (1)        | —        | (1)        | —                             | 1          | (1)        | —        | —          |
| Net remeasurement                           | —                | 7          | (2)        | —        | 5          | (2)                           | (3)        | (2)        | —        | (7)        |
| <b>Net income statement charge/(credit)</b> | <b>3</b>         | <b>(3)</b> | <b>(1)</b> | <b>—</b> | <b>(1)</b> | <b>—</b>                      | <b>(1)</b> | <b>(1)</b> | <b>—</b> | <b>(2)</b> |
| Other movements                             | 1                | —          | 1          | —        | 2          | (1)                           | —          | —          | —        | (1)        |
| <b>At 31 December</b>                       | <b>16</b>        | <b>23</b>  | <b>4</b>   | <b>1</b> | <b>44</b>  | <b>1</b>                      | <b>4</b>   | <b>8</b>   | <b>—</b> | <b>13</b>  |

## Risk Management *continued*

### 2.1.3 Credit risk – Impairment and write-offs

#### Income statement

The table below analyses the key components of the income statement charge for loans and advances to customers at 31 December 2025 and 2024:

| At amortised cost                                   | 2025                  |                |                           |                       |             | 2024                  |                |                           |                       |             |
|-----------------------------------------------------|-----------------------|----------------|---------------------------|-----------------------|-------------|-----------------------|----------------|---------------------------|-----------------------|-------------|
|                                                     | Residential mortgages | Other personal | Property and construction | Non-property business | Total       | Residential mortgages | Other personal | Property and construction | Non-property business | Total       |
| Income Statement                                    | € m                   | € m            | € m                       | € m                   | € m         | € m                   | € m            | € m                       | € m                   | € m         |
| Net stage transfers                                 | 17                    | 42             | 31                        | 43                    | 133         | 35                    | 25             | 2                         | 36                    | 98          |
| Net remeasurement (within Stage)                    | (15)                  | 2              | 60                        | 49                    | 96          | (15)                  | 8              | (4)                       | 83                    | 72          |
| New loans originated/top-ups                        | 1                     | 17             | 30                        | 29                    | 77          | 2                     | 15             | 22                        | 18                    | 57          |
| Redemptions/repayments                              | (4)                   | (4)            | (26)                      | (22)                  | (56)        | (5)                   | (3)            | (39)                      | (55)                  | (102)       |
| Impact of model changes <sup>1</sup>                | —                     | —              | 28                        | (45)                  | (17)        | —                     | 13             | 29                        | 25                    | 67          |
| Impact of overlay changes <sup>1</sup>              | (24)                  | 23             | (42)                      | 74                    | 31          | (32)                  | 24             | (6)                       | (45)                  | (59)        |
| Impact of credit or economic risk parameters        | 1                     | (10)           | (29)                      | (22)                  | (60)        | (13)                  | (1)            | 5                         | (32)                  | (41)        |
| <b>Net remeasurement of ECL allowance</b>           | <b>(24)</b>           | <b>70</b>      | <b>52</b>                 | <b>106</b>            | <b>204</b>  | <b>(28)</b>           | <b>81</b>      | <b>9</b>                  | <b>30</b>             | <b>92</b>   |
| <b>Recoveries of amounts previously written-off</b> | <b>(8)</b>            | <b>(1)</b>     | <b>(6)</b>                | <b>(11)</b>           | <b>(26)</b> | <b>(8)</b>            | <b>(2)</b>     | <b>(6)</b>                | <b>(16)</b>           | <b>(32)</b> |
| <b>Net credit impairment (writeback)/charge</b>     | <b>(32)</b>           | <b>69</b>      | <b>46</b>                 | <b>95</b>             | <b>178</b>  | <b>(36)</b>           | <b>79</b>      | <b>3</b>                  | <b>14</b>             | <b>60</b>   |

1. For further clarity, the ECL allowance movements regarding the impact of model and overlay changes have been reported as separate categories for 2025 and 2024 comparatives.

There was a €178 million net credit impairment charge in the year to 31 December 2025 which comprised a net remeasurement of ECL allowance charge of €204 million and recoveries of amounts previously written-off of €26 million (2024: €60 million charge comprising a net remeasurement charge of €92 million and €32 million of recoveries).

The key drivers of the net remeasurement of ECL allowance charge of €204 million consist of the following components and activity:

- Net stage transfers resulted in a €133 million charge which was evident across all asset classes. The charge was driven by net stage transfers between Stage 1 and Stage 2 of €90 million, largely within the other personal (€33 million) and non-property business (€29 million) sectors. Net remeasurements within stage resulted in a €96 million charge driven by the property and construction and the non-property business sectors. New loans originated offset by redemptions/repayment activity resulted in a €21 million charge. The redemptions/repayment activity was largely in the non-property business and the property and construction sectors, particularly within Stage 2 which accounted for a €37 million writeback across both sectors driven by loans that fully repaid. Further details on the ECL allowance movements are outlined on pages 205 to 209.
- The impact of model changes resulted in a net writeback of €17 million. This was primarily driven by a €47 million writeback due to the redeveloped corporate LGD models deployed, partially offset by a €31 million charge due to the deployment of the recalibrated investment property model.

- The impact of overlay changes resulted in a net charge of €31 million. New PMAs in the year of €40 million relating to the C&IC segment and €26 million for the unsecured Stage 3 Retail portfolio were offset by a reduction in existing PMAs due to the utilisation of PMAs which are now captured in the modelled outcomes and through portfolio disposals. Further details on PMAs are outlined on pages 195 and 196.
- Within the IFRS 9 models, a €60 million ECL writeback has been observed due to macroeconomic factors. The reduction reflects improvements in the actual unemployment rates for 2025 in addition to more favourable revised forecasts for 2026/27. Further details on the macroeconomic scenarios and weightings are outlined on pages 190 to 193.

Recoveries of amounts previously written-off of €26 million (2024: €32 million) included €10 million of recoveries (2024: €15 million) due to cash recoveries received against legacy non-performing exposures. The remaining €16 million (2024: €17 million) relates to interest recognised as a result of loans curing from Stage 3.



### 2.1.3 Credit risk – Impairment and write-offs *continued*

#### Loans written-off and recoveries of previously written-off loans

The following table analyses loans written-off and recoveries of previously written-off loans by industry sector and geography for the years ended 31 December 2025 and 2024:

|                                              | 2025              |                                              | 2024              |                                              |
|----------------------------------------------|-------------------|----------------------------------------------|-------------------|----------------------------------------------|
|                                              | Loans written-off | Recoveries of amounts previously written-off | Loans written-off | Recoveries of amounts previously written-off |
|                                              | € m               | € m                                          | € m               | € m                                          |
| <b>Concentration by industry sector</b>      |                   |                                              |                   |                                              |
| Non-property business                        | 78                | 11                                           | 59                | 16                                           |
| Property and construction                    | 13                | 6                                            | 40                | 6                                            |
| Residential mortgages                        | 13                | 8                                            | 11                | 8                                            |
| Other personal                               | 10                | 1                                            | 16                | 2                                            |
| <b>Total</b>                                 | <b>114</b>        | <b>26</b>                                    | <b>126</b>        | <b>32</b>                                    |
| <b>Concentration by location<sup>1</sup></b> |                   |                                              |                   |                                              |
| Republic of Ireland                          | 34                | 19                                           | 63                | 23                                           |
| United Kingdom                               | 76                | 7                                            | 38                | 3                                            |
| Rest of the World                            | 4                 | —                                            | 25                | 6                                            |
|                                              | <b>114</b>        | <b>26</b>                                    | <b>126</b>        | <b>32</b>                                    |

1. By country of risk.

The contractual amount outstanding of loans written-off during the year that are subject to enforcement activity amounted to €2 million (2024: €30 million) which includes both full and partial write-offs. Total cumulative non-contracted loans written-off at 31 December 2025 has reduced to €94 million (2024: €170 million).

## Risk Management *continued*

### 2.1.4 Credit risk – Asset class analysis

#### Asset class summary – Key points:

- The residential mortgage portfolio increased to €37.5 billion (2024: €37.0 billion), driven by €4.5 billion of new lending offset by €3.8 billion of repayments, with credit quality improving as Stage 1 loans increased to €35.0 billion, Stage 2 loans decreased to €1.8 billion and Stage 3 loans reduced to €0.6 billion. Total criticised loans declined to €0.8 billion (2024: €1.0 billion) and total ECL cover eased to 0.5% (2024: 0.7%). There was a €32 million net credit impairment writeback in the year (2024: €36 million writeback).
- The other personal portfolio increased to €3.4 billion (2024: €3.3 billion), supported by €1.4 billion of new lending largely offset by €1.2 billion of repayments, while credit quality remained stable with a modest improvement in staging - Stage 1 loans rising to €2.8 billion, Stage 2 loans decreasing to €0.5 billion and Stage 3 loans unchanged at €0.1 billion; total ECL cover reduced to 3.8% (2024: 4.2%). There was a net credit impairment charge of €69 million in the year (2024: €79 million charge).
- The property and construction portfolio decreased to €8.4 billion (2024: €8.7 billion), as €2.2 billion of redemptions/repayments and FX movements exceeded €2.0 billion of new lending. Stage 1 loans increased to €5.7 billion, Stage 2 loans decreased to €2.4 billion and Stage 3 loans reduced to €0.3 billion. The overall credit quality remained stable, however the grading composition within strong/satisfactory has shifted slightly following the deployment of the recalibrated grading models, with strong grades reducing to 40% (2024: 64%) and total ECL cover eased to 5.1% (2024: 5.3%). There was a €46 million net credit impairment charge in the year (2024: €3 million charge).
- The non-property business portfolio increased to €22.9 billion (2024: €22.2 billion), driven by €6.8 billion of new lending partially offset by €5.5 billion of repayments, with credit quality remaining stable as Stage 1 loans rose to €19.3 billion and Stage 2 loans increased to €3.1 billion while Stage 3 loans remained unchanged at €0.5 billion. The grading composition within strong/satisfactory has shifted slightly following the deployment of the recalibrated grading models, with strong grades reducing to 50% (2024: 55%) and total ECL cover declined to 1.8% (2024: 2.1%). There was a €95 million net credit impairment charge in the year (2024: €14 million charge).

#### Loans and advances to customers – Residential mortgages

The residential mortgages portfolio amounted to €37.5 billion at 31 December 2025, with the majority (97%) relating to residential mortgages in the Republic of Ireland and the remainder relating to Northern Ireland. This compares to €37.0 billion at 31 December 2024, of which 97% related to residential mortgages in the Republic of Ireland. The split of the residential mortgages portfolio was owner-occupier €36.4 billion and buy-to-let €1.1 billion (2024: owner-occupier €35.7 billion and buy-to-let €1.3 billion).

The portfolio increased by €0.5 billion in the year due to new lending of €4.5 billion (2024: €4.7 billion), which was largely offset by redemptions/repayments of €3.8 billion and disposals of €0.2 billion.

The staging composition of the portfolio improved in the year as Stage 1 loans increased by €0.8 billion to €35.0 billion, Stage 2 loans decreased by €0.1 billion to €1.8 billion and there was a €0.2 billion decrease in Stage 3 loans to €0.6 billion, primarily due to the sale of a non-performing loan portfolio in long-term default which was completed during the year.

The split of the residential mortgages portfolio comprises €21.0 billion (56%) fixed rate, €10.6 billion (28%) variable rate and €5.9 billion (16%) tracker rate mortgages (2024: €20.5 billion (55%) fixed rate, €9.6 billion (26%) variable rate and €6.9 billion (19%) tracker rate mortgages).

#### Forbearance

Residential mortgages subject to forbearance measures reduced slightly to €0.5 billion at 31 December 2025 (2024: €0.6 billion). Details of forbearance measures are set out on pages 221 and 222.

#### Income statement

There was a €32 million net credit impairment writeback in the year to 31 December 2025 compared to a €36 million net credit impairment writeback in 2024. This comprises a net remeasurement of ECL allowance writeback of €24 million and recoveries of previously written-off loans of €8 million.

The ECL allowance for the portfolio totalled €0.2 billion providing ECL allowance cover of 0.5%. For the Stage 3 portfolio, the ECL allowance cover is 21% (2024: €0.3 billion, 0.7% and 27% respectively).

Residual debt, which is now unsecured following the disposal of property on which the residential mortgage was secured, is included in the residential mortgages portfolio and as such, is included in the tables within this section.

## 2.1.4 Credit risk – Asset class analysis continued

### Loans and advances to customers – Residential mortgages continued

The following table analyses the residential mortgage portfolio at amortised cost by segment, internal credit ratings and ECL staging at 31 December 2025 and 2024:

|                                                        | 2025           |                 |          |            |          |               | 2024           |                 |          |            |          |               |
|--------------------------------------------------------|----------------|-----------------|----------|------------|----------|---------------|----------------|-----------------|----------|------------|----------|---------------|
|                                                        | Retail Banking | Capital Markets | C&IC     | AIB UK     | Group    | Total         | Retail Banking | Capital Markets | C&IC     | AIB UK     | Group    | Total         |
|                                                        | € m            | € m             | € m      | € m        | € m      | € m           | € m            | € m             | € m      | € m        | € m      | € m           |
| <b>Gross carrying amount</b>                           |                |                 |          |            |          |               |                |                 |          |            |          |               |
| Owner-occupier                                         | 35,014         | 449             | —        | 942        | —        | 36,405        | 34,346         | 417             | —        | 925        | —        | 35,688        |
| Buy-to-let                                             | 1,029          | 59              | —        | 38         | —        | 1,126         | 1,174          | 62              | —        | 46         | —        | 1,282         |
| <b>Total</b>                                           | <b>36,043</b>  | <b>508</b>      | <b>—</b> | <b>980</b> | <b>—</b> | <b>37,531</b> | <b>35,520</b>  | <b>479</b>      | <b>—</b> | <b>971</b> | <b>—</b> | <b>36,970</b> |
| <b>Analysed by internal credit ratings</b>             |                |                 |          |            |          |               |                |                 |          |            |          |               |
| Strong                                                 | 30,091         | 342             | —        | 769        | —        | 31,202        | 28,930         | 311             | —        | 849        | —        | 30,090        |
| Satisfactory                                           | 4,564          | 157             | —        | 156        | —        | 4,877         | 4,829          | 150             | —        | 72         | —        | 5,051         |
| <b>Total strong/satisfactory</b>                       | <b>34,655</b>  | <b>499</b>      | <b>—</b> | <b>925</b> | <b>—</b> | <b>36,079</b> | <b>33,759</b>  | <b>461</b>      | <b>—</b> | <b>921</b> | <b>—</b> | <b>35,141</b> |
| Criticised watch                                       | 623            | 7               | —        | 16         | —        | 646           | 786            | 15              | —        | 11         | —        | 812           |
| Criticised recovery                                    | 136            | —               | —        | 2          | —        | 138           | 142            | —               | —        | 3          | —        | 145           |
| <b>Total criticised</b>                                | <b>759</b>     | <b>7</b>        | <b>—</b> | <b>18</b>  | <b>—</b> | <b>784</b>    | <b>928</b>     | <b>15</b>       | <b>—</b> | <b>14</b>  | <b>—</b> | <b>957</b>    |
| <b>Non-performing</b>                                  | <b>629</b>     | <b>2</b>        | <b>—</b> | <b>37</b>  | <b>—</b> | <b>668</b>    | <b>833</b>     | <b>3</b>        | <b>—</b> | <b>36</b>  | <b>—</b> | <b>872</b>    |
| <b>Gross carrying amount</b>                           | <b>36,043</b>  | <b>508</b>      | <b>—</b> | <b>980</b> | <b>—</b> | <b>37,531</b> | <b>35,520</b>  | <b>479</b>      | <b>—</b> | <b>971</b> | <b>—</b> | <b>36,970</b> |
| <b>Analysed by ECL staging</b>                         |                |                 |          |            |          |               |                |                 |          |            |          |               |
| Stage 1                                                | 33,602         | 473             | —        | 924        | —        | 34,999        | 32,799         | 441             | —        | 925        | —        | 34,165        |
| Stage 2                                                | 1,740          | 33              | —        | 19         | —        | 1,792         | 1,820          | 35              | —        | 10         | —        | 1,865         |
| Stage 3                                                | 552            | 2               | —        | 37         | —        | 591           | 731            | 3               | —        | 36         | —        | 770           |
| POCI                                                   | 149            | —               | —        | —          | —        | 149           | 170            | —               | —        | —          | —        | 170           |
| <b>Total</b>                                           | <b>36,043</b>  | <b>508</b>      | <b>—</b> | <b>980</b> | <b>—</b> | <b>37,531</b> | <b>35,520</b>  | <b>479</b>      | <b>—</b> | <b>971</b> | <b>—</b> | <b>36,970</b> |
| <b>ECL allowance – statement of financial position</b> |                |                 |          |            |          |               |                |                 |          |            |          |               |
| Stage 1                                                | 12             | —               | —        | 1          | —        | 13            | 10             | —               | —        | —          | —        | 10            |
| Stage 2                                                | 47             | 1               | —        | —          | —        | 48            | 52             | 1               | —        | —          | —        | 53            |
| Stage 3                                                | 122            | —               | —        | 3          | —        | 125           | 206            | 1               | —        | 3          | —        | 210           |
| POCI                                                   | (10)           | —               | —        | —          | —        | (10)          | (3)            | —               | —        | —          | —        | (3)           |
| <b>Total</b>                                           | <b>171</b>     | <b>1</b>        | <b>—</b> | <b>4</b>   | <b>—</b> | <b>176</b>    | <b>265</b>     | <b>2</b>        | <b>—</b> | <b>3</b>   | <b>—</b> | <b>270</b>    |
| <b>ECL allowance cover percentage</b>                  |                |                 |          |            |          |               |                |                 |          |            |          |               |
|                                                        | %              | %               | %        | %          | %        | %             | %              | %               | %        | %          | %        | %             |
| Stage 1                                                | —              | —               | —        | 0.1        | —        | —             | —              | —               | —        | —          | —        | —             |
| Stage 2                                                | 2.7            | 3.0             | —        | —          | —        | 2.7           | 2.9            | 2.5             | —        | —          | —        | 2.8           |
| Stage 3                                                | 22.1           | —               | —        | 8.1        | —        | 21.2          | 28.2           | 30.3            | —        | 8.3        | —        | 27.2          |
| POCI                                                   | (6.7)          | —               | —        | —          | —        | (6.7)         | (1.8)          | —               | —        | —          | —        | (1.8)         |
| <b>Income statement</b>                                |                |                 |          |            |          |               |                |                 |          |            |          |               |
|                                                        | € m            | € m             | € m      | € m        | € m      | € m           | € m            | € m             | € m      | € m        | € m      | € m           |
| Net remeasurement of ECL allowance                     | (24)           | (1)             | —        | 1          | —        | (24)          | (27)           | —               | —        | (1)        | —        | (28)          |
| Recoveries of amounts previously written-off           | (7)            | —               | —        | (1)        | —        | (8)           | (8)            | —               | —        | —          | —        | (8)           |
| <b>Net credit impairment (writeback)/charge</b>        | <b>(31)</b>    | <b>(1)</b>      | <b>—</b> | <b>—</b>   | <b>—</b> | <b>(32)</b>   | <b>(35)</b>    | <b>—</b>        | <b>—</b> | <b>(1)</b> | <b>—</b> | <b>(36)</b>   |

## Risk Management *continued*

### 2.1.4 Credit risk – Asset class analysis *continued*

#### Loans and advances to customers - residential mortgages

#### Indexed loan-to-value ratios of the Group's residential mortgage portfolio

The following table profiles the residential mortgage portfolio by the indexed loan-to-value (LTV) ratios at 31 December 2025 and 2024:

| (Audited)         | 2025              |                |                |             |               | 2024              |                |                |             |               |
|-------------------|-------------------|----------------|----------------|-------------|---------------|-------------------|----------------|----------------|-------------|---------------|
|                   | At amortised cost |                |                |             |               | At amortised cost |                |                |             |               |
|                   | Stage 1<br>€ m    | Stage 2<br>€ m | Stage 3<br>€ m | POCI<br>€ m | Total<br>€ m  | Stage 1<br>€ m    | Stage 2<br>€ m | Stage 3<br>€ m | POCI<br>€ m | Total<br>€ m  |
| Less than 80%     | 32,790            | 1,752          | 542            | 138         | 35,222        | 31,968            | 1,830          | 702            | 154         | 34,654        |
| 81 – 100%         | 2,077             | 32             | 28             | 5           | 2,142         | 2,082             | 26             | 42             | 5           | 2,155         |
| 100 – 120%        | 40                | 3              | 9              | 3           | 55            | 32                | 2              | 9              | 1           | 44            |
| Greater than 120% | 89                | 4              | 10             | 2           | 105           | 80                | 6              | 15             | 3           | 104           |
| Total with LTVs   | 34,996            | 1,791          | 589            | 148         | 37,524        | 34,162            | 1,864          | 768            | 163         | 36,957        |
| Unsecured         | 3                 | 1              | 2              | 1           | 7             | 3                 | 1              | 2              | 7           | 13            |
| <b>Total</b>      | <b>34,999</b>     | <b>1,792</b>   | <b>591</b>     | <b>149</b>  | <b>37,531</b> | <b>34,165</b>     | <b>1,865</b>   | <b>770</b>     | <b>170</b>  | <b>36,970</b> |
| Of which:         |                   |                |                |             |               |                   |                |                |             |               |
| Owner-occupier    |                   |                |                |             |               |                   |                |                |             |               |
| Less than 80%     | 31,864            | 1,629          | 501            | 128         | 34,122        | 30,950            | 1,669          | 646            | 146         | 33,411        |
| 81 – 100%         | 2,073             | 32             | 23             | 4           | 2,132         | 2,077             | 27             | 31             | 3           | 2,138         |
| 100 – 120%        | 39                | 2              | 6              | 1           | 48            | 31                | 1              | 7              | 1           | 40            |
| Greater than 120% | 87                | 4              | 7              | 1           | 99            | 76                | 5              | 10             | 3           | 94            |
| Total with LTVs   | 34,063            | 1,667          | 537            | 134         | 36,401        | 33,134            | 1,702          | 694            | 153         | 35,683        |
| Unsecured         | 2                 | —              | 1              | 1           | 4             | 2                 | —              | 1              | 2           | 5             |
| <b>Total</b>      | <b>34,065</b>     | <b>1,667</b>   | <b>538</b>     | <b>135</b>  | <b>36,405</b> | <b>33,136</b>     | <b>1,702</b>   | <b>695</b>     | <b>155</b>  | <b>35,688</b> |

The weighted average indexed loan-to-value (LTV) of the stock of residential mortgages at 31 December 2025 was 46% (2024: 47%), new residential mortgages issued during the year was 67% (2024: 68%), and Stage 3 was 45% (2024: 47%).



## 2.1.4 Credit risk – Asset class analysis continued

### Loans and advances to customers – Other personal

The following table analyses other personal lending at amortised cost by segment, internal credit ratings and ECL staging at 31 December 2025 and 2024:

(Audited)

|                                                        | 2025           |                 |          |           |          |              | 2024           |                 |          |           |          |              |
|--------------------------------------------------------|----------------|-----------------|----------|-----------|----------|--------------|----------------|-----------------|----------|-----------|----------|--------------|
|                                                        | Retail Banking | Capital Markets | C&IC     | AIB UK    | Group    | Total        | Retail Banking | Capital Markets | C&IC     | AIB UK    | Group    | Total        |
|                                                        | € m            | € m             | € m      | € m       | € m      | € m          | € m            | € m             | € m      | € m       | € m      | € m          |
| <b>Gross carrying amount</b>                           |                |                 |          |           |          |              |                |                 |          |           |          |              |
| Credit cards                                           | 750            | 13              | —        | 20        | —        | 783          | 736            | 9               | —        | 22        | —        | 767          |
| Loans/overdrafts                                       | 2,532          | 84              | —        | 40        | —        | 2,656        | 2,370          | 84              | —        | 44        | —        | 2,498        |
| <b>Total</b>                                           | <b>3,282</b>   | <b>97</b>       | <b>—</b> | <b>60</b> | <b>—</b> | <b>3,439</b> | <b>3,106</b>   | <b>93</b>       | <b>—</b> | <b>66</b> | <b>—</b> | <b>3,265</b> |
| <b>Analysed by internal credit ratings</b>             |                |                 |          |           |          |              |                |                 |          |           |          |              |
| Strong                                                 | 489            | 14              | —        | 55        | —        | 558          | 469            | 9               | —        | 59        | —        | 537          |
| Satisfactory                                           | 1,900          | 77              | —        | 4         | —        | 1,981        | 1,797          | 76              | —        | 6         | —        | 1,879        |
| <b>Total strong/satisfactory</b>                       | <b>2,389</b>   | <b>91</b>       | <b>—</b> | <b>59</b> | <b>—</b> | <b>2,539</b> | <b>2,266</b>   | <b>85</b>       | <b>—</b> | <b>65</b> | <b>—</b> | <b>2,416</b> |
| Criticised watch                                       | 796            | 6               | —        | —         | —        | 802          | 728            | 8               | —        | —         | —        | 736          |
| Criticised recovery                                    | 11             | —               | —        | —         | —        | 11           | 13             | —               | —        | —         | —        | 13           |
| <b>Total criticised</b>                                | <b>807</b>     | <b>6</b>        | <b>—</b> | <b>—</b>  | <b>—</b> | <b>813</b>   | <b>741</b>     | <b>8</b>        | <b>—</b> | <b>—</b>  | <b>—</b> | <b>749</b>   |
| <b>Non-performing</b>                                  | <b>86</b>      | <b>—</b>        | <b>—</b> | <b>1</b>  | <b>—</b> | <b>87</b>    | <b>99</b>      | <b>—</b>        | <b>—</b> | <b>1</b>  | <b>—</b> | <b>100</b>   |
| <b>Gross carrying amount</b>                           | <b>3,282</b>   | <b>97</b>       | <b>—</b> | <b>60</b> | <b>—</b> | <b>3,439</b> | <b>3,106</b>   | <b>93</b>       | <b>—</b> | <b>66</b> | <b>—</b> | <b>3,265</b> |
| <b>Analysed by ECL staging</b>                         |                |                 |          |           |          |              |                |                 |          |           |          |              |
| Stage 1                                                | 2,662          | 90              | —        | 57        | —        | 2,809        | 2,403          | 84              | —        | 62        | —        | 2,549        |
| Stage 2                                                | 534            | 7               | —        | 2         | —        | 543          | 604            | 9               | —        | 3         | —        | 616          |
| Stage 3                                                | 86             | —               | —        | 1         | —        | 87           | 99             | —               | —        | 1         | —        | 100          |
| POCI                                                   | —              | —               | —        | —         | —        | —            | —              | —               | —        | —         | —        | —            |
| <b>Total</b>                                           | <b>3,282</b>   | <b>97</b>       | <b>—</b> | <b>60</b> | <b>—</b> | <b>3,439</b> | <b>3,106</b>   | <b>93</b>       | <b>—</b> | <b>66</b> | <b>—</b> | <b>3,265</b> |
| <b>ECL allowance – statement of financial position</b> |                |                 |          |           |          |              |                |                 |          |           |          |              |
| Stage 1                                                | 21             | 1               | —        | —         | —        | 22           | 18             | 1               | —        | —         | —        | 19           |
| Stage 2                                                | 48             | —               | —        | —         | —        | 48           | 51             | 1               | —        | —         | —        | 52           |
| Stage 3                                                | 60             | —               | —        | 1         | —        | 61           | 65             | —               | —        | 1         | —        | 66           |
| POCI                                                   | —              | —               | —        | —         | —        | —            | —              | —               | —        | —         | —        | —            |
| <b>Total</b>                                           | <b>129</b>     | <b>1</b>        | <b>—</b> | <b>1</b>  | <b>—</b> | <b>131</b>   | <b>134</b>     | <b>2</b>        | <b>—</b> | <b>1</b>  | <b>—</b> | <b>137</b>   |
| <b>ECL allowance cover percentage</b>                  |                |                 |          |           |          |              |                |                 |          |           |          |              |
|                                                        | %              | %               | %        | %         | %        | %            | %              | %               | %        | %         | %        | %            |
| Stage 1                                                | 0.8            | 1.1             | —        | —         | —        | 0.8          | 0.8            | 0.6             | —        | —         | —        | 0.7          |
| Stage 2                                                | 9.0            | —               | —        | —         | —        | 8.8          | 8.5            | 9.3             | —        | —         | —        | 8.5          |
| Stage 3                                                | 69.8           | —               | —        | 100.0     | —        | 70.1         | 65.4           | —               | —        | 63.0      | —        | 65.3         |
| POCI                                                   | —              | —               | —        | —         | —        | —            | —              | —               | —        | —         | —        | —            |
| <b>Income statement</b>                                |                |                 |          |           |          |              |                |                 |          |           |          |              |
|                                                        | € m            | € m             | € m      | € m       | € m      | € m          | € m            | € m             | € m      | € m       | € m      | € m          |
| Net remeasurement of ECL allowance                     | 71             | (1)             | —        | —         | —        | 70           | 81             | —               | —        | —         | —        | 81           |
| Recoveries of amounts previously written-off           | (1)            | —               | —        | —         | —        | (1)          | (2)            | —               | —        | —         | —        | (2)          |
| <b>Net credit impairment charge/(writeback)</b>        | <b>70</b>      | <b>(1)</b>      | <b>—</b> | <b>—</b>  | <b>—</b> | <b>69</b>    | <b>79</b>      | <b>—</b>        | <b>—</b> | <b>—</b>  | <b>—</b> | <b>79</b>    |

At 31 December 2025, the other personal lending portfolio of €3.4 billion comprises €2.6 billion in loans and overdrafts and €0.8 billion in credit card facilities (2024: €3.3 billion, €2.5 billion and €0.8 billion respectively). The credit quality of the portfolio remained stable throughout the year, with 26% categorised as less than satisfactory, of which defaulted loans amounted to €0.1 billion (2024: 26% and €0.1 billion).

New lending totalled €1.4 billion for the year to 31 December 2025 (2024: €1.3 billion); this was largely offset by net redemptions/repayments of €1.2 billion and disposals of €0.1 billion.

Stage 1 loans increased to €2.8 billion (2024: €2.6 billion), and Stage 2 loans decreased slightly by €0.1 billion to €0.5 billion (2024: €0.6 billion). Stage 2 cover remained stable at 9% (2024: 9%). Total Stage 3 loans experienced a slight decrease but remained unchanged at €0.1 billion.

#### Income statement

There was a net credit impairment charge of €69 million to the income statement in the year to 31 December 2025 compared to a €79 million net credit impairment charge in 2024. This comprises a net remeasurement of ECL allowance charge of €70 million and recoveries of previously written-off loans of €1 million.

The ECL allowance for the portfolio totalled €0.1 billion providing ECL allowance cover of 4%. For the Stage 3 portfolio, the ECL allowance cover is 70% (2024: €0.1 billion, 4% and 65% respectively).

## Risk Management continued

### 2.1.4 Credit risk – Asset class analysis continued

#### Loans and advances to customers – Property and construction

The following table analyses property and construction lending at amortised cost by segment, internal credit ratings and ECL staging at 31 December 2025 and 2024:

| (Audited)                                              | 2025                  |                        |             |               |              |              | 2024                  |                        |             |               |              |              |
|--------------------------------------------------------|-----------------------|------------------------|-------------|---------------|--------------|--------------|-----------------------|------------------------|-------------|---------------|--------------|--------------|
|                                                        | Retail Banking<br>€ m | Capital Markets<br>€ m | C&IC<br>€ m | AIB UK<br>€ m | Group<br>€ m | Total<br>€ m | Retail Banking<br>€ m | Capital Markets<br>€ m | C&IC<br>€ m | AIB UK<br>€ m | Group<br>€ m | Total<br>€ m |
| <b>Gross carrying amount</b>                           |                       |                        |             |               |              |              |                       |                        |             |               |              |              |
| Investment:                                            |                       |                        |             |               |              |              |                       |                        |             |               |              |              |
| Residential investment                                 | 28                    | 1,441                  | —           | 583           | —            | 2,052        | 40                    | 1,671                  | —           | 409           | —            | 2,120        |
| Student housing                                        | —                     | 304                    | —           | 571           | —            | 875          | —                     | 337                    | —           | 541           | —            | 878          |
| Housing associations                                   | —                     | 232                    | —           | 577           | —            | 809          | —                     | 157                    | —           | 486           | —            | 643          |
| Commercial investment – Office                         | 17                    | 1,240                  | —           | 377           | —            | 1,634        | 23                    | 1,433                  | —           | 400           | —            | 1,856        |
| Commercial investment – Retail                         | 30                    | 361                    | —           | 41            | —            | 432          | 35                    | 658                    | —           | 90            | —            | 783          |
| Commercial investment – Mixed                          | 34                    | 763                    | —           | 145           | —            | 942          | 49                    | 697                    | —           | 116           | —            | 862          |
| Commercial investment – Industrial                     | 16                    | 284                    | —           | 250           | —            | 550          | 20                    | 280                    | —           | 160           | —            | 460          |
| <b>Total investment</b>                                | <b>125</b>            | <b>4,625</b>           | <b>—</b>    | <b>2,544</b>  | <b>—</b>     | <b>7,294</b> | <b>167</b>            | <b>5,233</b>           | <b>—</b>    | <b>2,202</b>  | <b>—</b>     | <b>7,602</b> |
| Land and development:                                  |                       |                        |             |               |              |              |                       |                        |             |               |              |              |
| Residential development                                | 26                    | 513                    | —           | 80            | —            | 619          | 25                    | 574                    | —           | 101           | —            | 700          |
| Commercial development                                 | 3                     | 7                      | —           | 79            | —            | 89           | 5                     | 14                     | —           | 90            | —            | 109          |
| <b>Total land and development</b>                      | <b>29</b>             | <b>520</b>             | <b>—</b>    | <b>159</b>    | <b>—</b>     | <b>708</b>   | <b>30</b>             | <b>588</b>             | <b>—</b>    | <b>191</b>    | <b>—</b>     | <b>809</b>   |
| <b>Contractors</b>                                     | <b>253</b>            | <b>111</b>             | <b>—</b>    | <b>23</b>     | <b>—</b>     | <b>387</b>   | <b>231</b>            | <b>91</b>              | <b>—</b>    | <b>28</b>     | <b>—</b>     | <b>350</b>   |
| <b>Total</b>                                           | <b>407</b>            | <b>5,256</b>           | <b>—</b>    | <b>2,726</b>  | <b>—</b>     | <b>8,389</b> | <b>428</b>            | <b>5,912</b>           | <b>—</b>    | <b>2,421</b>  | <b>—</b>     | <b>8,761</b> |
| <b>Analysed by internal credit ratings</b>             |                       |                        |             |               |              |              |                       |                        |             |               |              |              |
| Strong                                                 | 30                    | 2,167                  | —           | 1,184         | —            | 3,381        | 54                    | 4,473                  | —           | 1,108         | —            | 5,635        |
| Satisfactory                                           | 271                   | 2,286                  | —           | 1,418         | —            | 3,975        | 243                   | 616                    | —           | 1,227         | —            | 2,086        |
| <b>Total strong/satisfactory</b>                       | <b>301</b>            | <b>4,453</b>           | <b>—</b>    | <b>2,602</b>  | <b>—</b>     | <b>7,356</b> | <b>297</b>            | <b>5,089</b>           | <b>—</b>    | <b>2,335</b>  | <b>—</b>     | <b>7,721</b> |
| Criticised watch                                       | 68                    | 154                    | —           | 23            | —            | 245          | 72                    | 50                     | —           | 3             | —            | 125          |
| Criticised recovery                                    | 8                     | 378                    | —           | 59            | —            | 445          | 13                    | 356                    | —           | 7             | —            | 376          |
| <b>Total criticised</b>                                | <b>76</b>             | <b>532</b>             | <b>—</b>    | <b>82</b>     | <b>—</b>     | <b>690</b>   | <b>85</b>             | <b>406</b>             | <b>—</b>    | <b>10</b>     | <b>—</b>     | <b>501</b>   |
| <b>Non-performing</b>                                  | <b>30</b>             | <b>271</b>             | <b>—</b>    | <b>42</b>     | <b>—</b>     | <b>343</b>   | <b>46</b>             | <b>417</b>             | <b>—</b>    | <b>76</b>     | <b>—</b>     | <b>539</b>   |
| <b>Gross carrying amount</b>                           | <b>407</b>            | <b>5,256</b>           | <b>—</b>    | <b>2,726</b>  | <b>—</b>     | <b>8,389</b> | <b>428</b>            | <b>5,912</b>           | <b>—</b>    | <b>2,421</b>  | <b>—</b>     | <b>8,761</b> |
| <b>Analysed by ECL staging</b>                         |                       |                        |             |               |              |              |                       |                        |             |               |              |              |
| Stage 1                                                | 294                   | 2,879                  | —           | 2,487         | —            | 5,660        | 285                   | 3,102                  | —           | 2,110         | —            | 5,497        |
| Stage 2                                                | 83                    | 2,106                  | —           | 197           | —            | 2,386        | 97                    | 2,393                  | —           | 235           | —            | 2,725        |
| Stage 3                                                | 29                    | 271                    | —           | 42            | —            | 342          | 44                    | 417                    | —           | 76            | —            | 537          |
| POCI                                                   | 1                     | —                      | —           | —             | —            | 1            | 2                     | —                      | —           | —             | —            | 2            |
| <b>Total</b>                                           | <b>407</b>            | <b>5,256</b>           | <b>—</b>    | <b>2,726</b>  | <b>—</b>     | <b>8,389</b> | <b>428</b>            | <b>5,912</b>           | <b>—</b>    | <b>2,421</b>  | <b>—</b>     | <b>8,761</b> |
| <b>ECL allowance – statement of financial position</b> |                       |                        |             |               |              |              |                       |                        |             |               |              |              |
| Stage 1                                                | 1                     | 59                     | —           | 17            | —            | 77           | 1                     | 44                     | —           | 15            | —            | 60           |
| Stage 2                                                | 4                     | 202                    | —           | 10            | —            | 216          | 5                     | 208                    | —           | 13            | —            | 226          |
| Stage 3                                                | 15                    | 116                    | —           | 9             | —            | 140          | 15                    | 149                    | —           | 15            | —            | 179          |
| POCI                                                   | (1)                   | —                      | —           | —             | —            | (1)          | (1)                   | —                      | —           | —             | —            | (1)          |
| <b>Total</b>                                           | <b>19</b>             | <b>377</b>             | <b>—</b>    | <b>36</b>     | <b>—</b>     | <b>432</b>   | <b>20</b>             | <b>401</b>             | <b>—</b>    | <b>43</b>     | <b>—</b>     | <b>464</b>   |
| <b>ECL allowance cover percentage</b>                  | %                     | %                      | %           | %             | %            | %            | %                     | %                      | %           | %             | %            | %            |
| Stage 1                                                | 0.3                   | 2.0                    | —           | 0.7           | —            | 1.4          | 0.4                   | 1.4                    | —           | 0.7           | —            | 1.1          |
| Stage 2                                                | 4.8                   | 9.6                    | —           | 5.1           | —            | 9.1          | 5.0                   | 8.7                    | —           | 5.6           | —            | 8.3          |
| Stage 3                                                | 51.7                  | 42.8                   | —           | 21.4          | —            | 40.9         | 35.2                  | 35.8                   | —           | 19.6          | —            | 33.4         |
| POCI                                                   | (100.0)               | —                      | —           | —             | —            | (100.0)      | (51.4)                | —                      | —           | —             | —            | (51.4)       |
| <b>Income statement</b>                                | € m                   | € m                    | € m         | € m           | € m          | € m          | € m                   | € m                    | € m         | € m           | € m          | € m          |
| Net remeasurement of ECL allowance                     | 2                     | 28                     | —           | 22            | —            | 52           | 1                     | (6)                    | —           | 14            | —            | 9            |
| Recoveries of amounts previously written-off           | (3)                   | (3)                    | —           | —             | —            | (6)          | (3)                   | (3)                    | —           | —             | —            | (6)          |
| <b>Net credit impairment (writeback)/charge</b>        | <b>(1)</b>            | <b>25</b>              | <b>—</b>    | <b>22</b>     | <b>—</b>     | <b>46</b>    | <b>(2)</b>            | <b>(9)</b>             | <b>—</b>    | <b>14</b>     | <b>—</b>     | <b>3</b>     |

## 2.1.4 Credit risk – Asset class analysis continued

### Loans and advances to customers – Property and construction continued

The property and construction portfolio decreased by €0.3 billion to €8.4 billion in the year to 31 December 2025 (2024: €8.7 billion). The reduction was driven by net redemptions/repayments activity and foreign exchange movements totalling €2.2 billion, which exceeded new lending of €2.0 billion (2024: €1.6 billion). New lending was largely in the property investment (€1.3 billion) and property development (€0.5 billion) portfolios, of which €0.8 billion related to residential investment/development projects.

The portfolio amounted to 12% of loans and advances to customers and comprised 87% investment loans (€7.3 billion), 8% land and development loans (€0.7 billion) and 5% relating to loans to contractors (€0.4 billion). The Capital Markets and AIB UK segments continue to account for the majority of this portfolio at 63% and 32% respectively.

At 31 December 2025, €7.4 billion of the portfolio was in a strong/satisfactory grade (2024: €7.7 billion). However, following the deployment of the recalibrated grading models, the grading composition within strong/satisfactory has shifted with strong loans decreasing by 24% to 40% at December 2025 (2024: 64%). The recalibration reflects an improvement in how the Group measures the risk in the portfolio as opposed to any deterioration in customer asset quality. The level of non-performing loans decreased by €0.2 billion in the year to €0.3 billion (2024: €0.5 billion).

The overall stage composition of the portfolio improved in the year. Stage 1 loans increased by €0.2 billion to €5.7 billion (2024: €5.5 billion), Stage 2 loans decreased by €0.3 billion to €2.4 billion (2024: €2.7 billion) and Stage 3 loans decreased by €0.2 billion to €0.3 billion (2024: €0.5 billion).

#### Income statement

There was a net credit impairment charge of €46 million to the income statement in the year to 31 December 2025 compared to a €3 million charge in 2024. This comprises a net remeasurement of ECL allowance charge of €52 million and recoveries of previously written-off loans of €6 million.

The ECL allowance for the portfolio totalled €0.4 billion providing ECL allowance cover of 5%. For the Stage 3 portfolio, the ECL allowance cover is 41% (2024: €0.4 billion, 5% and 33% respectively).

### Investment

Investment property loans amounted to €7.3 billion at 31 December 2025 (2024: €7.6 billion), of which, €3.5 billion related to commercial investment. The geographic profile of the investment property portfolio is predominantly in the Republic of Ireland (€4.4 billion) and the UK (€2.6 billion).

The following are the key themes within the investment property sub-sectors in relation to the total property and construction portfolio:

- The residential investment sub-sector represents 24% of the portfolio at €2.1 billion. Performance is underpinned by a combination of strong Irish economic performance, population growth and under-supply of housing relative to market requirements and government targets.
- The office commercial investment sub-sector represents 20% of the portfolio at €1.6 billion. Demand is rising for high quality, well located spaces with take up concentrated in Dublin city centre with prime headline rates broadly stable. Energy ratings of the secondary office portfolio remain a key risk with growing emphasis on sustainability and energy efficiency.
- The mixed commercial investment sub-sector represents 11% of the portfolio at €0.9 billion. This sub-sector consists of mixed investment properties including retail, office and residential. Where retail features, transactions are expected to be prime or strong secondary and have high quality characteristics in the stronger performing segments (retail parks and food anchored retail).
- The student housing residential investment sub-sector represents 10% of the portfolio at €0.9 billion. This sub-sector continues to experience strong levels of occupancy due to significant under-supply.
- The social housing residential investment sub-sector represents 10% of the portfolio at €0.8 billion. Similar to other residential sub-sectors, social housing has remained resilient in both Ireland and the UK with strong occupancy levels due to significant under-supply.

At 31 December 2025, there was a net credit impairment charge of €42 million to the income statement on the investment property element of the property and construction portfolio (2024: €19 million charge).

### Land and development

Land and development loans amounted to €0.7 billion at 31 December 2025 (2024: €0.8 billion) of which €0.5 billion related to loans in the Capital Markets segment and €0.2 billion in the AIB UK segment.

The residential development sub-sector represents 7% of the total property and construction portfolio at €0.6 billion. Whilst the majority of the portfolio is funding development in the greater Dublin area or Cork, proven developers are scaling up their regional presence.

At 31 December 2025, there was a net credit impairment writeback of €3 million to the income statement on the land and development element of the property and construction portfolio (2024: €20 million writeback).

### Contractors

The contractors sub-sector represents 5% of the portfolio at €0.4 billion (2024: €0.3 billion). The demand for this sub-sector is underpinned by public works and residential projects. This sub-sector continues to deal with a number of challenges including skill shortages, supply chain disruptions and input cost inflation particularly in wages.

## Risk Management continued

### 2.1.4 Credit risk – Credit profile of the loan portfolio – Asset class analysis continued

#### Loans and advances to customers – Non-property business

The following table analyses non-property business lending at amortised cost by segment, internal credit ratings and ECL staging at 31 December 2025 and 2024:

|                                                              | 2025                  |                        |              |               |              |               | 2024                  |                        |              |               |              |               |
|--------------------------------------------------------------|-----------------------|------------------------|--------------|---------------|--------------|---------------|-----------------------|------------------------|--------------|---------------|--------------|---------------|
|                                                              | Retail Banking<br>€ m | Capital Markets<br>€ m | C&IC<br>€ m  | AIB UK<br>€ m | Group<br>€ m | Total<br>€ m  | Retail Banking<br>€ m | Capital Markets<br>€ m | C&IC<br>€ m  | AIB UK<br>€ m | Group<br>€ m | Total<br>€ m  |
| <b>Gross carrying amount</b>                                 |                       |                        |              |               |              |               |                       |                        |              |               |              |               |
| Natural resources                                            | 18                    | 269                    | 4,974        | 182           | —            | 5,443         | 18                    | 531                    | 4,204        | 242           | —            | 4,995         |
| Of which renewables                                          | —                     | 1                      | 4,949        | 22            | —            | 4,972         | —                     | 282                    | 4,176        | 21            | —            | 4,479         |
| Leisure                                                      | 240                   | 2,016                  | —            | 540           | —            | 2,796         | 298                   | 2,016                  | —            | 628           | —            | 2,942         |
| Manufacturing                                                | 146                   | 2,462                  | —            | 286           | —            | 2,894         | 148                   | 2,395                  | —            | 210           | —            | 2,753         |
| Health, education and social work                            | 104                   | 1,383                  | —            | 400           | —            | 1,887         | 109                   | 1,327                  | —            | 443           | —            | 1,879         |
| Services                                                     | 552                   | 1,426                  | 257          | 223           | —            | 2,458         | 532                   | 1,174                  | 265          | 279           | —            | 2,250         |
| Agriculture, forestry and fishing                            | 1,240                 | 350                    | —            | 44            | —            | 1,634         | 1,284                 | 353                    | —            | 54            | —            | 1,691         |
| Retail and wholesale trade                                   | 338                   | 1,608                  | —            | 113           | —            | 2,059         | 381                   | 1,408                  | —            | 106           | —            | 1,895         |
| Transport and storage                                        | 213                   | 914                    | 348          | 364           | —            | 1,839         | 205                   | 785                    | 394          | 464           | —            | 1,848         |
| Telecommunications, media and technology                     | 29                    | 589                    | 763          | 63            | —            | 1,444         | 33                    | 715                    | 665          | 37            | —            | 1,450         |
| Financial, insurance and other government activities         | 25                    | 197                    | —            | 133           | 91           | 446           | 25                    | 314                    | —            | 81            | 50           | 470           |
| <b>Total</b>                                                 | <b>2,905</b>          | <b>11,214</b>          | <b>6,342</b> | <b>2,348</b>  | <b>91</b>    | <b>22,900</b> | <b>3,033</b>          | <b>11,018</b>          | <b>5,528</b> | <b>2,544</b>  | <b>50</b>    | <b>22,173</b> |
| <i>Of which Syndicated &amp; International Finance (SIF)</i> | —                     | 3,342                  | —            | —             | —            | 3,342         | —                     | 2,803                  | —            | —             | —            | 2,803         |
| <b>Analysed by internal credit ratings</b>                   |                       |                        |              |               |              |               |                       |                        |              |               |              |               |
| Strong                                                       | 149                   | 4,466                  | 5,367        | 1,473         | —            | 11,455        | 141                   | 5,674                  | 4,858        | 1,452         | 20           | 12,145        |
| Satisfactory                                                 | 2,176                 | 6,002                  | 656          | 787           | 91           | 9,712         | 2,189                 | 4,726                  | 579          | 778           | 30           | 8,302         |
| <b>Total strong/satisfactory</b>                             | <b>2,325</b>          | <b>10,468</b>          | <b>6,023</b> | <b>2,260</b>  | <b>91</b>    | <b>21,167</b> | <b>2,330</b>          | <b>10,400</b>          | <b>5,437</b> | <b>2,230</b>  | <b>50</b>    | <b>20,447</b> |
| Criticised watch                                             | 396                   | 568                    | 50           | 33            | —            | 1,047         | 453                   | 393                    | 2            | 45            | —            | 893           |
| Criticised recovery                                          | 34                    | 67                     | 66           | 24            | —            | 191           | 53                    | 115                    | 51           | 122           | —            | 341           |
| <b>Total criticised</b>                                      | <b>430</b>            | <b>635</b>             | <b>116</b>   | <b>57</b>     | <b>—</b>     | <b>1,238</b>  | <b>506</b>            | <b>508</b>             | <b>53</b>    | <b>167</b>    | <b>—</b>     | <b>1,234</b>  |
| <b>Non-performing</b>                                        | <b>150</b>            | <b>111</b>             | <b>203</b>   | <b>31</b>     | <b>—</b>     | <b>495</b>    | <b>197</b>            | <b>110</b>             | <b>38</b>    | <b>147</b>    | <b>—</b>     | <b>492</b>    |
| <b>Gross carrying amount</b>                                 | <b>2,905</b>          | <b>11,214</b>          | <b>6,342</b> | <b>2,348</b>  | <b>91</b>    | <b>22,900</b> | <b>3,033</b>          | <b>11,018</b>          | <b>5,528</b> | <b>2,544</b>  | <b>50</b>    | <b>22,173</b> |
| <b>Analysed by ECL staging</b>                               |                       |                        |              |               |              |               |                       |                        |              |               |              |               |
| Stage 1                                                      | 2,245                 | 9,585                  | 5,245        | 2,178         | 91           | 19,344        | 2,241                 | 9,349                  | 5,206        | 2,062         | 50           | 18,908        |
| Stage 2                                                      | 507                   | 1,517                  | 894          | 139           | —            | 3,057         | 591                   | 1,558                  | 284          | 335           | —            | 2,768         |
| Stage 3                                                      | 145                   | 111                    | 203          | 31            | —            | 490           | 188                   | 109                    | 38           | 147           | —            | 482           |
| POCI                                                         | 8                     | 1                      | —            | —             | —            | 9             | 13                    | 2                      | —            | —             | —            | 15            |
| <b>Total</b>                                                 | <b>2,905</b>          | <b>11,214</b>          | <b>6,342</b> | <b>2,348</b>  | <b>91</b>    | <b>22,900</b> | <b>3,033</b>          | <b>11,018</b>          | <b>5,528</b> | <b>2,544</b>  | <b>50</b>    | <b>22,173</b> |
| <b>ECL allowance – statement of financial position</b>       |                       |                        |              |               |              |               |                       |                        |              |               |              |               |
| Stage 1                                                      | 8                     | 31                     | 4            | 18            | —            | 61            | 10                    | 46                     | 19           | 20            | —            | 95            |
| Stage 2                                                      | 26                    | 120                    | 31           | 10            | —            | 187           | 30                    | 125                    | 20           | 18            | —            | 193           |
| Stage 3                                                      | 57                    | 28                     | 59           | 17            | —            | 161           | 65                    | 42                     | 6            | 80            | —            | 193           |
| POCI                                                         | (4)                   | (1)                    | —            | —             | —            | (5)           | (7)                   | (1)                    | —            | —             | —            | (8)           |
| <b>Total</b>                                                 | <b>87</b>             | <b>178</b>             | <b>94</b>    | <b>45</b>     | <b>—</b>     | <b>404</b>    | <b>98</b>             | <b>212</b>             | <b>45</b>    | <b>118</b>    | <b>—</b>     | <b>473</b>    |
| <b>ECL allowance cover percentage</b>                        |                       |                        |              |               |              |               |                       |                        |              |               |              |               |
| Stage 1                                                      | 0.4                   | 0.3                    | 0.1          | 0.8           | —            | 0.3           | 0.4                   | 0.5                    | 0.4          | 1.0           | —            | 0.5           |
| Stage 2                                                      | 5.1                   | 7.9                    | 3.5          | 7.2           | —            | 6.1           | 5.0                   | 8.0                    | 6.9          | 5.4           | —            | 6.9           |
| Stage 3                                                      | 39.3                  | 25.2                   | 29.1         | 54.8          | —            | 32.9          | 34.6                  | 38.7                   | 16.0         | 55.0          | —            | 40.2          |
| POCI                                                         | (50.0)                | (100.0)                | —            | —             | —            | (55.6)        | (48.6)                | (57.2)                 | —            | —             | —            | (49.7)        |
| <b>Income statement</b>                                      | <b>€ m</b>            | <b>€ m</b>             | <b>€ m</b>   | <b>€ m</b>    | <b>€ m</b>   | <b>€ m</b>    | <b>€ m</b>            | <b>€ m</b>             | <b>€ m</b>   | <b>€ m</b>    | <b>€ m</b>   | <b>€ m</b>    |
| Net remeasurement of ECL allowance                           | 19                    | (8)                    | 69           | 26            | —            | 106           | (5)                   | (63)                   | 22           | 76            | —            | 30            |
| Recoveries of amounts previously written-off                 | (4)                   | (1)                    | —            | (6)           | —            | (11)          | (7)                   | (7)                    | —            | (2)           | —            | (16)          |
| <b>Net credit impairment charge/(writeback)</b>              | <b>15</b>             | <b>(9)</b>             | <b>69</b>    | <b>20</b>     | <b>—</b>     | <b>95</b>     | <b>(12)</b>           | <b>(70)</b>            | <b>22</b>    | <b>74</b>     | <b>—</b>     | <b>14</b>     |

## 2.1.4 Credit risk – Asset class analysis continued

### Loans and advances to customers – Non-property business continued

The non-property business portfolio includes small and medium enterprises (SMEs) which are reliant largely on the domestic economies in which they operate. In addition to SMEs, the portfolio also includes exposures to larger corporate and institutional borrowers which are impacted by global economic conditions. The largest geographic concentration of the portfolio exposure is to Irish borrowers (49%), with the UK (23%) and USA (17%) being the other main geographic concentrations.

The non-property business portfolio consists of €22.9 billion in loans and advances to customers measured at amortised cost and €84 million of loans measured at FVTPL.

The portfolio measured at amortised cost increased by €0.7 billion to €22.9 billion in the year (2024: €22.2 billion). The increase in the portfolio can be attributed to new lending totalling €6.8 billion (2024: €6.8 billion); this was primarily driven by new lending of €3.5 billion in the Capital Markets segment. There was a further €1.6 billion of new lending within the C&I segment as the Group continues to finance the transition to renewable energy and infrastructure. Total new lending was partially offset by net redemptions/repayments of €5.5 billion. The non-property business portfolio amounted to 32% of total Group loans and advances to customers in the year (2024: 31%).

The asset quality composition of the portfolio remained stable in the year. Loans graded as strong/satisfactory were 92% (2024: 92%). The value of loans graded less than satisfactory (including non-performing loans) accounted for €1.7 billion (2024: €1.7 billion). However, following the deployment of the recalibrated grading models, the grading composition within strong/satisfactory has shifted with strong loans decreasing by 5% to 50% (2024: 55%). This recalibration primarily reflects an improvement in how the Group measures the risk in this portfolio as opposed to any deterioration in customer asset quality.

The staging composition of the portfolio has remained stable in the year as Stage 1 loans increased by €0.4 billion to €19.3 billion (2024: €18.9 billion), however Stage 2 loans also increased by €0.3 billion to €3.1 billion (2024: €2.8 billion). The increase in Stage 2 loans was predominantly in the C&I segment, primarily impacted by enhanced qualitative SICR triggers and a number of borrower downgrades from Stage 1 to Stage 2, specifically within the natural resources and fibre/broadband infrastructure sectors. Stage 3 loans remained unchanged at €0.5 billion. The performing forbore portfolio, which is also reflected within the criticised recovery category, decreased by €0.1 billion to €0.2 billion in the year (2024: €0.3 billion), as borrowers successfully demonstrated repayment capacity over 24 months.

The following are the key themes within the main sub-sectors of the non-property business portfolio:

- The natural resources sub-sector comprises 24% of the portfolio at €5.4 billion, which includes renewable energy. Continued growth in the sub-sector is anticipated, which will be driven by very strong demand for renewable energy as economies transition away from fossil fuels to meet climate goals underpinned by international agreements, and to increase energy security after a period of heightened geopolitical energy concerns. However, project specific operational issues, construction delays and grid outages led to an increase in the Stage 2 portfolio during 2025.
- The manufacturing sub-sector comprises 13% of the portfolio at €2.9 billion. Whilst non-food operators continue to experience strong export demand especially in pharmaceuticals, engineering and technology, the sector faces rising energy, wage and raw material costs, impacting profitability. Cost pressures and regulatory requirements particularly around sustainability are expected to persist. Whilst the value of food and drink exports increased in 2025 despite trade uncertainties around US tariffs, the food manufacturing sector continues to face challenges on cost inflation, supply chain volatility and regulatory demands, with continued investment in innovation and sustainability key for competitiveness.

- The leisure sub-sector comprises 12% of the portfolio at €2.8 billion. 2025 evidenced a strong return of international tourists and stable domestic demand. International tourism is expected to remain robust supported by plans to expand Dublin airport capacity, whilst domestic tourism shows greater growth potential due to strong economic fundamentals. Reduction in VAT rate for food and catering from July 2026 and continuation of reduced VAT rate for gas and electricity will be offset by PRSI increases, minimum wage increases and pension auto-enrolment.
- The services sub-sector comprises 11% of the portfolio at €2.5 billion, and includes professional services (accounting, legal and architectural/engineering activities) and other services, representing a more diverse grouping which includes contract services, machinery & equipment, management consultancy, research & development and public/community groups. Performance of service businesses is in part correlated to the performance of the domestic and global economy. Domestically, the Irish economy has been resilient in the face of geopolitical uncertainty with modified domestic demand forecast to continue to expand albeit at more moderate levels in 2026 and 2027.

### Income statement

There was a net credit impairment charge of €95 million to the income statement in the year to 31 December 2025 compared to a €14 million charge in 2024. This comprises a net remeasurement of ECL allowance charge of €106 million and recoveries of previously written-off loans of €11 million.

The ECL allowance for the portfolio totalled €0.4 billion providing ECL allowance cover of 2%. For the Stage 3 portfolio, the ECL allowance cover is 33% (2024: €0.5 billion, 2% and 40% respectively).

### Syndicated and International Finance

Syndicated and International Finance (SIF) is a specialised business unit within Capital Markets which participates in the provision of finance to US and European corporations for mergers, acquisitions, buyouts and general corporate purposes.

The SIF non-property portfolio increased by €0.5 billion to €3.3 billion at 31 December 2025 (2024: €2.8 billion). Growth was driven by increased appetite for lowly leveraged, strongly rated, large scale international corporates. Key portfolio metrics and trends are as follows:

- S&P corporate family rating: Improving. 97% of the SIF portfolio is rated by S&P (2024: 89%) with 91% rated B+ or above (+10% vs 2024), 7% rated B (-1% vs 2024) and Nil rated B- or below (-1% vs 2024).
- Grading: Stable. 100% of the SIF portfolio is in a strong/satisfactory grade (2024: 100%).
- Staging: Majority in Stage 1, 94%/€3.1 billion (2024: 97%/€2.7 billion). Stage 2 modest at 6%/€0.2 billion (2024: 3%/€0.1 billion). Stage 3 exposure remains Nil.
- Scale: Strong preference to larger scale with vast majority of loans, 92%, to borrowers with EBITDA > €250 million (2024: 90%).
- Diversification: Improving. Reduced concentration with top 20 borrowers accounting for 31% of total exposure (-5% vs 2024). Exposures diversified across multiple non-property business sub-sectors. Primary sectoral concentrations are to manufacturing 22% (2024: 24%), services 23% (2024: 18%), telecommunications, media and technology 15% (2024: 20%).
- Exposures relate to borrowers domiciled in the US (71%), UK (6%) and Rest of World - primarily Europe (23%), (2024: US 63%, UK 6% and Rest of World - primarily Europe 31%).

The SIF portfolio had a net credit impairment writeback to the income statement in 2025 of €2 million (2024: €78 million writeback).



## Risk Management *continued*

### 2.1.5 Credit risk – Credit ratings

#### External credit ratings of certain financial assets *(audited)*

The following table sets out the credit quality, based on external credit ratings, of financial assets measured at 31 December 2025 and 2024:

- Amortised cost: Loans and advances to banks of €601 million (2024: €1,321 million), securities financing of €7,339 million (2024: €6,643 million), investment debt securities at amortised cost of €5,043 million (2024: €4,803 million);
- FVOCI: Investment debt securities at FVOCI of €16,201 million (2024: €13,568 million); and
- FVTPL: Trading portfolio of financial assets of €276 million (2024: €121 million).

Information on the credit ratings for loans and advances to customers where an external credit rating is available is disclosed on page 219.

| <i>(Audited)</i> | 2025              |              |              |                           |               | 2024              |              |              |                           |               |
|------------------|-------------------|--------------|--------------|---------------------------|---------------|-------------------|--------------|--------------|---------------------------|---------------|
|                  | At amortised cost |              |              |                           |               | At amortised cost |              |              |                           |               |
|                  | Bank              | Corporate    | Sovereign    | Other                     | Total         | Bank              | Corporate    | Sovereign    | Other                     | Total         |
|                  | € m               | € m          | € m          | € m                       | € m           | € m               | € m          | € m          | € m                       | € m           |
| AAA/AA           | 1,410             | —            | 2,372        | 2,235                     | 6,017         | 1,213             | —            | 2,412        | 1,946                     | 5,571         |
| A/A-             | 4,819             | 1,513        | 75           | 94                        | 6,501         | 5,391             | 1,240        | 17           | 167                       | 6,815         |
| BBB+/BBB/BBB-    | 5                 | 357          | —            | —                         | 362           | 15                | 245          | 34           | —                         | 294           |
| Sub investment   | 5                 | 47           | —            | —                         | 52            | 3                 | 25           | —            | —                         | 28            |
| Unrated          | 1                 | 50           | —            | —                         | 51            | 6                 | 53           | —            | —                         | 59            |
| <b>Total</b>     | <b>6,240</b>      | <b>1,967</b> | <b>2,447</b> | <b>2,329 <sup>1</sup></b> | <b>12,983</b> | <b>6,628</b>      | <b>1,563</b> | <b>2,463</b> | <b>2,113 <sup>1</sup></b> | <b>12,767</b> |
| Of which:        |                   |              |              |                           |               |                   |              |              |                           |               |
| Stage 1          | 6,240             | 1,967        | 2,447        | 2,329                     | 12,983        | 6,628             | 1,563        | 2,463        | 2,113                     | 12,767        |
| Stage 2          | —                 | —            | —            | —                         | —             | —                 | —            | —            | —                         | —             |
| Stage 3          | —                 | —            | —            | —                         | —             | —                 | —            | —            | —                         | —             |

| <i>(Audited)</i> | 2025         |            |                           |            |               | 2024         |            |                           |            |               |
|------------------|--------------|------------|---------------------------|------------|---------------|--------------|------------|---------------------------|------------|---------------|
|                  | At FVOCI     |            |                           |            |               | At FVOCI     |            |                           |            |               |
|                  | Bank         | Corporate  | Sovereign                 | Other      | Total         | Bank         | Corporate  | Sovereign                 | Other      | Total         |
|                  | € m          | € m        | € m                       | € m        | € m           | € m          | € m        | € m                       | € m        | € m           |
| AAA/AA           | 5,296        | 188        | 6,172                     | 107        | 11,763        | 5,164        | 196        | 5,002                     | 153        | 10,515        |
| A/A-             | 1,103        | 532        | 1,479                     | —          | 3,114         | 1,205        | 373        | 490                       | —          | 2,068         |
| BBB+/BBB/BBB-    | 185          | 213        | 926                       | —          | 1,324         | 163          | 169        | 643                       | —          | 975           |
| Sub investment   | —            | —          | —                         | —          | —             | —            | —          | —                         | —          | —             |
| Unrated          | —            | —          | —                         | —          | —             | —            | —          | 10                        | —          | 10            |
| <b>Total</b>     | <b>6,584</b> | <b>933</b> | <b>8,577 <sup>2</sup></b> | <b>107</b> | <b>16,201</b> | <b>6,532</b> | <b>738</b> | <b>6,145 <sup>2</sup></b> | <b>153</b> | <b>13,568</b> |
| Of which:        |              |            |                           |            |               |              |            |                           |            |               |
| Stage 1          | 6,584        | 933        | 8,577                     | 107        | 16,201        | 6,532        | 738        | 6,145                     | 153        | 13,568        |
| Stage 2          | —            | —          | —                         | —          | —             | —            | —          | —                         | —          | —             |
| Stage 3          | —            | —          | —                         | —          | —             | —            | —          | —                         | —          | —             |

| <i>(Audited)</i> | 2025      |           |            |          |            | 2024      |           |            |          |            |
|------------------|-----------|-----------|------------|----------|------------|-----------|-----------|------------|----------|------------|
|                  | At FVTPL  |           |            |          |            | At FVTPL  |           |            |          |            |
|                  | Bank      | Corporate | Sovereign  | Other    | Total      | Bank      | Corporate | Sovereign  | Other    | Total      |
|                  | € m       | € m       | € m        | € m      | € m        | € m       | € m       | € m        | € m      | € m        |
| AAA/AA           | —         | —         | 171        | —        | 171        | —         | —         | 103        | —        | 103        |
| A/A-             | 3         | 3         | 91         | —        | 97         | —         | —         | —          | —        | —          |
| BBB+/BBB/BBB-    | 8         | —         | —          | —        | 8          | 10        | 6         | —          | —        | 16         |
| Sub investment   | —         | —         | —          | —        | —          | 2         | —         | —          | —        | 2          |
| Unrated          | —         | —         | —          | —        | —          | —         | —         | —          | —        | —          |
| <b>Total</b>     | <b>11</b> | <b>3</b>  | <b>262</b> | <b>—</b> | <b>276</b> | <b>12</b> | <b>6</b>  | <b>103</b> | <b>—</b> | <b>121</b> |
| Of which:        |           |           |            |          |            |           |           |            |          |            |
| Stage 1          | 11        | 3         | 262        | —        | 276        | 12        | 6         | 103        | —        | 121        |
| Stage 2          | —         | —         | —          | —        | —          | —         | —         | —          | —        | —          |
| Stage 3          | —         | —         | —          | —        | —          | —         | —         | —          | —        | —          |

1. Relates to asset backed securities.

2. Includes supranational banks and government agencies.

## 2.1.6 Credit risk – Forbearance overview

### Additional credit quality and forbearance disclosures on loans and advances to customers

#### Forbearance

##### Overview

Forbearance occurs when a customer is granted a temporary or permanent concession or an agreed change to the existing contracted terms of a facility (forbearance measure), for reasons relating to the actual or apparent financial stress or distress of that customer. This also includes a total or partial refinancing of existing debt due to a customer availing of an embedded forbearance clause(s) in their contract. A forbearance agreement is entered into where the customer is in financial difficulty to the extent that they are unable to meet their loans to the Group in compliance with the existing agreed contracted terms and conditions. A concession or an agreed change to the contracted terms can be of a temporary (e.g. interest only) or permanent (e.g. term extension) nature.

The Group uses a range of initiatives to support its customers. The Group considers requests from customers who are experiencing financial difficulties on a case by case basis in line with the Group's Forbearance Policy and relevant procedures, and completes an affordability/repayment capacity assessment taking account of factors such as current and likely future financial circumstances, the customer's willingness to resolve such difficulties, and all relevant legal and regulatory obligations to ensure appropriate and sustainable measures are put in place.

Group credit policies, supported by relevant processes and procedures, are in place which set out the policy rules and principles underpinning the Group's approach to forbearance, ensuring the forbearance measure(s) provided to customers are affordable and sustainable, and in line with relevant regulatory requirements. Key principles include supporting viable small and medium enterprises, and providing support to enable customers to remain in their family home, whenever possible. The Group has implemented the standards for the Codes of Conduct in relation to customers in actual or apparent financial stress or distress, as set out by the Central Bank of Ireland (the Central Bank), ensuring these customers are dealt with in a professional and timely manner.

A request for forbearance is a trigger event for the Group to undertake an assessment of the customer's financial circumstances prior to any decision to grant a forbearance measure. This may result in the downgrading of the credit grade assigned and an increase in the expected credit loss. Facilities to which forbearance has been applied continue to be classified as forborne until an appropriate probation period has passed (minimum 24 months).

The effectiveness of forbearance measures over the lifetime of the arrangements are subject to ongoing management review and monitoring of forbearance. A forbearance measure is deemed to be effective if the customer meets the revised or original terms of the contract over a sustained period of time resulting in an improved outcome for the Group and the customer.

#### Mortgage portfolio

Under the mandate of the Central Bank's Code of Conduct on Mortgage Arrears (CCMA), the Group has a four-step process called the Mortgage Arrears Resolution Process, or MARP. This process aims to engage with, support and find resolution for mortgage customers (for their primary residence only) who are in arrears, or are at risk of going into arrears. In 2026 the CCMA will be incorporated into the updated Central Bank Consumer Protection Code.

The four-step MARP process is summarised as follows:

- Communications – We are here to listen, support and provide advice;
- Receipt of financial information – To allow us to understand the customer's finances;
- Assessment – We use the financial information to assess the customer's situation; and
- Resolution – We work with the customer to find an appropriate resolution.

The core objective of the process is to determine appropriate and sustainable solutions that, where possible, help to keep customers in their family home. In addition to relevant temporary forbearance measures (such as interest only and capital and interest moratorium), this includes permanent forbearance measures which have been devised to assist existing Republic of Ireland primary residential mortgage customers in financial difficulty. This process may result in debt write-off, where appropriate. The types of permanent forbearance solutions currently include; arrears capitalisation, term extension, split mortgages, mortgage to rent, voluntary sale for loss and negative equity trade down.

#### Non-mortgage portfolio

The Group also has in place forbearance measures for customers in the non-mortgage portfolio and buy-to-let mortgages who are in financial difficulty.

This approach is based on customer affordability and sustainability by applying the following core principles:

- Customers must be treated objectively and consistently;
- Customer circumstances and debt obligations must be viewed holistically; and
- Solutions will be appropriately provided where customers are cooperative, and are willing but unable to pay.

The forbearance process is one of structured engagement to assess the long-term levels of sustainable and unsustainable debt. The commercial aspects of this process require that customer affordability is viewed comprehensively, to include all available sources of finance for debt repayment, including unencumbered assets.

Types of non-mortgage forbearance include temporary measures (such as interest only and capital and interest moratorium) and permanent measures (such as term extension and arrears capitalisation). This process may result in debt write-off, where appropriate.

## Risk Management *continued*

### 2.1.6 Credit risk – Forbearance overview *continued*

#### Additional credit quality and forbearance disclosures on loans and advances to customers

##### Forbearance

The following table analyses the forbearance portfolio at amortised cost by ECL staging at 31 December 2025 and 2024:

|                                | 2025                  |                |                           |                       |              | 2024                  |                |                           |                       |              |
|--------------------------------|-----------------------|----------------|---------------------------|-----------------------|--------------|-----------------------|----------------|---------------------------|-----------------------|--------------|
|                                | Residential mortgages | Other personal | Property and construction | Non-property business | Total        | Residential mortgages | Other personal | Property and construction | Non-property business | Total        |
|                                | € m                   | € m            | € m                       | € m                   | € m          | € m                   | € m            | € m                       | € m                   | € m          |
| <b>Analysed by ECL staging</b> |                       |                |                           |                       |              |                       |                |                           |                       |              |
| Stage 1                        | 4                     | —              | —                         | —                     | 4            | 17                    | —              | —                         | 2                     | 19           |
| Stage 2                        | 124                   | 11             | 445                       | 191                   | 771          | 119                   | 13             | 376                       | 340                   | 848          |
| Stage 3                        | 267                   | 8              | 71                        | 238                   | 584          | 383                   | 15             | 123                       | 280                   | 801          |
| POCI                           | 56                    | —              | —                         | —                     | 56           | 67                    | —              | —                         | —                     | 67           |
| <b>Total</b>                   | <b>451</b>            | <b>19</b>      | <b>516</b>                | <b>429</b>            | <b>1,415</b> | <b>586</b>            | <b>28</b>      | <b>499</b>                | <b>622</b>            | <b>1,735</b> |
| <b>ECL allowance</b>           | <b>51</b>             | <b>7</b>       | <b>81</b>                 | <b>96</b>             | <b>235</b>   | <b>117</b>            | <b>10</b>      | <b>89</b>                 | <b>173</b>            | <b>389</b>   |

The Group continues to support its existing customers ensuring they are provided with the appropriate forbearance measures, particularly given the current economic uncertainty where customers may seek forbearance measures as a result of inflationary pressures and subsequent affordability issues, due to the higher cost of household goods and services.

The total forbearance portfolio reduced to €1.4 billion in the year (2024: €1.7 billion). The decrease primarily reflects a reduction in the non-performing forbearance loans as a result of loan disposals completed during the year.

## 2.2 Market and equity risk

### (a) Market risk

Market risk is the uncertainty of returns attributable to fluctuations in market factors. Where the uncertainty is expressed as a potential loss in earnings or value, it represents a risk to the income and capital position of the Group.

Changes in customer behaviours and the relationship between wholesale and retail rates give rise to changes in the Group's exposure to market risk factors and are also an important component of market risk.

#### Identification and assessment

The key market risks that the Group assumes as a result of its banking and trading book activities that have been identified as part of the MRA are:

- Credit spread risk is the exposure of the Group's financial position to adverse movements in the credit spreads of bonds held in the hold-to-collect-and-sell (HTCS) and hold-to-collect (HTC) securities portfolio. Credit spreads are defined as the difference between bond yields and interest rate swap rates of equivalent maturity.
- Interest rate risk in the banking book (IRRBB) is the current or prospective risk to both the earnings and capital of the Group as a result of adverse movements in interest rates. Changes in interest rates impact the underlying value of the Group's assets, liabilities and off-balance sheet instruments and, hence, its economic value (or capital position). Similarly, interest rate changes will impact the Group's net interest income (NII) through interest-sensitive income and expense effects; and
- The Group also assumes market risk through its trading book activities which relate to all positions in financial instruments (principally derivatives) that are held with trading intent or in order to hedge positions held with trading intent. Risks associated with valuation adjustments such as credit value adjustment (CVA) and funding value adjustment (FVA) are managed by the Group's Treasury function. The open market risk of Goodbody Stockbrokers is considered as part of the Group's trading book market risk.

Market risk scenarios are developed to test the capital requirements for this risk in the semi-annual stress testing process and the annual ICAAP.

In addition to above market risks, equity investment risk and pension risk are also identified by the MRA process as sub risks.

### Management and measurement (audited)

The Market Risk Management Framework and policies set out the key requirements for managing market risk. The key aspects of this are:

- The Group's Treasury function is responsible for managing market risk. Treasury also has a mandate to trade on its own account in selected wholesale markets with risk tolerances approved on an annual basis through the Group's Risk Appetite process;
- The Group documents its annual Market Risk Strategy to ensure market risk aligns with the Group's strategic business plan; and
- Market risk is managed against a range of Board approved internal capital limits which cover market risk in the trading book, interest rate risk and credit spread risk in the banking book. The Board approved limits are supplemented by a range of Level 2 GRC limits and Level 3 ALCo approved limits which include nominal, sensitivity limits and 'stop loss' limits.

Market risk is managed and measured using portfolio sensitivities, internal capital limits Value at Risk (VaR) and stress testing. Interest rate gaps and sensitivities to various risk factors are measured and reported on a daily basis. In terms of the VaR metric, the Group calculates a daily historical simulation VaR to a 95% confidence level, using a one day holding period and based on one year of historic data. In addition to VaR, Capital at Risk (CaR) is also measured to a one year<sup>1</sup> time horizon, a 99% confidence level and a longer set of data.

Credit risk issues inherent in the market risk portfolios are also subject to the Credit Risk Framework that is described in section 2.1.

The Group maintains a Structural Hedging Programme (SHP), subject to oversight by ALCo. The SHP provides a framework for assessing and re-balancing the extent of earnings sensitivity (to market rate changes) versus the economic value (or capital) attributed to IRRBB. Forecast structural changes in the composition of the balance sheet are a key driver of the annual SHP strategy. From an IRRBB capital perspective the SHP strategy seeks to maintain a broadly duration-matched repricing term profile where term asset positions (typically, interest rate derivatives and fixed rate mortgages) are offset by stable, non and low interest-bearing liabilities, principally comprising current accounts and deposits, and equity.

The SHP strategy provides an effective basis for stabilising income over the medium term and protecting income during periods of falling interest rates. SHP interest rate derivatives are subject to either cash flow hedging of floating-rate assets or macro fair value hedging of customer deposits.

### Monitoring, escalating and reporting (audited)

On a daily basis front office and risk functions receive a range of valuation, sensitivity and market risk measurement reports, while ALCo receives a monthly market risk commentary and summary risk profile. Market risk exposures are reported to the GRC and BRC on a monthly basis through the CRO Report.

1. The Capital at Risk on core trading book positions is assessed using a ten day horizon, with the exception of FX which is assessed using a one year horizon.

## Risk Management *continued*

### 2.2 Market and equity risk *continued*

#### (a) Market risk *continued* (audited)

The following table sets out financial assets and financial liabilities at 31 December 2025 and 2024 subject to market risk analysed between trading and non-trading portfolios, showing the principal market risks to which the assets and liabilities are exposed:

|                                                               |                      |                    |                        | 2025                                                                                                   |
|---------------------------------------------------------------|----------------------|--------------------|------------------------|--------------------------------------------------------------------------------------------------------|
| (Audited)                                                     | Market risk measures |                    |                        | Risk factors                                                                                           |
|                                                               | Carrying amount      | Trading portfolios | Non-trading portfolios |                                                                                                        |
|                                                               | € m                  | € m                | € m                    |                                                                                                        |
| <b>Assets subject to market risk</b>                          |                      |                    |                        |                                                                                                        |
| Cash and balances at central banks                            | 40,571               | —                  | 40,571                 | Interest rate, foreign exchange                                                                        |
| Trading portfolio financial assets                            | 286                  | 286                | —                      | Interest rate, foreign exchange, equity                                                                |
| Derivative financial instruments                              | 1,641                | 348                | 1,293                  | Interest rate, foreign exchange, credit spreads, equity, inflation rates, wholesale electricity prices |
| Loans and advances to banks                                   | 601                  | —                  | 601                    | Interest rate, foreign exchange                                                                        |
| Loans and advances to customers                               | 71,200               | —                  | 71,200                 | Interest rate, foreign exchange                                                                        |
| Securities financing                                          | 7,339                | —                  | 7,339                  | Interest rate, credit spreads, foreign exchange                                                        |
| Investment securities                                         | 21,548               | —                  | 21,548                 | Interest rate, foreign exchange, credit spreads, equity                                                |
| <b>Liabilities subject to market risk</b>                     |                      |                    |                        |                                                                                                        |
| Deposits and advances from banks                              | 156                  | —                  | 156                    | Interest rate, foreign exchange                                                                        |
| Deposits and advances from customers                          | 117,671              | —                  | 117,671                | Interest rate, foreign exchange                                                                        |
| Securities financing                                          | 682                  | —                  | 682                    | Interest rate, credit spreads, foreign exchange                                                        |
| Trading portfolio financial liabilities                       | 525                  | 525                | —                      | Interest rate, foreign exchange, equity                                                                |
| Derivative financial instruments                              | 1,408                | 319                | 1,089                  | Interest rate, foreign exchange, credit spreads, equity, inflation rates, wholesale electricity prices |
| Debt securities in issue                                      | 8,183                | —                  | 8,183                  | Interest rate, credit spreads, foreign exchange                                                        |
| Tier 2 subordinated liabilities and other capital instruments | 2,626                | —                  | 2,626                  | Interest rate, credit spreads                                                                          |
|                                                               |                      |                    |                        | 2024                                                                                                   |
| (Audited)                                                     | Market risk measures |                    |                        | Risk factors                                                                                           |
|                                                               | Carrying amount      | Trading portfolios | Non-trading portfolios |                                                                                                        |
|                                                               | € m                  | € m                | € m                    |                                                                                                        |
| <b>Assets subject to market risk</b>                          |                      |                    |                        |                                                                                                        |
| Cash and balances at central banks                            | 37,315               | —                  | 37,315                 | Interest rate, foreign exchange                                                                        |
| Trading portfolio financial assets                            | 136                  | 136                | —                      | Interest rate, foreign exchange, equity                                                                |
| Derivative financial instruments                              | 2,144                | 425                | 1,719                  | Interest rate, foreign exchange, credit spreads, equity, inflation rates, wholesale electricity prices |
| Loans and advances to banks                                   | 1,321                | —                  | 1,321                  | Interest rate, foreign exchange                                                                        |
| Loans and advances to customers                               | 69,889               | —                  | 69,889                 | Interest rate, foreign exchange                                                                        |
| Securities financing                                          | 6,643                | —                  | 6,643                  | Interest rate, credit spreads, foreign exchange                                                        |
| Investment securities                                         | 18,668               | —                  | 18,668                 | Interest rate, foreign exchange, credit spreads, equity                                                |
| <b>Liabilities subject to market risk</b>                     |                      |                    |                        |                                                                                                        |
| Deposits and advances from banks                              | 836                  | —                  | 836                    | Interest rate, foreign exchange                                                                        |
| Deposits and advances from customers                          | 109,883              | —                  | 109,883                | Interest rate, foreign exchange                                                                        |
| Securities financing                                          | 196                  | —                  | 196                    | Interest rate, credit spreads, foreign exchange                                                        |
| Trading portfolio financial liabilities                       | 262                  | 262                | —                      | Interest rate, foreign exchange, equity                                                                |
| Derivative financial instruments                              | 1,807                | 461                | 1,346                  | Interest rate, foreign exchange, credit spreads, equity, inflation rates, wholesale electricity prices |
| Debt securities in issue                                      | 8,832                | —                  | 8,832                  | Interest rate, credit spreads, foreign exchange                                                        |
| Tier 2 subordinated liabilities and other capital instruments | 1,627                | —                  | 1,627                  | Interest rate, credit spreads                                                                          |



## 2.2 Market and equity risk continued

### (a) Market risk continued

#### Interest rate sensitivity (audited)

The table below shows the sensitivity of the Group's banking book to an immediate and sustained +/- 100 basis point, +/-50 basis point and +/-25 basis point movement in interest rates, in terms of the impact on net interest income on a forward looking basis over a 12 month period, assuming no change in the balance sheet.

Sensitivity of projected net interest income to interest rate movements:

| December 2025 (audited) | € m<br>- 100bps | € m<br>- 50bps | € m<br>- 25bps | € m<br>+ 25bps | € m<br>+ 50bps | € m<br>+ 100bps |
|-------------------------|-----------------|----------------|----------------|----------------|----------------|-----------------|
| Euro                    | (307)           | (156)          | (76)           | 76             | 158            | 317             |
| Sterling                | (44)            | (21)           | (11)           | 11             | 22             | 43              |
| Other (mainly USD)      | (27)            | (14)           | (7)            | 7              | 13             | 27              |
| Total                   | (378)           | (191)          | (94)           | 94             | 193            | 387             |

| December 2024 (audited) | € m<br>- 100bps | € m<br>- 50bps | € m<br>- 25bps | € m<br>+ 25bps | € m<br>+ 50bps | € m<br>+ 100bps |
|-------------------------|-----------------|----------------|----------------|----------------|----------------|-----------------|
| Euro                    | (385)           | (189)          | (93)           | 80             | 163            | 329             |
| Sterling                | (37)            | (19)           | (9)            | 9              | 19             | 37              |
| Other (mainly USD)      | (17)            | (8)            | (4)            | 4              | 8              | 17              |
| Total                   | (439)           | (216)          | (106)          | 93             | 190            | 383             |

Interest rate sensitivity has continued to be a material risk management priority during 2025, given the evolution in the structural balance sheet, the falling interest rate environment and the Bank's structural hedging objectives. The year-on-year reduction in the reported sensitivity (-100bps scenario) has been a considered response to the changes in customer and wholesale volumes, retail rate pass through model dynamics and relevant regulatory constraints (in the form of Supervisory Outlier Test thresholds). On the liability side, the strong absolute growth in overall customer balances continued to reflect the slowdown in deposit balance migration from interest insensitive to interest-bearing products. On the asset side, the excess liquidity was absorbed primarily by increases in customer mortgage lending (with SVR growing faster than fixed rate products), in wholesale assets (mostly bonds, swapped to floating) and larger balances held with the CBI. The resulting net increase in structural sensitivity during 2025 was offset by another material increase in Euro structural hedging (being a mix of swaps and unhedged fixed rate mortgages). Given the composition of the balance sheet, and its expected evolution, the trade-off between managing IRRBB earnings (NII Sensitivity) and economic value (Capital at Risk) perspectives will continue to be a priority. The above sensitivity table is computed under the assumption of a 'static' balance sheet, that all market rates (Risk Free Rates/Euribors/Swaps, etc) move up/down in parallel and use AIB's internal retail rate pass through models, the nature of which can give risk to the asymmetry evident in the delta between the 2024 and 2025 results.

Group interest rate and foreign exchange rate VaR are calculated to a 95% confidence level with a one day holding period, and equity VaR is calculated to a 99% confidence level with a one day holding period. At 31 December 2025, interest rate VaR stood at €13.06 million, foreign exchange rate VaR at €0.12 million and equity VaR at €0.22 million. The Group recognises the limitations of VaR models, and supplements its VaR measures with stress tests which draw from a longer set of historical data and also with sensitivity measures.

#### Structural foreign exchange risk

Structural foreign exchange risk is the exposure of the Group's capital ratios to changes in exchange rates and results from net investment in subsidiaries, associates and branches, the functional currencies being currencies other than Euro. The Group is exposed to foreign exchange risk as it translates foreign currencies into Euro at each reporting period and the currency profile of the Group's capital may not necessarily match that of its assets and risk-weighted assets.

Exchange differences on structural exposures are recognised in other comprehensive income in the financial statements. The Group ALCo monitors structural foreign exchange risk and the foreign exchange

sensitivity of consolidated capital ratios. This impact is measured in terms of basis point sensitivities using scenario analysis.

The following table shows the sensitivity of the Group's fully loaded CET1 ratio to a hypothetical and sustained movement in GBP/EUR and USD/EUR foreign exchange rates.

| Sensitivity of CET1 fully loaded capital ratio to foreign exchange movements | 31 December 2025 | 2024    |
|------------------------------------------------------------------------------|------------------|---------|
| + 10% move in GBP and USD FX rates                                           | (0.12)%          | (0.13)% |
| - 10% move in GBP and USD FX rates                                           | 0.12%            | 0.13%   |

The above analysis is subject to certain simplifying assumptions such as GBP/EUR and USD/EUR foreign exchange rates moving in the same direction and at the same time.

### (b) Pension risk

Pension risk is the risk that:

- The funding position of the Group's defined benefit schemes would deteriorate to such an extent that additional contributions would be required to cover its funding obligations towards current and former employees;
- The capital position of the Group is negatively affected as funding deficits will be fully deductible from regulatory capital; and
- There could be a negative impact on industrial relations if the funding level of the scheme was to deteriorate significantly.

#### Risk identification and assessment

The Group maintains a number of defined benefit pension schemes for current and former employees. All defined benefit schemes operated by the Group closed to future accrual no later than the 31 December 2013 and staff transferred to defined contribution schemes for future pension benefits.

Each scheme has a separate Trustee board and the Group has agreed funding plans to deal with deficits where they exist. As part of any funding agreement, the Group engages with each Trustee regarding an appropriate investment strategy to reduce the risk in that scheme.

Irish schemes that are deemed to have a deficit under the Minimum Funding Standard must prepare funding plans to address this situation in a timely manner and submit them to the Pensions Authority for approval.

The IAS 19 valuation of the pension scheme assets and liabilities may vary which could impact on the Group's capital. The Group works with the Trustees of each scheme to monitor the performance of investments and estimates of future liability to identify deficits.

## Risk Management *continued*

### 2.2 Market and equity risk *continued*

#### (b) Pension risk *continued*

Given that variability in the value of the pension scheme assets and liabilities can impact on the Group's capital, the key processes through which pension risk is evaluated are the ICAAP as well as internal stress tests and monthly reporting of pension risk against risk appetite.

#### Management and measurement *(audited)*

The pension risk framework and policies set out the key risk management rules in place for this risk. Each Trustee is ultimately responsible for the investment strategy of the schemes, however, the Group engages with each Trustee regarding risk and investment strategy.

The Group has developed a strategy for each of its defined benefit schemes which include the following steps:

1. All defined benefit schemes are closed to future accrual.
2. They have funding plans (or are funded as required for the US schemes) and each defined benefit scheme has an investment strategy in place.
3. All schemes have a strategy of de-risking in line with their regulatory requirements, funding positions and funding plans, taking into account the nature of their liabilities.

The Irish Scheme continued to de-risk in 2025, with further sales of equities and additional investments in its Liability Driven Investment (LDI) portfolio, which is in place to hedge its interest rate and inflation risk. The LDI portfolio is comprised of a mixture of nominal bonds, inflation linked bonds as well as interest rate and inflation derivatives.

Independent actuarial valuations for the Irish scheme and the UK scheme are carried out on a triennial basis by the schemes' actuary, Mercer. The most recent valuation of the Irish scheme was carried out at 30 June 2024 and reported the scheme to be in surplus. The next actuarial valuation of the Irish scheme will be prepared with an effective date of 30 June 2027 with the results expected by 31 March 2028. No deficit funding is required at this time as the Irish scheme continues to meet the minimum funding standard. The most recent valuation of the UK scheme was carried out at 31 December 2023. The next actuarial valuation of the UK scheme will be carried out for 31 December 2026 with the results expected by 31 March 2028.

The Group and the Trustee began a substantial de-risking process of the UK scheme in 2019, with the initial purchase of a buy-in for the pensioner members and an assured payment policy for the deferred pensioner members. The de-risking was completed in 2025 and all members' benefits are now substantially covered by buy-in policies which match the amount and timing of the benefits payable to the members covered. To complete the conversion to buy-in, the Group made total payments of £16.1m in 2025. This was made up of £2 million contributions to meet scheme expenses and £14.1 million to cover the final buy-in transaction, the expected cost of insuring Guaranteed Minimum Pension (GMP) equalisation and data true-up liabilities, and a cash buffer to ensure the scheme has sufficient liquidity to pay benefits as they fall due. The Group expects to make payments of £2.6 million in 2026, which includes £2 million for expected Trustee expenses and an additional £0.6 million in respect of the difference between the initial and final buy-in pricing from Legal and Assurance Society (LGAS). These payments and any other related costs are subject to change prior to finalisation.

#### Monitoring, escalating and reporting *(audited)*

Pension risk is monitored and controlled in line with the requirements of the Group's pension risk framework and policy. The surplus or deficit is monitored on a monthly basis by the Group's risk team and is currently reported monthly in both the financial risk report to the Group Asset & Liabilities Committee and the Group CRO report to GRC and BRC.

Pension risk is also included in the internal stress test process. The output of these stress tests is reviewed by ALCo and on an annual basis an ICAAP Report is produced which is a comprehensive analysis of the Group's capital position in base and stress scenarios over a three year horizon. This document is reviewed and approved by the Board and is submitted to the Joint Supervisory Team.

The pension capital-at-risk exposure is measured and reported monthly in the CRO report against a Group Risk Appetite Statement watch trigger. While the Group has taken certain risk mitigating actions, a level of volatility associated with pension funding remains due to potential financial market fluctuations and possible changes to pension and accounting regulations.

#### (c) Equity risk

Banking book equity investment risk refers to the possibility of losses arising in the equity investment portfolio of the Group due to changes in the economic value of the investments. Where the uncertainty is expressed as a potential loss in value, it represents a risk to the income and capital position of the Group.

#### Identification and assessment

All equity proposals are considered to ensure all aspects of the proposal are fully and consistently addressed. Where a proposal for a new equity investment or divestment opportunity arises, Risk is involved and submits a Risk opinion. Risk reviews and comments on all proposals and recommends proposals for approval through the appropriate governance process. All new investments need to adhere to relevant regulatory, policy and accounting requirements.

#### Management and measurement

Exposures are reported on in line with Risk appetite requirements. Risk measurement is also captured through stress testing. A forward looking stress test is produced semi-annually. The stress test is used to assess the impact of severe but plausible shocks to underlying risk factors on the capital requirements for the business. Management projections of the future business mix must be factored into the analysis and be consistent with projections included in business area plans for equity risk.

#### Monitoring, escalating and reporting

Exposure levels are reviewed on an ongoing basis to ensure no undue risk concentration and to consider whether the level of risk exposures remains appropriate. Exposures are currently reported monthly by Equity Portfolio Management to Risk and the Group ALCo and any limit/policy breaches or exceptions that arose during the period are recorded.

Risk provide management with an independent perspective on the risk-taking activities within the equity investment portfolio monthly via the Financial Risk ALCo report, RAS limit report and the CRO report. Additionally, there is a quarterly valuation review process in place while Board and segment limits are applied and reported on with an escalation process as set out in the Equity Risk Policy.

## 2.3 Liquidity and funding risk

Liquidity consists of assets that can be readily converted to cash within a short timeframe at a reliable value. Liquidity risk is the risk that the Group or any of its subsidiaries cannot meet its actual or potential financial obligations as they fall due in the short term.

Funding consists of on-balance sheet liabilities that are used to provide cash to finance assets. Funding risk is the current or prospective risk that the Group or its subsidiaries cannot meet financial obligations as they fall due in the medium to long term, either at all or without increasing funding costs to unacceptable levels.

### Identification and assessment

Liquidity and funding risk is identified and assessed by the Group's MRA process in support of the ILAAP. The MRA process is a 'top-down' assessment performed on at least an annual basis and identifies the key material risks to the Group, taking into account its strategic objectives, in addition to internal and external risk information.

The ILAAP is fully integrated and embedded in the strategic, financial and risk management processes of the Group. Embedding of the ILAAP is facilitated through the setting of risk appetite and ensuring that liquidity considerations are factored into all key strategic decisions.

The Group has a comprehensive ILAAP Framework for managing the Group's liquidity risk and complying with the Board's risk appetite, as well as evolving regulatory standards. This is delivered through a combination of policy formation, governance, analysis, stress testing and limit setting and monitoring, and is part of the wider Risk Management Framework.

### Management and measurement (audited)

The objective of liquidity management is to ensure that, at all times, the Group holds sufficient funds to meet its contracted and contingent commitments to customers and counterparties at an economic price. The ILAAP Framework and supporting Funding and Liquidity Risk Policy set out the key requirements for managing the risk. These include:

- Adherence to both internal limits and regulatory defined liquidity ratios including the Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR). The LCR is designed to promote short-term resilience of the Group's liquidity risk profile by ensuring that it has sufficient high-quality liquid resources to survive an acute stress scenario lasting for 30 days. The NSFR has a time horizon of one year and has been developed to promote a sustainable maturity structure of assets and liabilities;
- Performing a multi-year projection of the Group's funding sources, through the Group's Funding and Liquidity Plan. The purpose of this plan is to set out a comprehensive, forward looking liquidity and funding strategy for the Group, including material subsidiary companies;
- Assessing the Funding and Liquidity Plan under a range of adverse scenarios, the outcomes of which should ensure sufficient liquidity to implement a sustainable strategy, even in a stressed environment;
- Maintaining a Contingency Funding Plan that identifies and quantifies actions that are available to the Group in deteriorating liquidity conditions and to help it emerge from a temporary liquidity crisis as a credit-worthy institution;
- Monitoring a further set of triggers and liquidity options outlined in the Group's Recovery Plan, which presents the actions available to the Group to restore viability in the event of extreme stress; and
- Having an approved liquidity cost-benefit allocation mechanism in place to attribute funding costs, benefits and risks to the Group's business lines.

### Monitoring, escalating and reporting

The Group liquidity and funding position is reported regularly to the Finance and Risk functions, ALCo, GRC and BRC. In addition, the ELT and the Board are briefed on liquidity and funding on an ongoing basis.

On an annual basis, the Board attests to the Group's liquidity adequacy via the Liquidity Adequacy Statement as part of the ILAAP. The Group's ILAAP encompasses all aspects of liquidity and funding management, including planning, analysis, stress testing, control, governance, policy and contingency planning. This document is submitted to the JST and forms the basis of their supervisory review and evaluation process.

### Management of the Group liquidity pool

The Group manages the liquidity pool on a centralised basis and primarily comprises government guaranteed bonds, balances with central banks and covered bonds. The composition of the liquidity pool is subject to limits recommended by the Risk function and approved by the Board.

At 31 December 2025, the Group held €76,080 million (2024: €69,063 million) in qualifying liquid assets (QLA)<sup>1</sup> of which €8,807 million (2024: €7,599 million) was not available due to repurchase, secured loans and other restrictions.

At 31 December 2025, the Group's available QLA was €67,273 million (2024: €61,464 million). During 2025, the available QLA ranged from €59,549 million to €69,016 million (2024: €58,359 million to €63,503 million) and the average balance was €63,831 million (2024: €60,513 million).

The Group's available QLA increased in 2025 by €5,809 million, which was predominantly due to an increase in customer deposits in Ireland, debt market issuance offset by an increase in customer loans, debt market buybacks, contractual debt maturities, dividend payouts and an increase in securities financing activities where cash was exchanged for non-QLA eligible collateral.

1. QLA are assets that can be readily converted into cash, either with the market or with the monetary authorities, and where there is no legal, operational or prudential impediments to their use as liquid assets.

### Other contingent liquidity

The Group has access to other unencumbered assets, providing a source of contingent liquidity, which are not in the Group's liquidity pool. However, these assets may be monetised in a stress scenario to generate liquidity through use as collateral for secured funding or outright sale.

### Liquidity stress testing

Liquidity stress testing is a key component of the ILAAP Framework. The purpose of these tests is to ensure the continued stability of the Group's liquidity position within the Group's pre-defined liquidity risk tolerance levels. The Group undertakes liquidity stress testing that includes both firm-specific and systemic risk events and a combination of both as a key liquidity control. Stressed assumptions are applied to the Group's liquidity buffer and liquidity risk drivers. This estimates the potential impact of a range of stress scenarios on the Group's liquidity position. Actions and strategies available to mitigate the impacts of the stress scenarios are evaluated as to their appropriateness. Liquidity stress test results are reported to the ALCo, ELT and Board.

## Risk Management *continued*

### 2.3 Liquidity and funding risk *continued*

#### Liquidity regulation

The Group is required to comply with the liquidity requirements of the Single Supervisory Mechanism/Central Bank of Ireland and also with the requirements of local regulators in the jurisdictions in which it operates. The Group adheres to these requirements.

|                          | 2025 | 2024 |
|--------------------------|------|------|
| Liquidity metrics        | %    | %    |
| Liquidity Coverage Ratio | 204  | 201  |
| Net Stable Funding Ratio | 163  | 162  |

The Group monitors and reports its liquidity positions against the Capital Requirements Regulation and other related liquidity regulations (LCR Delegated Act). It has fully complied with the minimum LCR and NSFR requirements of 100% during 2025, with ratios well in excess of this level.

#### Funding structure (audited)

The Group's funding strategy is to deliver a sustainable, diversified and robust customer deposit base at economic pricing and to further enhance and strengthen the wholesale funding franchise, with appropriate access to term markets to support core lending activities. The strategy aims to deliver a solid funding structure that complies with internal and regulatory policy requirements and reduces the probability of a liquidity stress, i.e. an inability to meet funding obligations as they fall due.

#### Composition of wholesale funding<sup>1</sup> (audited)

The Group maintains access to a variety of sources of wholesale funding, including bank deposits, securities financing, debt securities and subordinated debt. At 31 December 2025, total wholesale funding outstanding was €11,647 million (2024: €11,491 million), of which €1,720 million is due to mature in less than one year (2024: €2,366 million).

|                                                               | 2025                |                      |                      |                       |                          |                     |                  |                     |
|---------------------------------------------------------------|---------------------|----------------------|----------------------|-----------------------|--------------------------|---------------------|------------------|---------------------|
|                                                               | < 1<br>month<br>€ m | 1–3<br>months<br>€ m | 3–6<br>months<br>€ m | 6–12<br>months<br>€ m | Total<br>< 1 year<br>€ m | 1–3<br>years<br>€ m | 3–5 years<br>€ m | > 5<br>years<br>€ m |
| Deposits and advances from banks                              | 156                 | —                    | —                    | —                     | 156                      | —                   | —                | —                   |
| Securities financing                                          | 324                 | 358                  | —                    | —                     | 682                      | —                   | —                | —                   |
| Debt securities in issue:                                     |                     |                      |                      |                       |                          |                     |                  |                     |
| Senior debt                                                   | —                   | —                    | —                    | —                     | —                        | 1,720               | 2,382            | 3,065               |
| ACS                                                           | 1                   | —                    | —                    | 5                     | 6                        | 20                  | —                | —                   |
| Credit linked notes                                           | —                   | —                    | —                    | —                     | —                        | 66                  | —                | 48                  |
| Commercial paper                                              | 108                 | 676                  | 67                   | 25                    | 876                      | —                   | —                | —                   |
| Tier 2 subordinated liabilities and other capital instruments | —                   | —                    | —                    | —                     | —                        | —                   | —                | 2,626               |
| <b>Total 31 December</b>                                      | <b>589</b>          | <b>1,034</b>         | <b>67</b>            | <b>30</b>             | <b>1,720</b>             | <b>1,806</b>        | <b>2,382</b>     | <b>5,739</b>        |
| Of which:                                                     |                     |                      |                      |                       |                          |                     |                  |                     |
| Secured                                                       | 325                 | 358                  | —                    | 5                     | 688                      | 86                  | —                | 48                  |
| Unsecured                                                     | 264                 | 676                  | 67                   | 25                    | 1,032                    | 1,720               | 2,382            | 5,691               |
|                                                               | <b>589</b>          | <b>1,034</b>         | <b>67</b>            | <b>30</b>             | <b>1,720</b>             | <b>1,806</b>        | <b>2,382</b>     | <b>5,739</b>        |

1. The maturity analysis has been prepared using the residual contractual maturity of the liabilities.

Deposits and advances from customers represent the largest source of funding for the Group, with the core retail franchises and accompanying deposit base in both Ireland and the UK providing a stable and reasonably predictable source of funds.

| Deposits and advances from customers (audited) | 2025<br>€ m | 2024<br>€ m |
|------------------------------------------------|-------------|-------------|
| Total                                          | 117,671     | 109,883     |
| Of which:                                      |             |             |
| Euro                                           | 106,361     | 98,270      |
| Sterling                                       | 9,631       | 9,754       |
| US Dollar                                      | 1,418       | 1,624       |
| Other currencies                               | 261         | 235         |

Deposits and advances from customers increased by €7,788 million in 2025, driven by higher personal and SME balances. This was predominantly reflected in higher Euro deposit products (time deposits, current accounts and demand deposits), offset by a decrease in Group significant currencies (GBP and USD). There was a €329 million decrease in the Euro equivalent of GBP and USD deposits. This was mainly due to negative currency movements of €690 million offset by an underlying €361 million increase on a constant currency basis.

## 2.3 Liquidity and funding risk continued

### Composition of wholesale funding<sup>1</sup> continued (audited)

|                                                               | 2024             |                      |                      |                       |                          |                     |                     |                     |
|---------------------------------------------------------------|------------------|----------------------|----------------------|-----------------------|--------------------------|---------------------|---------------------|---------------------|
|                                                               | < 1 month<br>€ m | 1–3<br>months<br>€ m | 3–6<br>months<br>€ m | 6–12<br>months<br>€ m | Total<br>< 1 year<br>€ m | 1–3<br>years<br>€ m | 3–5<br>years<br>€ m | > 5<br>years<br>€ m |
| Deposits and advances from banks                              | 830              | —                    | 6                    | —                     | 836                      | —                   | —                   | —                   |
| Securities financing                                          | 184              | 12                   | —                    | —                     | 196                      | —                   | —                   | —                   |
| <i>Debt securities in issue:</i>                              |                  |                      |                      |                       |                          |                     |                     |                     |
| Senior debt                                                   | —                | —                    | —                    | 495                   | 495                      | 2,183               | 3,461               | 1,734               |
| ACS                                                           | 2                | —                    | —                    | —                     | 2                        | —                   | 5                   | 20                  |
| Credit linked notes                                           | —                | —                    | —                    | —                     | —                        | —                   | —                   | 95                  |
| Commercial paper                                              | 539              | 230                  | 68                   | —                     | 837                      | —                   | —                   | —                   |
| Tier 2 subordinated liabilities and other capital instruments | —                | —                    | —                    | —                     | —                        | —                   | —                   | 1,627               |
| <b>Total 31 December</b>                                      | <b>1,555</b>     | <b>242</b>           | <b>74</b>            | <b>495</b>            | <b>2,366</b>             | <b>2,183</b>        | <b>3,466</b>        | <b>3,476</b>        |
| Of which:                                                     |                  |                      |                      |                       |                          |                     |                     |                     |
| Secured                                                       | 186              | 12                   | 6                    | —                     | 204                      | —                   | 5                   | 115                 |
| Unsecured                                                     | 1,369            | 230                  | 68                   | 495                   | 2,162                    | 2,183               | 3,461               | 3,361               |
|                                                               | <b>1,555</b>     | <b>242</b>           | <b>74</b>            | <b>495</b>            | <b>2,366</b>             | <b>2,183</b>        | <b>3,466</b>        | <b>3,476</b>        |

1. The maturity analysis has been prepared using the residual contractual maturity of the liabilities.

Deposits and advances from banks decreased by €680 million to €156 million, primarily driven by a reduction in cash collateral received from derivative and repurchase agreement counterparties. For further details, see note 27 to the consolidated financial statements. Securities Financing increased by €486 million to €682 million, reflective of a increase in standard bilateral bank repo activity (see the currency split in the 'Currency composition of wholesale funding' table).

During 2025, senior debt decreased €706 million to €7,167 million, primarily reflecting €770 million in early redemptions and €1,149 million in contractual maturities, offset by €1,475 million in MREL bond issuance. Over the twelve months to 31 December 2025, there was a net €39 million increase in commercial paper to €876 million, whilst outstanding externally held asset-covered securities (ACS) remained broadly flat at €26 million. For further details, see note 29 to the consolidated financial statements. Subordinated liabilities increased €999 million to €2,626 million, driven by a €1 billion green Tier 2 capital issuance.

### Currency composition of wholesale funding

At 31 December 2025, 69% (2024: 70%) of wholesale funding was in Euro, with the remainder held in GBP and USD. The Group manages cross-currency refinancing risk against foreign exchange cash flow limits.

|                                                               | 2025         |            |              |              |               | 2024         |            |              |              |               |
|---------------------------------------------------------------|--------------|------------|--------------|--------------|---------------|--------------|------------|--------------|--------------|---------------|
|                                                               | EUR<br>€ m   | GBP<br>€ m | USD<br>€ m   | Other<br>€ m | Total<br>€ m  | EUR<br>€ m   | GBP<br>€ m | USD<br>€ m   | Other<br>€ m | Total<br>€ m  |
| Deposits and advances from banks                              | 147          | 9          | —            | —            | 156           | 827          | 7          | 2            | —            | 836           |
| Securities financing                                          | 220          | 314        | 148          | —            | 682           | 101          | 42         | 53           | —            | 196           |
| Senior debt                                                   | 4,794        | —          | 2,373        | —            | 7,167         | 5,241        | —          | 2,632        | —            | 7,873         |
| ACS                                                           | 26           | —          | —            | —            | 26            | 27           | —          | —            | —            | 27            |
| Credit link notes                                             | 114          | —          | —            | —            | 114           | 95           | —          | —            | —            | 95            |
| Commercial paper                                              | 100          | 314        | 462          | —            | 876           | 105          | 436        | 296          | —            | 837           |
| Tier 2 subordinated liabilities and other capital instruments | 2,625        | 1          | —            | —            | 2,626         | 1,625        | 2          | —            | —            | 1,627         |
| <b>Total wholesale funding</b>                                | <b>8,026</b> | <b>638</b> | <b>2,983</b> | <b>—</b>     | <b>11,647</b> | <b>8,021</b> | <b>487</b> | <b>2,983</b> | <b>—</b>     | <b>11,491</b> |
| <b>% of wholesale funding</b>                                 | <b>%</b>     | <b>%</b>   | <b>%</b>     | <b>%</b>     | <b>%</b>      | <b>%</b>     | <b>%</b>   | <b>%</b>     | <b>%</b>     | <b>%</b>      |
|                                                               | <b>69</b>    | <b>5</b>   | <b>26</b>    | <b>—</b>     | <b>100</b>    | <b>70</b>    | <b>4</b>   | <b>26</b>    | <b>—</b>     | <b>100</b>    |

### Encumbrance

An asset is defined as encumbered if it has been pledged as collateral and, as a result, is no longer available to the Group to secure funding, satisfy collateral needs or to be sold. As part of managing its funding requirements, the Group encumbers assets as collateral to support wholesale funding initiatives. This would include covered bonds, securities repurchase agreements and other structures that are secured over customer loans. The Group manages encumbrance levels to ensure that the Group has sufficient contingent collateral to maximise balance sheet flexibility.

The Group's encumbrance ratio has increased to 5% at 31 December 2025 (2024: 4%), with €7.4 billion of the Group's assets encumbered (2025: €5.9 billion). The encumbrance level is based on the amount of assets that are required in order to meet regulatory and contractual commitments.



## Risk Management *continued*

### 2.3 Liquidity and funding risk *continued*

#### Financial assets and financial liabilities by contractual residual maturity (*audited*)

The following table analyses financial assets and financial liabilities by contractual residual maturity at 31 December 2025 and 2024:

|                                                               | 2025             |                                          |                              |                  |                     |              |
|---------------------------------------------------------------|------------------|------------------------------------------|------------------------------|------------------|---------------------|--------------|
|                                                               | On demand<br>€ m | <3 months<br>but not on<br>demand<br>€ m | 3 months to<br>1 year<br>€ m | 1–5 years<br>€ m | Over 5 years<br>€ m | Total<br>€ m |
| <b>Financial assets</b>                                       |                  |                                          |                              |                  |                     |              |
| Cash and balances at central banks                            | 40,571           | —                                        | —                            | —                | —                   | 40,571       |
| Trading portfolio financial assets                            | —                | 10                                       | 34                           | 78               | 164                 | 286          |
| Derivative financial instruments <sup>1</sup>                 | —                | 42                                       | 116                          | 626              | 857                 | 1,641        |
| Loans and advances to banks <sup>2</sup>                      | 554              | 47                                       | —                            | —                | —                   | 601          |
| Loans and advances to customers <sup>2</sup>                  | 1,814            | 1,316                                    | 3,065                        | 21,545           | 44,603              | 72,343       |
| Securities financing                                          | 246              | 2,246                                    | 2,328                        | 2,519            | —                   | 7,339        |
| Investment securities <sup>3</sup>                            | —                | 562                                      | 1,177                        | 7,917            | 11,588              | 21,244       |
| Other financial assets                                        | —                | 1,012                                    | —                            | —                | 26                  | 1,038        |
|                                                               | 43,185           | 5,235                                    | 6,720                        | 32,685           | 57,238              | 145,063      |
| <b>Financial liabilities<sup>4</sup></b>                      |                  |                                          |                              |                  |                     |              |
| Deposits and advances from banks                              | 22               | 134                                      | —                            | —                | —                   | 156          |
| Deposits and advances from customers                          | 98,913           | 10,033                                   | 6,361                        | 2,360            | 4                   | 117,671      |
| Securities financing                                          | 45               | 637                                      | —                            | —                | —                   | 682          |
| Trading portfolio financial liabilities                       | —                | 3                                        | —                            | 322              | 200                 | 525          |
| Derivative financial instruments <sup>1</sup>                 | —                | 26                                       | 52                           | 572              | 758                 | 1,408        |
| Debt securities in issue                                      | —                | 784                                      | 92                           | 4,194            | 3,113               | 8,183        |
| Tier 2 subordinated liabilities and other capital instruments | —                | —                                        | —                            | —                | 2,626               | 2,626        |
| Other financial liabilities                                   | 1,632            | —                                        | —                            | 29               | —                   | 1,661        |
|                                                               | 100,612          | 11,617                                   | 6,505                        | 7,477            | 6,701               | 132,912      |

|                                                               | 2024             |                                          |                              |                  |                     |              |
|---------------------------------------------------------------|------------------|------------------------------------------|------------------------------|------------------|---------------------|--------------|
|                                                               | On demand<br>€ m | <3 months<br>but not on<br>demand<br>€ m | 3 months to<br>1 year<br>€ m | 1–5 years<br>€ m | Over 5 years<br>€ m | Total<br>€ m |
| <b>Financial assets</b>                                       |                  |                                          |                              |                  |                     |              |
| Cash and balances at central banks                            | 37,315           | —                                        | —                            | —                | —                   | 37,315       |
| Trading portfolio financial assets                            | —                | 26                                       | —                            | 13               | 97                  | 136          |
| Derivative financial instruments <sup>1</sup>                 | —                | 16                                       | 52                           | 700              | 1,376               | 2,144        |
| Loans and advances to banks <sup>2</sup>                      | 642              | 679                                      | —                            | —                | —                   | 1,321        |
| Loans and advances to customers <sup>2</sup>                  | 2,319            | 1,331                                    | 2,950                        | 20,778           | 43,855              | 71,233       |
| Securities financing                                          | 5                | 1,610                                    | 2,970                        | 2,058            | —                   | 6,643        |
| Investment securities <sup>3</sup>                            | —                | 276                                      | 603                          | 8,002            | 9,490               | 18,371       |
| Other financial assets                                        | —                | 894                                      | —                            | —                | —                   | 894          |
|                                                               | 40,281           | 4,832                                    | 6,575                        | 31,551           | 54,818              | 138,057      |
| <b>Financial liabilities<sup>4</sup></b>                      |                  |                                          |                              |                  |                     |              |
| Deposits and advances from banks                              | 26               | 804                                      | 6                            | —                | —                   | 836          |
| Deposits and advances from customers                          | 93,977           | 7,790                                    | 4,856                        | 3,230            | 30                  | 109,883      |
| Securities financing                                          | —                | 196                                      | —                            | —                | —                   | 196          |
| Trading portfolio financial liabilities                       | —                | 5                                        | —                            | 190              | 67                  | 262          |
| Derivative financial instruments <sup>1</sup>                 | —                | 72                                       | 78                           | 538              | 1,119               | 1,807        |
| Debt securities in issue                                      | —                | 769                                      | 562                          | 5,649            | 1,852               | 8,832        |
| Tier 2 subordinated liabilities and other capital instruments | —                | —                                        | —                            | —                | 1,627               | 1,627        |
| Other financial liabilities                                   | 1,748            | —                                        | —                            | 44               | —                   | 1,792        |
|                                                               | 95,751           | 9,636                                    | 5,502                        | 9,651            | 4,695               | 125,235      |

1. Shown by maturity date of contract.

2. Shown gross of expected credit losses.

3. Excluding equity shares.

4. A maturity of lease liabilities is disclosed in note 30.

## 2.3 Liquidity and funding risk *continued*

### Financial liabilities by undiscounted contractual maturity *(audited)*

The balances in the table below include the undiscounted cash flows relating to principal and interest on financial liabilities and as such will not agree directly with the balances on the consolidated financial statements. All derivative financial instruments have been analysed based on their contractual maturity undiscounted cash flows.

In the daily management of liquidity risk, the Group adjusts the contractual outflows on customer deposits to reflect the inherent stability of these deposits. Offsetting the liability outflows are cash inflows from the assets on the consolidated financial statements. Additionally, the Group holds a stock of high-quality liquid assets, which are held for the purpose of covering unexpected cash outflows.

The following table analyses, on an undiscounted basis, financial liabilities by remaining contractual maturity at 31 December 2025 and 2024:

*(Audited)*

|                                                               |                  |                                          |                              |                  |                        | 2025           |
|---------------------------------------------------------------|------------------|------------------------------------------|------------------------------|------------------|------------------------|----------------|
|                                                               | On demand<br>€ m | <3 months<br>but not on<br>demand<br>€ m | 3 months<br>to 1 year<br>€ m | 1–5 years<br>€ m | Over 5<br>years<br>€ m | Total<br>€ m   |
| <b>Financial liabilities<sup>1</sup></b>                      |                  |                                          |                              |                  |                        |                |
| Deposits and advances from banks                              | 22               | 134                                      | —                            | —                | —                      | 156            |
| Deposits and advances from customers                          | 98,914           | 10,078                                   | 6,481                        | 2,391            | 5                      | 117,869        |
| Securities financing                                          | 45               | 640                                      | —                            | —                | —                      | 685            |
| Trading portfolio financial liabilities                       | —                | 3                                        | —                            | 322              | 200                    | 525            |
| Derivative financial instruments                              | —                | 163                                      | 332                          | 1,375            | 572                    | 2,442          |
| Debt securities in issue                                      | —                | 834                                      | 373                          | 5,303            | 3,582                  | 10,092         |
| Tier 2 subordinated liabilities and other capital instruments | —                | —                                        | 96                           | 501              | 3,045                  | 3,642          |
| Other financial liabilities                                   | 1,632            | —                                        | —                            | 29               | —                      | 1,661          |
|                                                               | <b>100,613</b>   | <b>11,852</b>                            | <b>7,282</b>                 | <b>9,921</b>     | <b>7,404</b>           | <b>137,072</b> |

*(Audited)*

|                                                               |                  |                                          |                              |                  |                        | 2024           |
|---------------------------------------------------------------|------------------|------------------------------------------|------------------------------|------------------|------------------------|----------------|
|                                                               | On demand<br>€ m | <3 months<br>but not on<br>demand<br>€ m | 3 months<br>to 1 year<br>€ m | 1–5 years<br>€ m | Over 5<br>years<br>€ m | Total<br>€ m   |
| <b>Financial liabilities<sup>1</sup></b>                      |                  |                                          |                              |                  |                        |                |
| Deposits and advances from banks                              | 26               | 804                                      | 6                            | —                | —                      | 836            |
| Deposits and advances from customers                          | 93,978           | 7,836                                    | 5,006                        | 3,275            | 31                     | 110,126        |
| Securities financing                                          | —                | 196                                      | —                            | —                | —                      | 196            |
| Trading portfolio financial liabilities                       | —                | 5                                        | —                            | 190              | 67                     | 262            |
| Derivative financial instruments                              | —                | 137                                      | 263                          | 472              | 116                    | 988            |
| Debt securities in issue                                      | —                | 813                                      | 880                          | 6,761            | 2,232                  | 10,686         |
| Tier 2 subordinated liabilities and other capital instruments | —                | —                                        | 59                           | 320              | 1,859                  | 2,238          |
| Other financial liabilities                                   | 1,664            | —                                        | —                            | 64               | —                      | 1,728          |
|                                                               | <b>95,668</b>    | <b>9,791</b>                             | <b>6,214</b>                 | <b>11,082</b>    | <b>4,305</b>           | <b>127,060</b> |

1. A maturity of lease liabilities is disclosed in note 30.

## Risk Management *continued*

### 2.3 Liquidity and funding risk *continued*

#### The undiscounted cash flows potentially payable under guarantees and similar contracts (*audited*)

The undiscounted cash flows that are potentially payable under guarantees and similar contracts, included below within contingent liabilities, are classified on the basis of the earliest date the facilities can be called. The Group is only called upon to satisfy a guarantee when the guaranteed party fails to meet their obligations. The Group expects that most guarantees it provides will expire unused. The Group has given commitments to provide funds to customers under undrawn facilities. The undiscounted cash flows have been classified on the basis of the earliest date that the facility can be drawn. The Group does not expect all facilities to be drawn, and some may lapse before drawdown. For further details, see note 38 to the consolidated financial statements. The following table analyses undiscounted cash flows potentially payable under guarantees and similar contracts at 31 December 2025 and 2024:

(Audited)

|                        |                  |                                          |                              |                  |                     | 2025         |
|------------------------|------------------|------------------------------------------|------------------------------|------------------|---------------------|--------------|
|                        | On demand<br>€ m | <3 months<br>but not on<br>demand<br>€ m | 3 months to<br>1 year<br>€ m | 1–5 years<br>€ m | Over 5 years<br>€ m | Total<br>€ m |
| Contingent liabilities | 1,206            | —                                        | —                            | —                | —                   | 1,206        |
| Commitments            | 17,033           | —                                        | —                            | —                | —                   | 17,033       |
|                        | 18,239           | —                                        | —                            | —                | —                   | 18,239       |

(Audited)

|                        |                  |                                          |                              |                  |                     | 2024         |
|------------------------|------------------|------------------------------------------|------------------------------|------------------|---------------------|--------------|
|                        | On demand<br>€ m | <3 months<br>but not on<br>demand<br>€ m | 3 months to<br>1 year<br>€ m | 1–5 years<br>€ m | Over 5 years<br>€ m | Total<br>€ m |
| Contingent liabilities | 976              | —                                        | —                            | —                | —                   | 976          |
| Commitments            | 16,823           | —                                        | —                            | —                | —                   | 16,823       |
|                        | 17,799           | —                                        | —                            | —                | —                   | 17,799       |

## 2.4 Capital adequacy risk *(audited)*

Capital adequacy risk is the risk that the Group breaches or may breach regulatory capital ratios and internal targets, measured on a forward looking basis across a range of scenarios, including a severe but plausible stress.

### Identification and assessment *(audited)*

An annual MRA is conducted to identify all relevant (current and anticipated) material risks which are then assessed from a capital perspective. The sub risks are identified as part of the MRA process including risks surrounding the quality and composition of capital as well as measurement and forecasting risk. Capital adequacy risk is primarily evaluated through the annual financial planning and the Group's ICAAP processes where the level of capital required to support growth plans and meet regulatory requirements is assessed over the three-year planning horizon. Plans are assessed across a range of scenarios ranging from base case and moderate downside scenarios to a severe but plausible stress using the Group's stress testing methodologies.

### Management and measurement

The ICAAP is fully integrated and embedded in the strategic, financial and risk management processes of the Group. The Capital Adequacy (CA) Framework sets out the key processes, governance arrangements and roles and responsibilities which support the ICAAP. The Stress Testing Policy and Capital Adequacy Policy were updated to reflect the work of the Climate Stress Testing project regarding Climate Stress Testing models, roles and responsibilities and governance requirements relating to climate stress testing across the Group. Embedding of the ICAAP is facilitated through capital planning, the setting of risk appetite and risk adjusted performance monitoring. In addition to the capital plan, a capital contingency plan is in place which identifies and quantifies actions which are available to the Group in order to mitigate against the impact of a stress event. Trigger points at which these actions will be considered are also identified. The impact of changing regulatory requirements, changes in the risk profile of the Group's balance sheet, other internal factors, and changing external risks are regularly assessed by 1LOD and 2LOD teams via regular monitoring of performance against the agreed financial plan, monthly capital updates to ALCo and GRC and are also assessed via quarterly internal stress testing. A further set of triggers and capital options are set out in the Group's Recovery Plan, which presents the actions available to the Group to restore viability in the event of extreme stress.

The Group uses risk adjusted return on capital (RAROC) for capital allocation purposes and to determine a risk based return which is a key performance metric for the business unit. The use of RAROC for portfolio management and in new lending decisions continues to be an area of focus and a key consideration for the pricing of lending products, both at portfolio level and individually for large transactions.

The Board reviews and approves the ICAAP on an annual basis and is also responsible for approving a capital adequacy statement attesting that the Board has reviewed and is satisfied with the capital adequacy of the Group.

### Monitoring, escalating and reporting *(audited)*

The Group monitors its capital adequacy on a monthly basis through a capital reporting pack which is presented to senior executives and Board setting out the evolution of the Group's capital position. The risk profile, including performance against risk appetite, is presented to the BRC via the CRO report which is produced independently by the 2LOD. The escalation process, as stipulated under the RAS process, is commenced in the event of a breach of either the RAS watch trigger or limit for any of the metrics. This ensures Board and Regulator notification, where appropriate, within approved timeframes.

The output of internal stress tests is reviewed by ALCo and, on an annual basis, an ICAAP report is produced which is a comprehensive analysis of the Group's capital position in base and stress scenarios over a three year horizon. The ICAAP document is reviewed and approved by the Board and is submitted to the Joint Supervisory Team, where it forms the basis of their supervisory review and evaluation process.

## 2.5 Information security (including cyber) risk

Information security (including cyber) risk is the risk of harm being caused to the Group or its customers as a result of a loss of the confidentiality, integrity and availability of information in all its forms.

### Identification and assessment

From 1 January 2025 Information security (including cyber) risk was deemed a principal risk for the Group and is no longer a sub risk of Operational risk. This outcome stemmed from the 2024 MRA process which considered a number of factors including the potential impact on the Group's capital, historical loss events, external loss events sourced from Operational Riskdata eXchange Association (ORX), the RCA, the assessment of emerging risks and consideration of the regulatory horizon.

The 2025 MRA process also identified the associated sub risks including Internal/Insider risk, External cyber attack risk, Third-party and supply chain risk, Customer-facing risk, and Governance, process, and control risks.

The RCA ensures that Information security (including cyber) risks are proactively identified, evaluated, assessed, recorded monitored, reported, and that appropriate action is taken for risk mitigation.

The potential impact of the identified risks is then used to shape the scenarios applied to each of the Basel event category that are a part of the ICAAP process. This scenario assessment forms a key component of the Group's capital management and broader risk governance framework.

### Management and measurement

The Group adopts an integrated approach for the management and measurement of Information security (including cyber) risk. Risk management activities include the implementation of robust controls, regular training and awareness programmes. It also includes access management, data and platform security, and incident response planning. The Group's relevant policies and frameworks are aligned with internationally recognised industry standards and regulatory obligations, including DORA and NYDFS.

The Group's Information security (including cyber) Risk Framework sets out the approach for managing the risks. The Framework is founded on five key principles, it integrates information security risk as a material component of the overall risk management strategy; assigns clear accountability for governance and oversight to the Board and ELT, ensures effective risk management through a well-defined organisational structure and the three 3LOD model; maintains strict compliance with all relevant laws and regulations; and aligns its practices with internationally recognised industry standards. Together, these principles reinforce the Group's commitment to protecting information assets, supporting operational resilience, and upholding stakeholder trust.

Assurance activities, governance reviews, and stress testing are conducted regularly to validate the effectiveness of risk controls and to support ongoing compliance. Breaches, exceptions, and derogations are documented, tracked, and escalated as necessary.

## Risk Management *continued*

### 2.5 Information security (including cyber) risk *continued*

#### Monitoring, escalating and reporting

The Group measures Information security (including cyber) risk using a combination of qualitative and quantitative approaches as part of the Group's RAS and a suite of Key Risk Indicators (KRIs). The RAS articulates the Group's low appetite for the loss or breach of confidential business and customer data, setting clear boundaries for acceptable risk exposure in pursuit of strategic objectives. This appetite is defined to ensure compliance with regulatory requirements and to support operational resilience.

In addition to established risk appetite measures and limits, Information security (including cyber) risk is routinely monitored through the Group's risk governance committees. This ensures that senior management, through the Operational Risk Committee, GRC, BRC and the Board, receives timely updates on the Group's informational security risk profile. The profile outlines the current status of Information security (including cyber) risk, highlights emerging trends, provides updates on recent significant risk events, associated remediation actions, and lessons learned.

Risk events are recorded in the SHIELD system and escalated through a defined process based on their impact and severity. Root causes are identified and action plans are put in place to strengthen controls and protect both customers and the Group.

### 2.6 Business model risk

Business model risk is the risk that the robustness of the business model's entire or key components will prove to be vulnerable to internal or external factors which impact its viability. This also covers the inherent risks in ensuring the implementation of strategy is appropriately aligned to the Group's capabilities.

#### Identification and assessment

The Group's MRA process identifies the key elements of business model risk. The process includes identifying the associated sub risks such as strategic planning risk, strategic execution risk and the evolving and emerging risk drivers including digital competitor risk, technology evolution risk (including artificial intelligence) and macroeconomic/geopolitical uncertainty.

The Group also identifies and assesses this risk as part of its integrated planning process, which encapsulates strategic, business and financial planning. This process drives delivery of strategic objectives aligned to the Group's risk appetite and enables measurable business objectives to be set for management aligned to the short, medium and long term strategy of the Group. The outcomes of these processes form the basis of the Group's ICAAP and ILAAP.

Every year, the Group prepares three year financial plans based on macroeconomic and market forecasts across a range of scenarios including a range of 'downside' scenarios. The plan includes an evaluation of planned performance against a suite of key metrics, supported by detailed analysis and commentary on underlying trends and drivers, across the income statement, balance sheet and business targets. This assessment includes discussions on new lending volumes and pricing, deposit volumes and pricing, other income, cost management initiatives and credit performance. The plan is subject to robust review and challenge through the governance process including an independent 2LOD review and challenge, performed by the Risk function prior to approval by the Board.

The Group Plan is also supported by detailed business unit plans. Each business unit plan is aligned to the Group Strategy and risk appetite. The business plan typically describes the market in which the business operates, market and competitor dynamics, business strategy, financial assumptions underpinning the Strategy, actions/investment required to achieve financial outcomes and any risks/opportunities to the Strategy.

The Group reviews underlying assumptions on its external operating environment to identify potential risks and, by extension, its strategic objectives on a periodic basis. The frequency of this review is determined by a number of factors including the speed of change of the economic environment, changes in the financial services industry and the competitive landscape, regulatory change and deviations in actual business outturn from strategic targets.

#### Management and measurement

At a strategic level, the Group manages Business model risk within its Risk Management Framework, by setting limits in respect of measures such as financial performance, capital constraints, portfolio concentration and risk-adjusted return. At a more operational level, the risk is mitigated through periodic monitoring of variances to strategic proof points and financial plan targets. Where performance/progress against the plans are considered to be outside of agreed tolerances or risk appetite metrics, proposed mitigating actions are presented and evaluated, and tracked thereafter. During the year, at least semi-annual strategic updates and/or periodic forecast updates for the full year financial outcome may also be produced.

At an individual level, planning targets translate into accountable objectives to enable performance tracking across the Group and to facilitate formulation and review of ELT performance scorecards.

#### Monitoring, escalating and reporting

Performance against plan is monitored at a business level on a monthly basis and reported to senior management teams within the business. At an overall Group level, performance against financial plan is monitored as part of the monthly CFO report. Also, performance against strategic targets is monitored quarterly by the Strategic Proof Points report, both of which are discussed by the ELT and Board. Monitoring of the risk profile, via the CRO report, including performance against Business model risk appetite is presented to the BRC. The escalation process, as stipulated under the RMF, is commenced in the event of a breach of RAS watch trigger or limit for any of the metrics which may directly or indirectly impact on Business model risk. This ensures Board and Regulator notification within an approved timeframe, when appropriate.



## 2.7 Operational & resilience risk

Operational & resilience risk is defined as the risk arising from inadequate or failed internal processes, people and systems, or from external events. This includes model risk, information and communication technology (ICT) risk, legal risk, the potential for loss arising from the uncertainty of legal proceedings and potential legal proceedings, but excludes strategic risk. This also includes resilience risk, the failure to identify and prepare for, respond, and adapt to, recover, and learn from operational disruptions which may result in a failure to deliver critical services. Model risk forms part of Operational Risk definition as defined by Basel IV requirements. However, within the Group, Model risk is covered under the Group Model and AI Risk Management Framework and Group Model and AI Risk Management Policy

### Identification and assessment

Operational & resilience risk is identified and assessed by the Group's MRA which also identifies the following sub risks: Change and Transformation risk, Physical safety and property risk, Continuity risk, Technology risk, Third party risk, Legal risk, Data risk, Product and proposition risk, People risk, Fraud risk and Transaction execution and delivery risk. The risk and control assessment is the Group's core bottom-up process for the identification and assessment of operational risk across the Group.

Following the approval of the 2025 MRA, Operational risk has been expanded to 'Operational & resilience risk'. This has been driven primarily by industry and regulatory trends. In addition, Transaction execution & delivery risk has been approved as a new sub risk under Operational & resilience risk. The increasing number of payment related regulations including the National Payments Strategy, the digital Euro, PSD3 and SEPA instant all require enhanced oversight and monitoring of transaction execution and delivery risk.

The RCA process serves to ensure that key operational risks are proactively identified, assessed, recorded, and reported, and that appropriate action is taken for risk mitigation. Self-assessment of risks is completed at a business unit level and recorded on SHIELD which is the Group's governance, risk and compliance system. Service assessments and risk assessments are performed on all critical or important outsourcing arrangements and are also recorded on SHIELD.

SHIELD provides all areas with one consistent view of the operational risks, controls, actions and events across the Group. RCAs are regularly reviewed and updated by business unit management.

The potential impact of the identified risks is then used to inform scenarios for each of the Basel event categories that are assessed through ICAAP process.

### Management and measurement

The Operational Risk Management Framework sets out the principles, supporting policies, roles and responsibilities, governance arrangements and processes for Operational & resilience risk management across the Group. Operational & resilience risk and its sub risks are carefully overseen within the Operational Risk Management Framework and supporting policies, ensuring that key risks are identified, monitored, and managed in line with the Group's risk appetite and governance standards. This approach helps maintain robust controls and supports the ongoing resilience of the organisation. The Operational Risk Management Framework and policies set out the process for risk and control assessments, identification of the key non-financial risks arising from key business processes and activities. If risk thresholds are breached, there is a defined process to ensure these issues are promptly escalated and addressed at the appropriate level within the organisation.

In addition, Operational & resilience risk is partially hedged through an insurance programme in place, including a self-insured retention, to cover a number of risk events which would fall under the operational risk umbrella. These include financial lines policies such as:

- comprehensive crime/computer-crime/cyber/professional indemnity/civil liability;
- employment practices liability;
- directors' and officers' liability; and
- a suite of general insurance policies to cover such things as property and business interruption, terrorism, employers and public liability and personal accident.

Operational & resilience risk is measured through a series of risk appetite metrics and key risk indicators. These include metrics on operational risk losses and events, people, physical safety & property, continuity, technology, third party, legal, product & proposition, data, fraud and change risks.

### Monitoring, escalating and reporting

In addition to risk appetite measures and limits, Operational & resilience risk is monitored on a regular basis via the Group's risk governance committees. This provides senior management, through the Operational Risk Committee and GRC, BRC and the Board, with timely updates on the Group's Operational & resilience risk profile. The profile update details the current status of the Group's key Operational & resilience risks and includes an overview of current trends. It also includes an update on recent major risk events and any remediation actions and lessons identified following events.

Operational & resilience risk events are identified and captured in the SHIELD system. These are escalated through a defined process depending on impact and severity. Root causes of events are determined, and action plans are implemented to ensure there are enhanced controls in place to keep customers and the business safe.

## Risk Management *continued*

### 2.8 Climate & environmental risk

Climate and Environmental (C&E) Risk encompasses the financial and non-financial impacts on the Group arising from climate change, environmental change and the transition to a sustainable economy. These risks can affect the Group directly through operations or indirectly through relationships with customers and third-party suppliers.

#### Identification and assessment

Risk identification and assessment for C&E Risk is completed in line with the Groups Risk Management Framework as well as other internal processes which consist of top-down and bottom-up approaches. The processes included identify the sub risks associated such as Physical risk, Transition risk and Liability risk. C&E risk drivers are far reaching in breadth and magnitude over uncertain, often long-term time horizons with dependency on short term action to mitigate. The Group undertakes regular processes for the identification and assessment of C&E impacts, risks and opportunities. These include: the MRA, RCAs, Transmission Channel Analysis, Business Environment Scans, 'House Views' on key sectors, compilation of Heatmaps, C&E Stress Testing and regulatory horizon scanning. The outputs from these processes inform areas for focus in the Group's strategic, financial and investment planning processes. Further information on C&E assessment can be found in Sustainability Reporting on page 41.

#### Management and measurement

C&E Risk is actively managed through the C&E Risk Framework and Policy. The C&E Risk Framework sets out the principles, roles and responsibilities, governance arrangements and processes for C&E risk management across the Group. The Framework sits within the overall Group risk architecture and is one of the material risk frameworks supporting the Group's Risk Management Framework.

The C&E Risk Framework is underpinned by the C&E Risk Policy, ensuring that C&E risk is managed in line with the Group's overall purpose, the three key strategic priorities, as well as the Group's strategic objectives. The C&E Policy was updated in December 2025 to ensure alignment with applicable regulatory requirements, including the EBA Guidelines on the management of Environmental, Social and Governance (ESG) risks.

In 2025, the Group introduced an overarching qualitative RAS, and all other statements were updated accordingly to help articulate appropriate areas of climate-related risk appetite. The Group approved three new quantitative C&E metrics, bringing the total number of C&E related metrics to 12. Two of the RAS metrics are forward looking and provide quantitative projections of future risk. The RAS metrics are cascaded to segments and subsidiaries as appropriate.

#### Monitoring, escalating and reporting

C&E risk is monitored through internal and external reporting across the Group. The primary internal risk report, the CRO report, dedicates a section to C&E risk providing the GRC and the BRC with relevant updates on the C&E risk profile. The profile section encompasses the key developments around the risk, planned initiatives and also reports on the Group's performance against risk appetite.

Monitoring and reporting of the C&E quantitative RAS metrics is conducted monthly. The escalation process, as stipulated under the RMF, is commenced in the event of a breach of either the RAS watch trigger or limit for any of the metrics. This ensures the Group's Board and Regulator are notified within an approved timeframe, when appropriate.

In addition to RAS metrics, C&E KRIs have been considered, across all material risk categories, based upon the impacts identified in the Transmission Channel Analysis and how these impacts would manifest. These KRIs are approved, reported and escalated through the appropriate governance pathways for the relevant material risk.

Key Performance Indicators (KPIs) monitors the C&E risk drivers aligned to the C&E materiality assessment. The materiality assessment focus efforts on managing C&E risk with particular regard to credit and operational risk. These are reported and monitored via the Strategic Outcome Report, Sustainability Dashboard and ELT Scorecards. The KPIs are cascaded to business lines and subsidiaries as appropriate. The KPIs are included in the Sustainability Dashboard and roll-up into the Strategic Outcomes Report and cascade to the ELT Scorecards. The Group actively monitors the progress of achieving the Board approved sustainability targets via the Sustainability Dashboard. The metrics contained in the dashboard are reported in the CRO report, to the GSC and the SBAC.

## 2.9 Model and AI risk

Model and AI risk is the potential harm that the Group, as well as its customers and communities, may incur due to decisions based on the outputs of models or AI systems. These risks arise from errors in the development, implementation, or use of models or AI systems.

### Identification and assessment

The Group's MRA and the RCA forms the basis for identifying the key elements of the risk. The MRA identifies the key sub risks including model oversight risk, model data risk, model methodology and performance risk, and model use and implementation risk. The RCA is the Group's core bottom-up process in the identification and assessment of Model and AI risk across the Group.

The RCA includes a requirement to perform a self-assessment of the risks at each business unit level. The potential impact of model risk is assessed through the ICAAP. Model and AI risk is generally mitigated through specific model adjustments. There is no explicit capital requirement generated from this risk as it is indirectly assessed through the other risks.

### Management and measurement

There is a Group Model and AI Risk Management Framework and supporting policies in place to drive the consistent management of this risk. This sets out the key controls required to mitigate Model and AI risk across the model lifecycle, from initiation of a model build through to implementation, use and ongoing monitoring. The key controls include:

- A complete inventory of all models in the Group, with a clear tiering of models to ensure key controls such as model validation and monitoring are being applied on a risk-based approach;
- Requirement for clear hand-offs between each stage in the lifecycle to mitigate the risk of issues propagating through the lifecycle of the model;
- Models are built, validated and monitored by suitably qualified analytical personnel, supported by relevant business, risk and finance functions;
- All material models are validated by an appropriately qualified team which is independent of the model build process. Where issues are identified, appropriate mitigants are applied. This can include temporary post model adjustments which are put in place until a model is re-developed.

Model and AI risk is measured using a composite assessment of model outcomes across the lifecycle for all models in the inventory.

### Monitoring, escalating and reporting

The GRC and its sub-committee, the Model Risk Committee, are the primary committees for overseeing Model and AI risk in the Group. Model materiality is defined in the Group Model and AI Risk Management Policy. The outcomes of validation and other reviews are brought to the appropriate highest approval authority (HAA) for oversight to ensure all models remain fit for their intended use and that any issues are appropriately escalated.

Model monitoring on material models is reported to committees regularly with appropriate actions raised when models perform below the required performance levels.

An overall assessment of Model and AI risk is performed on a quarterly basis and is reported quarterly to the Model Risk Committee and semi-annually to the GRC and BRC. The status of Model and AI risk is reported on a monthly basis in the CRO report, which includes an update on recent significant events and any remediation actions that are underway.

## 2.10 Culture risk and conduct risk

Culture risk and conduct risk are two distinct material risks. Culture risk is the risk that the behaviours, actions and/or decisions are not aligned to the Group's values impacting how we deliver on the Strategy, purpose and ambition.

Conduct risk is defined as the risk that inappropriate actions or inactions by the Group cause poor or unfair customer outcomes or negatively impact on market integrity.

The effective management of conduct risk requires embedding of a strong conduct culture with a customer centric approach to conduct risk management as articulated in the Group's values, behaviours and Code of Conduct.

The conduct risk priorities for the Group include:

- Embedding a strong, ethical and customer centric culture that aligns to the Group's purpose, values and regulatory expectations
- Proactively identifying and addressing cultural and conduct drivers of misconduct, poor decision making or non-compliance.
- Aligning the Group's culture and conduct with regulatory expectations, internal policies and stakeholder trust.
- Embedding a customer centric culture to evidence that customers are treated in a fair and transparent way by utilising Customer Impact Assessments (CIAs) to support decision making and incorporating lessons learned.
- Continuing to build customer, stakeholder and regulatory trust in the Group's conduct by ensuring that the Group can demonstrate that Culture risk and Conduct risk is understood and reinforced.
- Cultivating a culture that supports colleague empowerment, staff retention, and encourages innovation to deliver positive customer outcomes and operational efficiencies.

### Identification and assessment

The Group's MRA and RCA forms the basis for identifying the key elements of Culture risk and conduct risk.

The Group has identified a number of risk drivers pertaining to conduct risk and these are reviewed on an annual basis as part of the MRA process. These include, inter alia:

- Monitoring trends of customer complaints on a regular basis;
- The pace and complexity of changing industry best practice and clarifications received in relation to regulatory expectations can drive an accelerated process for changing products, practices, services and cultures;
- Potential of unintended consequences arising from the scale and pace of inorganic and strategic change;
- Understanding the implications of the evolving Global, European and Irish economic landscape on short to medium term interest rate environment;
- Increased competition in terms of resources, skills, industry participants remuneration practices and customer bases;
- Negative macroeconomic environment can result in unexpected Group and/or employee behaviour and potential increased market instability could result in market conduct risk; and
- ESG risks may result in poor customer outcomes such as incorrect risk preferences or failing to identify climate impacts on product offerings.

## Risk Management *continued*

### 2.10 Culture risk and conduct risk *continued*

Conduct risks are identified during the RCA process which provides documentary evidence of risk assessments. It determines the risk profile of the business, drives risk management and actions plans including KRI development and reporting. A risk register of the Group's material risks is also maintained. The RCA has identified a number of key conduct risks relating to customer satisfaction and employee behaviour as well as client, business and product practice.

The Group Compliance function completes horizon scanning and benchmarking to identify future conduct risk considerations within business and regulatory environments. In addition, the Compliance function identifies regulatory change through its upstream and horizon scanning team. Conduct risks are considered during the implementation as appropriate.

The amalgamation of Culture risk within the Compliance function has progressed in 2025. The Culture Risk and Conduct Risk Framework and Conduct Risk Policy have been reviewed with Culture risk further embedded.

Culture forms an integral part of risk culture and overall conduct risk management and is core to all customer and market facing decisions and interactions. It is imperative that the Group maintains a strong customer culture in order to deliver appropriate customer outcomes. The Group's cultural ambition is that all colleagues truly demonstrate and live the Group's values and the behaviours that underpin them. The challenge is to ensure that the Group's values are embedded consistently across the organisation by all employees. The tone is set from the top, and leaders have a critical role to play in shaping the Group's culture. Culture risk captures the need for the Group's core values to be shared by all staff, demonstrated through staff behaviour and that consistent and fully understood performance measures are in place resulting in outcomes aligned to the Group's Strategy.

#### Management and measurement

The Group has a Culture and Conduct Risk Framework and Conduct Risk Policy which applies to the Group including all subsidiaries. This Framework and Policy, as well as other supporting policies, are in place to drive consistent management of Culture risk and conduct risk.

The Policy includes the approach to vulnerable customers, which is defined as recognising customers who are in need of additional care, support or protection due to various circumstances. The Vulnerable Customer Team ensure governance structures are in place for the oversight of the Vulnerable Customer Programme, developing and ensuring execution of the Group Vulnerable Customer Action Plan as well as developing and delivering Group level training for staff on customer vulnerability issues.

Where the Group engages in investment and wholesale services and activities it must implement and maintain adequate policies and procedures designed to detect any risk of failure by the Group with its obligations, and put in place adequate measures and procedures designed to minimise such risk. In particular, it is expected that the Group is able to demonstrate awareness and management of Wholesale Market Conduct Risk in the areas of strategy, governance, culture, risk management and management information

Conduct risk measurement is considered qualitatively under normal and stressed conditions. Any new material business development or change in strategy would also warrant an independent assessment of conduct risks and potential impact on reputation.

The Group Head of Culture and Conduct risk team (which sits within the Compliance function) provides independent oversight and governance of conduct risk across the Group (and is a mandatory approver of product and propositions proposals), including training and awareness building.

An approved Group Conduct Strategy, aligned with the Group's Purpose, Strategy and Values, is supported by annual business conduct action plans, delivering against key strategic objectives, ensuring continued progress on embedding conduct and meeting evolving regulatory expectations.

The Conduct Risk and Culture Risk RAS is recommended by the Compliance function and consists of qualitative statements and KRI metrics. The KRIs establish specific limits, ceilings and floors that relate to the qualitative RAS. Risk, through the Compliance function and Group Risk Assurance function, provide independent challenge of potential and identified conduct risks and provide advice to business segments on Conduct risk issues.

Business segments conduct dashboards to measure key management information trends under the five key conduct risk areas, as reflected in the Group's conduct strategy.

The Group Head of Conduct in the 1LOD is a member of a number of key working groups and fora regarding the management and measurement of conduct risk, and provides challenge on RAS metrics which are monitored monthly, customer solutions and the resolution of materialised conduct risks.

#### Monitoring, escalating and reporting

Culture risk and conduct risk are monitored across the Group in line with risk management procedures. Significant conduct events are assessed and remedial actions implemented where necessary. These are escalated based on a materiality assessment, in line with the Culture and Conduct Risk Framework.

Culture risk and conduct risks are monitored on a monthly basis via the Group's risk governance committees. This provides the GRC and the BRC with relevant updates on the culture risk and conduct risk profile. The profile update details the current status of the Group's key culture risks and conduct risks, includes an overview of current trends, an update on recent significant events and any remediation actions or lessons identified following events.

The Regulatory, Culture and Conduct Risk Committee (RCCR) is the forum that provides risk oversight of regulatory culture, and conduct risks of the Group including oversight of its subsidiaries. The RCCR was established by, and is accountable to, the GRC to oversee regulatory, culture and conduct risks across the Group. This includes monitoring and reviewing the Group's regulatory, culture and conduct risk profile, compliance with risk appetite and other approved policy limits, reviewing risk policies and recommending these for approval to the GRC.

From a prudential perspective the Group reports the financial impact of culture risk and conduct risk events through the annual ICAAP, quarterly COREP submissions and the biennial EBA Stress Testing exercise.

## 2.11 Regulatory compliance risk

Regulatory compliance risk is defined as the risk of legal or regulatory sanctions, material financial loss, or loss to reputation which the Group may suffer as a result of its failure to comply with principal laws, regulations, rules, related self-regulatory codes and related supervisory expectations which relate to the Group's regulated banking and financial service activities i.e., those activities which the Group is licensed to conduct business.

### Identification and assessment

The Group's MRA and RCA forms the basis for identifying the key drivers of regulatory compliance risk. The associated sub risks include Prudential Regulation Risk, Wholesale and Consumer Conduct of Business Regulatory Risk, Financial Crime Regulatory Risk and Privacy and Data Protection Regulatory Risk. The MRA process also identified that the complexity and volume of regulatory change and the rapidly evolving international sanctions environment, raises the risk of regulatory compliance failure and/or regulatory sanction.

The key areas of focus of both the Central Bank of Ireland (CBI) and the Joint Supervisory Teams (JST) includes:

- Ensuring that regulated firms, subject to CBI and JST oversight, are fully compliant with their obligations and are treating their customers, existing and new, in a fair and transparent way, including the embedding of directives and regulations;
- Continued focus on the full implementation of the suite of prudential requirements including Capital Requirements Directive (CRD) and Capital Requirements Regulation (CRR), and the binding technical standards and guidelines;
- Climate and ESG issues where the CBI has noted its expectations for firms including the requirements relating to governance, risk management frameworks, scenario analysis, disclosures as well as strategy and business model risks.

### Management and measurement

The Regulatory Compliance Risk Management Framework sets out the principles, roles and responsibilities, and governance arrangements and is supported by a number of key policies.

The compliance mandate aims to ensure that the Group understands the external rules, laws, regulations and codes which apply to the Group's regulated activities and the implications of any non-compliance. In addition, the mandate supports internal compliance with the Group's suite of Regulatory Compliance and Conduct Policies and Standards, promotes the Group's ethos of acting with integrity, honesty and fairly in all its dealings with colleagues, customers, and stakeholders.

The Group Regulatory Compliance Risk Management Framework and the regulatory compliance risk management lifecycle commences with upstream regulation risk management. The Regulatory Change Team (RCT) reside within the Regulatory Compliance Team and provide oversight and support in respect of regulatory change risk management. The approach to regulatory change has been designed to ensure regulatory requirements are clearly understood from the outset with end-to-end traceability monitored by the Regulatory Forum as part of Group Programme Board (GPB). This involves an up-front partnership between the RCT and Change Operations to ensure business stakeholders are identified with roles and accountabilities assigned.

The process provides a platform for clear monitoring, communication, effective oversight, robust challenge and the pursuit of regulatory compliance in a collaborative manner across both the 1LOD and 2LOD.

The regulatory compliance risk management lifecycle is reviewed on an annual basis by Compliance. In order to produce a comprehensive holistic view of regulatory compliance risks across the Group, detailed risk assessments are completed based on the premise of identifying the regulatory compliance risks which pose the most significant threat to the Group. Risk identification and assessment is carried out through a combined top-down and bottom-up approach. The output of this risk assessment process is to produce the Compliance & Risk Assurance Plan.

### Monitoring, escalating and reporting

Regulatory compliance risks are monitored on a monthly basis via the Group's risk governance committees. This occurs initially at the RCCR and key items are brought through to Group GRC and BRC for discussion and escalation where appropriate. This includes an update on recent significant events and any remediation actions or lessons identified following events.

The RCCR is the forum that provides risk oversight of regulatory and conduct risks of the Group including oversight of its subsidiaries. The RCCR was established by, and is accountable to, the GRC, to oversee regulatory and conduct risks across the Group, including monitoring, reviewing the regulatory and conduct risk profile, compliance with risk appetite and other approved policy limits. It is also responsible for reviewing risk policies and recommending these for approval to the GRC.

Regulatory Compliance establish written guidance to staff on the appropriate implementation of relevant laws, rules and standards through relevant regulatory compliance policies and support the first line business units in understanding and implementing their regulatory compliance obligations and management of the associated regulatory compliance risks in line with the Regulatory Compliance and Conduct Risk Appetite Statements. As part of their role engaging with the first line, Regulatory Compliance assist the business in maintaining a positive and transparent relationship with the Regulators in respect of regulatory compliance and conduct matters.

The 2LOD Assurance function provides independent review and objective assurance on the quality and effectiveness of the Group's internal control system in the 1LOD and 2LOD, including assurance over the risk policies and framework's via a risk-based assurance plan.

Compliance Monitoring provides independent review and objective compliance monitoring on the quality and effectiveness of the Group's internal control system, including policies and frameworks in line with its Board approved annual compliance monitoring plan.





# Financial Statements

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# Statement of Directors' Responsibilities

The following statement, which should be read in conjunction with the Statement of Auditor's Responsibilities set out in their Audit Report, is made with a view to distinguishing for shareholders the respective responsibilities of the Directors and of the Auditors in relation to the financial statements.

The Directors are responsible for preparing the Annual Financial Report and the Group and Company financial statements, in accordance with applicable law and regulations. The Directors' responsibilities for the Sustainability Statement are discussed in full on page 110.

Company law requires the Directors to prepare Group and Company financial statements for each financial year. Under that law, the Directors are required to prepare:

- The Group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU, Article 4 of the IAS Regulation, the Asset Covered Securities Acts 2001 and 2007, and those parts of the Companies Act 2014 and the European Union (Credit Institutions: Financial Statements) Regulations 2015 applicable to companies reporting under IFRS; and
- The Company financial statements in accordance with Irish Generally Accepted Accounting Practice (accounting standards issued by the UK Financial Reporting Council, including Financial Reporting Standard 101 *Reduced Disclosure Framework* and Irish law) and the Companies Act 2014.

In preparing both the Group and Company financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State that the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Act 2014. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Group and Company and to prevent and detect fraud and other irregularities. Under applicable law and corporate governance requirements, the Directors are also responsible for preparing the Directors' Report and the reports relating to the Directors' remuneration and corporate governance that comply with that law and the relevant listing rules of Euronext Dublin (the Irish Stock Exchange) and the UK Listing Authority.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the Directors whose names and functions are listed on pages 122 to 125 confirm, to the best of their knowledge and belief, that:

- They have complied with the above requirements in preparing the financial statements;
- The Group financial statements, prepared in accordance with IFRSs as adopted by the EU, Article 4 of the IAS Regulation, the Asset Covered Securities Acts 2001 and 2007, and those parts of the Companies Act 2014 and the European Union (Credit Institutions: Financial Statements) Regulations 2015 applicable to companies reporting under IFRS and give a true and fair view of the state of the Group's affairs as at 31 December 2025 and of its profit for the year then ended;
- The Company financial statements are prepared in accordance with Irish Generally Accepted Accounting Practice (accounting standards issued by the UK Financial Reporting Council, including Financial Reporting Standard 101 *Reduced Disclosure Framework* and Irish law) and the Companies Act 2014;
- The Directors' Report provides a fair review of the development and performance of the business and the financial position of the Group, together with a description of the principal risks and uncertainties faced by the Group; and
- The Annual Financial Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's and the Company's position and performance, business model and strategy.

For and on behalf of the Board



**Jim Pettigrew**  
Chair



**Colin Hunt**  
Chief Executive Officer



**Donal Galvin**  
Chief Financial Officer

3 March 2026

# Independent auditors' report

## Independent auditors' report to the members of AIB Group plc

### Report on the audit of the financial statements

#### Opinion

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In our opinion:

- AIB Group plc's consolidated financial statements and Company financial statements (the 'financial statements') give a true and fair view of the Group's and the Company's assets, liabilities and financial position as at 31 December 2025 and of the Group's profit and the Group's cash flows for the year then ended;
- the consolidated financial statements have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union;
- the Company financial statements have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 101 *Reduced Disclosure Framework* and Irish law); and
- the financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014 and, as regards the consolidated financial statements, Article 4 of the IAS Regulation.

We have audited the financial statements, included within the Annual Financial Report (the 'Annual Report'), which comprise:

- the Consolidated and Company Statement of Financial Position as at 31 December 2025;
- the Consolidated Income Statement and Consolidated Statement of Comprehensive Income for the year then ended;
- the Consolidated Statement of Cash Flows for the year then ended;
- the Consolidated and Company Statement of Changes in Equity for the year then ended; and
- the notes to the Consolidated and Company financial statements, which include a description of the accounting policies.

Certain required disclosures have been presented elsewhere in the Annual Report, rather than in the notes to the financial statements. These are cross-referenced from the financial statements and are identified as audited.

Our opinion is consistent with our reporting to the Board Audit Committee.

#### Basis for opinion

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We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that other services prohibited by IAASA's Ethical Standard were not provided.

Other than those disclosed in note 12 to the financial statements, we have provided no non-audit services to the Company or its controlled undertakings in the period under audit.

# Independent auditors' report *continued*

## Our audit approach

### Overview

|                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|--------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Audit scope</b>       | <ul style="list-style-type: none"><li>• We completed a full scope audit of the financial information of Allied Irish Banks, p.l.c., EBS d.a.c. and AIB Mortgage Bank Unlimited Company. In addition, we directly instructed the component audit team in the UK to conduct and report to us on a full scope audit of the financial information of AIB Group (UK) p.l.c.</li><li>• Specific audit procedures on selected account balances, classes of transactions or disclosures were performed for other entities within the Group based on our assessment of the risk of material misstatement and of the materiality of the Group's operations in these entities.</li><li>• The significant components subject to full scope audit accounted for in excess of 90% of both Profit before Tax and Total Assets.</li></ul> |
| <b>Key audit matters</b> | <ul style="list-style-type: none"><li>• Expected credit loss (i) completeness and valuation of the post model adjustments (ii) judgements taken on individually assessed exposures.</li><li>• IT (Privileged User Access).</li><li>• Recoverability of investment in subsidiary (Company only).</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Materiality</b>       | <p><b>Overall Group materiality</b></p> <ul style="list-style-type: none"><li>• €77.5 million (2024: €77.5 million) based on c. 3.2% (2024: c. 3.0%) of profit before tax.</li></ul> <p><b>Overall Company materiality</b></p> <ul style="list-style-type: none"><li>• €76.0 million (2024: €76.0 million) based on c. 0.5% (2024: c. 0.5%) of total equity.</li></ul> <p><b>Performance materiality</b></p> <ul style="list-style-type: none"><li>• €58.0 million (2024: €58.0 million) - Group</li><li>• €57.0 million (2024: €57.0 million) - Company</li></ul>                                                                                                                                                                                                                                                        |

### The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

### Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.



| Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       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| <p><b>Expected credit loss (i) completeness and valuation of the post model adjustments (ii) judgements taken on individually assessed exposures</b></p> <p>Refer to Note 1 (q) 'Impairment of financial assets' within Note 1 'Accounting policies', 'Impairment of financial assets' within Note 2 'Critical accounting judgements and estimates', Note 11 'Net credit impairment charge', Note 17 'Loans and advances to customers', Note 19 'ECL allowance on financial assets' and Section 2.1 'Risk management - Credit risk' of the Risk management report.</p> <p>At 31 December 2025, the Group reported total gross loans to customers classified at amortised cost of €72.3bn and €1.14bn of expected credit loss (ECL).</p> <p>The measurement of expected credit losses is required to reflect an unbiased probability-weighted range of possible future outcomes. Complex models and significant judgements are used to estimate the probability of default (PD), loss given default (LGD) and exposure at default (EAD) as well as in applying the staging criteria under IFRS 9.</p> <p>The calculation of ECL requires a high degree of judgement to reflect developments in credit quality and emerging macroeconomic risks.</p> <p>The two key areas where we identified greater levels of management judgement and therefore increased levels of audit focus in the Group's compliance with IFRS 9 were</p> <p><b>1. Completeness and valuation of post model adjustments (PMAs)</b></p> <p>The judgement surrounding the completeness and valuation of PMA's represents a significant estimation risk. The modelling methodologies used to estimate ECL are developed using historical experience. Adjustments are made to model outcomes to address known model and data limitations, and emerging or non-modelled risks. In addition, modelling methodologies do not incorporate all factors that are relevant to estimating ECL. The current economic environment continues to be uncertain and volatile and differs from historical experience (including the experience on which certain models were calibrated). As a result, the judgements around if and when the Group recognise adjustments to model outcomes to account for potential model weaknesses in coping with the current economic environment, outlook and sectoral weaknesses are highly judgemental and inherently uncertain.</p> <p><b>2. Individually assessed ECL (Stage 3)</b></p> <p>The judgements applied with respect to the measurement of impairment of Stage 3 individually assessed loans represents a significant estimation risk. For individual provision assessments of larger exposures in Stage 3, the significant judgements in determining provisions are the completeness and appropriateness of the potential workout scenarios identified, the probability assigned to each identified potential workout scenario and the valuation assumptions used in determining expected recoveries.</p> <p><b>Other assumptions</b></p> <p>Management makes other assumptions which are less judgemental or for which variations have a less significant impact on ECL. These include:</p> <ul style="list-style-type: none"> <li>• Conceptual soundness of the modelling methodologies;</li> <li>• Quantitative and qualitative criteria used to assess significant increases in credit risk which drives the allocation of assets to Stage 1, 2, or 3 using criteria in accordance with the accounting standards;</li> <li>• Accounting interpretations, modelling assumptions and data used to build and run the ECL models; and</li> <li>• Inputs and assumptions used to reflect the impact of multiple economic scenarios.</li> </ul> | <p><b>Controls</b></p> <p>In conjunction with our credit modelling specialists, we performed end-to-end process walkthroughs to understand and identify the key systems, applications and key controls used in the ECL processes.</p> <p>We tested the design and operating effectiveness of key controls across the processes relevant to management's ECL calculation, including those relating to the key judgements and estimates involving our credit modelling specialists where appropriate. We also tested the design and operating effectiveness of key controls over the governance of the estimation of ECL. We attended key executive committee meetings where the inputs, assumptions and adjustments to the ECL were discussed and approved. We observed management's review and challenge in these governance forums including the assessment of model limitations and any resulting judgemental post model adjustments.</p> <p><b>Conceptual Soundness</b></p> <p>We performed a risk assessment on the models involved in the ECL calculation to determine the models to test and the nature of the testing required in respect of the individual models. We involved credit modelling specialists to assist us in testing the assumptions, inputs and implementation of model formulae. This included a combination of assessing the appropriateness of model design, performing sensitivity analyses, recalculating the Probability of Default and Loss Given Default and testing model implementation.</p> <p>In conjunction with our credit modelling specialists, we assessed model governance including model validation and monitoring. This included assessing model performance by evaluating variations between observed data and model predictions and developing an understanding and assessment of model limitations and remedial actions. We inquired of the model development and validation teams to assess whether the basis for significant model enhancements introduced during the year were reasonable.</p> <p><b>Post Model Adjustments</b></p> <p>In conjunction with our credit modelling specialists, we evaluated the conceptual soundness of the PMAs by critically assessing management's rationale and methodology, including the limitation and / or risk that the PMA is seeking to address. We inspected the PMA calculation methodologies and tested, on a sample basis, the completeness and accuracy of key data inputs into the PMA calculation.</p> <p>We challenged the overall completeness and reasonableness of post model adjustments by comparing the PMAs recognised by management to the key model limitations and / or data limitations that we considered to exist in the portfolio. We used managements own assessment of novel risks within the portfolio to inform our assessment.</p> <p><b>Individually assessed stage 3 assets</b></p> <p>For a sample of credit-impaired loans, we assessed the exposures to determine if they met the definition of credit impaired under IFRS 9. We challenged the forecasts of future cash flows prepared by management to support the calculation of the impairment loss allowance by challenging the key assumptions and corroborating estimates to external support where available. Our selection of credit impaired loans was based on a number of factors, including both higher risk sectors identified with reference to external sources, (such as commercial real estate and the fibre portfolio within Climate and Infrastructure Capital Division), and materiality.</p> |

## Independent auditors' report *continued*

| Key audit matter                                                                                                                                            | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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| <b>Expected credit loss (i) completeness and valuation of the post model adjustments (ii) judgements taken on individually assessed exposures continued</b> | <p><b>Quantitative and Qualitative criteria in determining specific increases in credit risk</b></p> <p>We challenged the appropriateness and application of the quantitative and qualitative criteria used to assess significant increases in credit risk which determine the allocation of an asset to Stage 1, 2 or 3 in accordance with IFRS 9.</p> <p>For a selection of performing loans, we critically assessed, by reference to the underlying documentation and through inquiries with management, whether the trigger for credit impaired classification had occurred.</p> <p>In conjunction with our credit modelling specialists, we reperformed key aspects of the models underlying the calculation of expected credit losses, including independent recalculation of the PD and LGD for a sample of models and independent recalculation of ECL model outcomes for a sample of models.</p> <p><b>Economic Scenarios</b></p> <p>In conjunction with our credit modelling specialists, we considered the base case and alternative economic scenarios. We challenged and assessed the reasonableness of the significant assumptions underpinning management's economic scenarios which we determined to be GDP, unemployment and property price inflation by comparing to independent and observable economic forecasts, leveraging a number of external data points. We assessed whether forecasted macroeconomic variables were reasonable and supportable.</p> <p>With the support of our credit modelling specialists, we evaluated the overall impact of the macroeconomic factors to the ECL. This assessment considered the sensitivity of ECL to variations in the severity and probability weighting of the economic forecasts.</p> <p>We challenged the reasonableness of management's forward-looking information (FLI) upside / downside scenario weightings, having regard to relevant available information.</p> <p><b>Overall stand back</b></p> <p>We performed an overall assessment of ECL provision levels by IFRS 9 stage to determine if they were reasonable by considering the overall credit quality of the Group's portfolios, risk profile, credit risk management practices and the macroeconomic environment by considering trends in the economy and sectors to which the Group is exposed. We performed peer benchmarking where available to assess overall staging and provision coverage levels.</p> <p><b>Disclosures</b></p> <p>We assessed the adequacy and appropriateness of disclosures for compliance with the accounting standards and the process and controls management had in place to prepare and approve the disclosures.</p> <p><b>Conclusion</b></p> <p>On the basis of the work performed we have concluded the stock of Expected Credit Loss reserves at year end is within the range of acceptable outcomes.</p> |

| Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
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| <p><b>IT (Privileged User Access)</b></p> <p>The IT environment is complex and pervasive to the operations of the Group due to the multiplicity of systems and the large volume of transactions processed and its reliance on automated and IT dependent manual controls. Appropriate IT controls are required to ensure that applications process data as expected and that changes are made in a controlled manner.</p> <p>Our audit approach includes reliance on automated and IT dependent manual controls and therefore on the effectiveness of controls over IT systems impacting financial reporting. Privileged user access management controls are an integral part of the IT environment to ensure both system access and changes made to systems are authorised and appropriate. An integral part of our audit testing is therefore on the effectiveness of privileged user access management controls.</p> <p>In the context of our audit scope, we consider privileged user access management controls at the application layer to be critical to ensuring that only appropriately authorised changes are made to IT systems deemed relevant to our audit. Moreover, appropriate privileged user access management controls contribute to mitigating the risk of potential fraud or error.</p> <p>We considered this to be a key audit matter owing to the high level of reliance on IT operations within the Group as well as the risk that key IT Audit Dependencies such as automated controls and system generated reports are not designed and operating effectively.</p> | <p>Through inquiries with management and inspection of internal governance documents, we obtained an understanding of the Group's IT environment.</p> <p>In conjunction with our Digital Audit specialists, we;</p> <ul style="list-style-type: none"> <li>• Tested the design, implementation and where relevant, the operating effectiveness of preventative and detective IT General Controls (ITGC) over privileged user access management (i.e. those relating to privileged user access provisioning, revocation, recertification and authentication).</li> <li>• Inquired of Group Internal Audit (GIA) and inspected IT related GIA reports produced during the period to understand the nature of findings, if any, and consider the impact on our audit.</li> <li>• Where control deficiencies were identified at the design level, we considered the compensating controls in place and sought to obtain additional evidence for the in scope IT Dependencies to obtain reasonable assurance that there were no unauthorised changes made to these during the financial year.</li> <li>• Our risk assessment procedures included an assessment of those deficiencies to determine the impact on our audit plan and designed and executed additional procedures where required.</li> </ul> <p><b>Conclusion</b></p> <p>Having completed the additional audit procedures we concluded that we have obtained sufficient evidence for the purposes of our audit.</p> |
| <p><b>Recoverability of investment in subsidiary (Company only)</b></p> <p>Refer to 'Investment in subsidiary' within Note a 'Accounting policies' and Note d 'Investment in subsidiary undertaking' to the Company financial statements.</p> <p>The Company balance sheet includes a €13.96bn investment in Allied Irish Banks, p.l.c., the main trading entity of the Group.</p> <p>The accounting policy followed by the Company is to carry the investment at cost less impairment. Impairment testing includes the comparison of the carrying value with its recoverable amount. The recoverable amount is the higher of the investment's fair value less costs of disposal or its value in use (VIU).</p> <p>At 31 December 2025, the market capitalisation of AIB Group plc (the ultimate parent of the group) exceeded the carrying value of the investment by approximately €6bn. In addition, the VIU was determined to exceed the carrying value of the investment. Accordingly, no impairment charge was required.</p> <p>We considered this to be a key audit matter due to the investment in Allied Irish Banks p.l.c. being the most significant asset on the company Balance Sheet.</p>                                                                                                                                                                                                                                                                                                                                                                                      | <p>We performed an end-to-end process walkthrough over the recoverability of the carrying value of the investment by AIB Group plc in Allied Irish Banks, p.l.c.</p> <p>We checked the market capitalisation of the Group to external market data sources as at 31 December 2025.</p> <p>We assessed the VIU to confirm that it exceeded the carrying value of the investment as at 31 December 2025.</p> <p>We assessed the adequacy of the financial statement disclosures in the AIB Group plc company only financial statements.</p> <p><b>Conclusion</b></p> <p>On the basis of the work performed we have concluded the carrying value is reasonable.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

## Independent auditors' report *continued*

### How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group and the Company, the accounting processes and controls, and the industry in which they operate.

In establishing the overall approach to scoping the Group audit engagement, we identified components based on the Group's legal entities and determined that an audit of the complete financial information (a 'full scope' audit) should be performed by us on three legal entities due to their size or risk characteristics and to ensure appropriate coverage. These are Allied Irish Banks, p.l.c., EBS d.a.c. and AIB Mortgage Bank Unlimited Company.

The significant majority of Group activity outside Ireland is in the UK and the component audit team in the UK was engaged to perform a full scope audit on AIB Group (UK) p.l.c.. No other component audit team was engaged for the Group audit. In relation to audit procedures that were performed by the component audit team in the UK, we arranged joint planning meetings and regular physical and virtual meetings throughout the audit and reviewed certain audit working papers in their audit file to corroborate that their audit plan was appropriately executed. The meetings also involved discussing and understanding the significant audit risk areas and other relevant matters. We interacted regularly during all stages of the audit. In addition to their formal audit report, we received a detailed memorandum of examination on work performed and relevant findings that supplemented our understanding of the individual component. The Group Engagement Leader also physically attended several of the AIB Group (UK) p.l.c. Audit Committee meetings.

In order to achieve the desired level of audit evidence on each account balance in the Consolidated and Company financial statements, specific audit procedures on selected account balances, classes of transactions or disclosures were performed at two other legal entities within the Group.

The nature and extent of audit procedures was determined by our risk assessment. Together with additional procedures performed at the Group level, this gave us the evidence we needed for our opinion on the financial statements as a whole. The significant components subject to full scope audit accounted for in excess of 90% of both Profit before Tax and Total Assets.

### Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

|                                        | Consolidated financial statements                                                                                                                                                       | Company financial statements                                                                                                                                                                                                                                                                                                           |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Overall materiality</b>             | €77.5 million (2024: €77.5 million).                                                                                                                                                    | €76.0 million (2024: €76.0 million).                                                                                                                                                                                                                                                                                                   |
| <b>How we determined it</b>            | c. 3.2% (2024: c. 3.0%) of profit before tax.                                                                                                                                           | c. 0.5% (2024: c.0.5%) of total equity.                                                                                                                                                                                                                                                                                                |
| <b>Rationale for benchmark applied</b> | We applied this benchmark because in our view this is a metric against which the recurring performance of the Group is commonly measured by its stakeholders to assess its performance. | The Company is the ultimate holding company of the Group and its activities are limited to its investment in Allied Irish Banks, p.l.c. and the issue of debt securities, subordinated liabilities and other capital instruments. Hence a benchmark based on total equity reflects the focus of the users of the financial statements. |

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2024: 75%) of overall materiality, amounting to €58.0 million (2024: €58.0 million) for the Group audit and €57.0 million (2024: €57.0 million) for the Company audit.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Board Audit Committee that we would report to them misstatements identified during our audit above €3.75 million (Group audit) (2024: €3.75 million) and €3.75 million (Company audit) (2024: €3.75 million) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

## Conclusions relating to going concern

Our evaluation of the directors' assessment of the Group's and the Company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining management's going concern assessment;
- Performing a risk assessment to identify factors that could impact the going concern assessment;
- Considering the Group's Financial Plan approved by the Board in December 2025. In evaluating management's base case forecasts and alternative stress scenarios we considered the Group's financial position, historic performance, its past record of achieving strategic objectives and management's assessment of the likely impact on financial performance, capital and liquidity for a period of 12 months from the date on which the financial statements are authorised for issue;
- Considering whether the assumptions underlying the base cases were consistent with related assumptions used in other areas of the Group's and Company's business activities, for example, in testing for non-financial asset impairment;
- Reading relevant correspondence from the Central Bank of Ireland and the ECB Joint Supervisory Team with regards to regulatory capital and liquidity requirements of the Group; and
- Considering the adequacy of relevant disclosures made in the financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the Company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Group's or the Company's ability to continue as a going concern.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

We are required to report if the directors' statement relating to going concern in accordance with Rule 6.1.11(1) (a) of the Listing Rules of Euronext Dublin and Rule 6.6.6(3) (a) of the Listing Rules of the UK Financial Conduct Authority is materially inconsistent with our knowledge obtained in the audit. We have nothing to report in respect of this responsibility.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the Companies Act 2014 (excluding the information included in the 'Non Financial Statement' and the sustainability reporting required by that Act on which we are not required to report) have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below:

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report (excluding the information included in the 'Non Financial Statement' and the sustainability reporting on which we are not required to report) for the year ended 31 December 2025 is consistent with the financial statements and has been prepared in accordance with the applicable legal requirements.
- Based on our knowledge and understanding of the Group and Company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report (excluding the information included in the 'Non Financial Statement' and the sustainability reporting on which we are not required to report).
- In our opinion, based on the work undertaken in the course of the audit of the financial statements,
  - the description of the main features of the internal control and risk management systems in relation to the financial reporting process; and
  - the information required by Section 1373(2)(d) of the Companies Act 2014;

included in the Corporate Governance Statement, is consistent with the financial statements and has been prepared in accordance with section 1373(2) of the Companies Act 2014.



## Independent auditors' report *continued*

- Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit of the financial statements, we have not identified material misstatements in the description of the main features of the internal control and risk management systems in relation to the financial reporting process and the information required by section 1373(2)(d) of the Companies Act 2014 included in the Corporate Governance Statement.
- In our opinion, based on the work undertaken during the course of the audit of the financial statements, the information required by section 1373(2)(a),(b),(e) and (f) of the Companies Act 2014 and regulation 6 of the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017 is contained in the Corporate Governance Statement.

## Corporate Governance Statement

The Listing Rules and ISAs (Ireland) require us to review the directors' statements in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code (the 'Code') specified for our review. Our additional responsibilities with respect to the Corporate Governance Statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the Group's and Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the Group's and Company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the Group was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the Group and Company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the Group's and Company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Board Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the Company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

## Responsibilities for the financial statements and the audit

### Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

### Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Group and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of banking laws and regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2014. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the potential for management bias through judgement and assumptions in significant accounting estimates and manual journal entries being recorded in order to affect performance. Audit procedures performed by the engagement team included:

- Discussions with the Board Audit Committee, management and Group Legal including consideration of known or suspected instances of non-compliance with laws and regulations or fraud;
- Reading the meeting minutes of the Board of Directors, Board Audit Committee, Board Risk Committee, Board Remuneration Committee and the Board Nomination & Corporate Governance Committee;
- Consideration of the results of reporting from the component audit team in the UK relating to compliance with applicable laws and regulations and procedures performed to address assessed fraud risk;
- Discussions with Group Internal Audit and consideration of internal audit reports in so far as they related to the financial statements;
- Evaluating whether there was evidence of management bias that represents a risk of material misstatement due to fraud;
- Inspection of relevant regulatory correspondence from the Central Bank of Ireland and the ECB Joint Supervisory Team;
- Challenging assumptions and judgements made by management in their accounting estimates, in particular in relation to the matters set out in our key audit matters;
- Applying risk-based criteria to journal entries posted in the audit period to determine journal entries for testing purposes; and
- Designing audit procedures to incorporate elements of unpredictability around the nature and extent of audit procedures performed.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

[https://iaasa.ie/wp-content/uploads/docs/media/IAASA/Documents/audit-standards/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](https://iaasa.ie/wp-content/uploads/docs/media/IAASA/Documents/audit-standards/Description_of_auditors_responsibilities_for_audit.pdf)

This description forms part of our auditors' report.

### Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## Independent auditors' report *continued*

### Other required reporting

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#### Companies Act 2014 opinions on other matters

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- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the Company financial statements to be readily and properly audited.
- The Company Statement of Financial Position is in agreement with the accounting records.

### Other exception reporting

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#### Directors' remuneration and transactions

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

#### Prior financial year Non-Financial Statement

We are required to report if the Company has not provided the information required by Regulation 5(2) to 5(7) of the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017 in respect of the prior financial year. We have nothing to report arising from this responsibility.

#### Prior financial year Remuneration Report

We are required to report if the Company has not provided the information required by Section 1110N of the Companies Act 2014 in respect of the prior financial year. We have nothing to report arising from this responsibility.

#### Appointment

We were appointed by the members at the Annual General Meeting on 4 May 2023 to audit the financial statements for the year ended 31 December 2023 and subsequent financial periods. The period of total uninterrupted engagement is three years, covering the years ended 31 December 2023 to 31 December 2025.



#### Ronan Doyle

for and on behalf of PricewaterhouseCoopers  
Chartered Accountants and Statutory Audit Firm  
Dublin  
3 March 2026

## Consolidated Income Statement for the financial year ended 31 December 2025

|                                                                          | Note | 2025<br>€ m    | 2024<br>€ m |
|--------------------------------------------------------------------------|------|----------------|-------------|
| Interest income calculated using the effective interest rate method      | 4    | 4,826          | 5,273       |
| Other interest income and similar income                                 | 4    | 103            | 103         |
| Interest and similar income                                              | 4    | 4,929          | 5,376       |
| Interest and similar expense                                             | 5    | (1,181)        | (1,247)     |
| <b>Net interest income</b>                                               |      | <b>3,748</b>   | 4,129       |
| Fee and commission income                                                | 3    | 831            | 845         |
| Fee and commission expense                                               | 3    | (139)          | (164)       |
| Net trading income                                                       | 6    | 9              | 50          |
| Net gain on other financial assets measured at FVTPL                     | 7    | 48             | 82          |
| Net gain on derecognition of financial assets measured at amortised cost | 8    | 8              | 2           |
| Other income/(expense)                                                   | 9    | 6              | (16)        |
| <b>Total other income</b>                                                |      | <b>763</b>     | 799         |
| <b>Total operating income</b>                                            |      | <b>4,511</b>   | 4,928       |
| Operating expenses                                                       | 10   | (1,823)        | (1,894)     |
| Impairment and amortisation of intangible assets                         | 22   | (222)          | (224)       |
| Impairment and depreciation of property, plant and equipment             | 23   | (69)           | (77)        |
| <b>Total operating expenses</b>                                          |      | <b>(2,114)</b> | (2,195)     |
| <b>Operating profit before impairment losses</b>                         |      | <b>2,397</b>   | 2,733       |
| Net credit impairment charge                                             | 11   | (172)          | (55)        |
| <b>Operating profit</b>                                                  |      | <b>2,225</b>   | 2,678       |
| Income from equity accounted investments (including gain on disposal)    | 21   | 174            | 26          |
| Loss on disposal of business                                             |      | —              | (2)         |
| <b>Profit before taxation</b>                                            |      | <b>2,399</b>   | 2,702       |
| Income tax charge                                                        | 13   | (260)          | (351)       |
| <b>Profit for the year</b>                                               |      | <b>2,139</b>   | 2,351       |
| Attributable to:                                                         |      |                |             |
| – Equity holders of the parent                                           |      | 2,141          | 2,354       |
| – Non-controlling interests                                              |      | (2)            | (3)         |
| <b>Profit for the year</b>                                               |      | <b>2,139</b>   | 2,351       |
| <b>Earnings per share</b>                                                |      | <b>€ cent</b>  | € cent      |
| Basic earnings per ordinary share                                        | 34   | 93.3           | 92.5        |
| Diluted earnings per ordinary share                                      | 34   | 93.3           | 92.5        |

## Consolidated Statement of Comprehensive Income for the financial year ended 31 December 2025

|                                                                                                              | Note | 2025<br>€ m  | 2024<br>€ m |
|--------------------------------------------------------------------------------------------------------------|------|--------------|-------------|
| <b>Profit for the year</b>                                                                                   |      | <b>2,139</b> | 2,351       |
| <b>Other comprehensive income</b>                                                                            |      |              |             |
| <i>Items that will not be reclassified subsequently to profit or loss</i>                                    |      |              |             |
| Remeasurement of retirement benefit assets/(liabilities), net of tax                                         | 13   | (16)         | (13)        |
| <b>Total items that will not be reclassified subsequently to profit or loss</b>                              |      | <b>(16)</b>  | (13)        |
| <i>Items that will be reclassified subsequently to profit or loss when specific conditions are met</i>       |      |              |             |
| Net change in foreign currency translation reserves, net of tax                                              | 13   | (80)         | 69          |
| Net change in cash flow hedges, net of tax                                                                   | 13   | (200)        | 167         |
| Net change in fair value of investment debt securities at FVOCI, net of tax                                  | 13   | 153          | (57)        |
| <b>Total items that will be reclassified subsequently to profit or loss when specific conditions are met</b> |      | <b>(127)</b> | 179         |
| <b>Other comprehensive income for the year, net of tax</b>                                                   |      | <b>(143)</b> | 166         |
| <b>Total comprehensive income for the year</b>                                                               |      | <b>1,996</b> | 2,517       |
| Attributable to:                                                                                             |      |              |             |
| – Equity holders of the parent                                                                               |      | <b>1,998</b> | 2,520       |
| – Non-controlling interests                                                                                  |      | (2)          | (3)         |
| <b>Total comprehensive income for the year</b>                                                               |      | <b>1,996</b> | 2,517       |



## Consolidated Statement of Financial Position as at 31 December 2025

|                                                                              | Note | 2025<br>€ m    | 2024<br>€ m    |
|------------------------------------------------------------------------------|------|----------------|----------------|
| <b>Assets</b>                                                                |      |                |                |
| Cash and balances at central banks                                           | 43   | 40,571         | 37,315         |
| Trading portfolio financial assets                                           | 14   | 286            | 136            |
| Derivative financial instruments                                             | 15   | 1,641          | 2,144          |
| Loans and advances to banks                                                  | 16   | 601            | 1,321          |
| Loans and advances to customers                                              | 17   | 71,200         | 69,889         |
| Securities financing                                                         | 18   | 7,339          | 6,643          |
| Investment securities                                                        | 20   | 21,548         | 18,668         |
| Investments accounted for using the equity method                            | 21   | 196            | 348            |
| Intangible assets and goodwill                                               | 22   | 987            | 934            |
| Property, plant and equipment                                                | 23   | 517            | 516            |
| Other assets                                                                 | 24   | 591            | 475            |
| Current taxation                                                             |      | 1              | 21             |
| Deferred tax assets                                                          | 25   | 2,074          | 2,303          |
| Prepayments and accrued income                                               |      | 580            | 522            |
| Retirement benefit assets                                                    | 26   | 19             | 31             |
| <b>Total assets</b>                                                          |      | <b>148,151</b> | <b>141,266</b> |
| <b>Liabilities</b>                                                           |      |                |                |
| Deposits and advances from banks                                             | 27   | 156            | 836            |
| Deposits and advances from customers                                         | 28   | 117,671        | 109,883        |
| Securities financing                                                         | 18   | 682            | 196            |
| Trading portfolio financial liabilities                                      | 14   | 525            | 262            |
| Derivative financial instruments                                             | 15   | 1,408          | 1,807          |
| Debt securities in issue                                                     | 29   | 8,183          | 8,832          |
| Lease liabilities                                                            | 30   | 241            | 258            |
| Fair value changes of hedged items in portfolio hedges of interest rate risk | 15   | (175)          | 64             |
| Current taxation                                                             |      | 9              | 2              |
| Deferred tax liabilities                                                     | 25   | 17             | 14             |
| Retirement benefit liabilities                                               | 26   | 7              | 9              |
| Other liabilities                                                            | 31   | 1,232          | 1,111          |
| Accruals and deferred income                                                 |      | 740            | 735            |
| Tier 2 subordinated liabilities and other capital instruments                | 32   | 2,626          | 1,627          |
| Provisions for liabilities and commitments                                   | 33   | 138            | 203            |
| <b>Total liabilities</b>                                                     |      | <b>133,460</b> | <b>125,839</b> |
| <b>Equity</b>                                                                |      |                |                |
| Share capital                                                                | 34   | 1,335          | 1,455          |
| Reserves                                                                     |      | 12,053         | 12,742         |
| <b>Total shareholders' equity</b>                                            |      | <b>13,388</b>  | <b>14,197</b>  |
| Other equity interests                                                       | 35   | 1,314          | 1,239          |
| Non-controlling interests                                                    |      | (11)           | (9)            |
| <b>Total equity</b>                                                          |      | <b>14,691</b>  | <b>15,427</b>  |
| <b>Total liabilities and equity</b>                                          |      | <b>148,151</b> | <b>141,266</b> |

**Jim Pettigrew**  
Chair

**Colin Hunt**  
Chief Executive Officer

**Donal Galvin**  
Chief Financial Officer

**Conor Gouldson**  
Group Company Secretary

## Consolidated Statement of Changes in Equity for the financial year ended 31 December 2025

|                                                       |     | Attributable to equity holders of parent |          |         |                        |         |                           |              |
|-------------------------------------------------------|-----|------------------------------------------|----------|---------|------------------------|---------|---------------------------|--------------|
|                                                       |     | Share capital                            | Reserves |         | Other equity interests | Total   | Non-controlling interests | Total equity |
| Note                                                  | € m |                                          | Revenue  | Other   |                        |         |                           |              |
| At 1 January 2025                                     |     | 1,455                                    | 15,676   | (2,934) | 1,239                  | 15,436  | (9)                       | 15,427       |
| Profit for the year                                   |     | —                                        | 2,141    | —       | —                      | 2,141   | (2)                       | 2,139        |
| Other comprehensive income                            |     | 13                                       | (16)     | (127)   | —                      | (143)   | —                         | (143)        |
| Total comprehensive income for the year               |     | —                                        | 2,125    | (127)   | —                      | 1,998   | (2)                       | 1,996        |
| Transactions with owners, recorded directly in equity |     |                                          |          |         |                        |         |                           |              |
| Issuance of Additional Tier 1 securities              |     | 35                                       | —        | —       | 694                    | 694     | —                         | 694          |
| Buyback of Additional Tier 1 securities               |     | 35                                       | —        | (6)     | (619)                  | (625)   | —                         | (625)        |
| Dividends paid on ordinary shares                     |     | 49                                       | —        | (1,124) | —                      | (1,124) | —                         | (1,124)      |
| Distributions paid to other equity interests          |     | 35                                       | —        | (85)    | —                      | (85)    | —                         | (85)         |
| Buyback of ordinary shares                            |     | 34                                       | (120)    | (1,200) | 120                    | (1,200) | —                         | (1,200)      |
| Cancellation of warrants                              |     | 34                                       | —        | (393)   | —                      | (393)   | —                         | (393)        |
| Other movements                                       |     |                                          | —        | 1       | —                      | 1       | —                         | 1            |
| Total transactions with owners                        |     |                                          | (120)    | (2,807) | 120                    | (2,732) | —                         | (2,732)      |
| At 31 December 2025                                   |     |                                          | 1,335    | 14,994  | (2,941)                | 1,314   | 14,702                    | (11) 14,691  |

### Other reserves comprise the following:

|                                                              | Note | Capital<br>reserves<br>€ m | Merger<br>reserves<br>€ m | Capital<br>redemption<br>reserves<br>€ m | Revaluation<br>reserves<br>€ m | Investment<br>securities<br>reserves<br>€ m | Cash flow<br>hedging<br>reserves<br>€ m | Foreign<br>currency<br>translation<br>reserves<br>€ m | Total<br>€ m   |
|--------------------------------------------------------------|------|----------------------------|---------------------------|------------------------------------------|--------------------------------|---------------------------------------------|-----------------------------------------|-------------------------------------------------------|----------------|
| <b>At 1 January 2025</b>                                     |      | <b>1,133</b>               | <b>(3,622)</b>            | <b>255</b>                               | <b>12</b>                      | <b>(134)</b>                                | <b>(121)</b>                            | <b>(457)</b>                                          | <b>(2,934)</b> |
| Profit for the year                                          |      | —                          | —                         | —                                        | —                              | —                                           | —                                       | —                                                     | —              |
| Other comprehensive income                                   | 13   | —                          | —                         | —                                        | —                              | 153                                         | (200)                                   | (80)                                                  | (127)          |
| <b>Comprehensive income for the year</b>                     |      | <b>—</b>                   | <b>—</b>                  | <b>—</b>                                 | <b>—</b>                       | <b>153</b>                                  | <b>(200)</b>                            | <b>(80)</b>                                           | <b>(127)</b>   |
| <b>Transactions with owners, recorded directly in equity</b> |      |                            |                           |                                          |                                |                                             |                                         |                                                       |                |
| Buyback of ordinary shares                                   | 34   | —                          | —                         | 120                                      | —                              | —                                           | —                                       | —                                                     | 120            |
| <b>Transactions with owners</b>                              |      | <b>—</b>                   | <b>—</b>                  | <b>120</b>                               | <b>—</b>                       | <b>—</b>                                    | <b>—</b>                                | <b>—</b>                                              | <b>120</b>     |
| <b>At 31 December 2025</b>                                   |      | <b>1,133</b>               | <b>(3,622)</b>            | <b>375</b>                               | <b>12</b>                      | <b>19</b>                                   | <b>(321)</b>                            | <b>(537)</b>                                          | <b>(2,941)</b> |

## Consolidated Statement of Changes in Equity for the financial year ended 31 December 2024

|                                                              |      | Attributable to equity holders of parent |          |         |                        |         |                           |              |
|--------------------------------------------------------------|------|------------------------------------------|----------|---------|------------------------|---------|---------------------------|--------------|
|                                                              |      | Share capital                            | Reserves |         | Other equity interests | Total   | Non-controlling interests | Total equity |
|                                                              |      |                                          | Revenue  | Other   |                        |         |                           |              |
|                                                              | Note | € m                                      | € m      | € m     | € m                    | € m     | € m                       | € m          |
| <b>At 1 January 2024</b>                                     |      | 1,637                                    | 15,618   | (3,295) | 1,115                  | 15,075  | (6)                       | 15,069       |
| Profit for the year                                          |      | —                                        | 2,354    | —       | —                      | 2,354   | (3)                       | 2,351        |
| Other comprehensive income                                   |      | 13                                       | (13)     | 179     | —                      | 166     | —                         | 166          |
| <b>Total comprehensive income for the year</b>               |      | —                                        | 2,341    | 179     | —                      | 2,520   | (3)                       | 2,517        |
| <b>Transactions with owners, recorded directly in equity</b> |      |                                          |          |         |                        |         |                           |              |
| Issuance of Additional Tier 1 securities                     |      | 35                                       | —        | —       | 620                    | 620     | —                         | 620          |
| Buyback of Additional Tier 1 securities                      |      | 35                                       | —        | (5)     | (496)                  | (501)   | —                         | (501)        |
| Dividends paid on ordinary shares                            |      | 49                                       | —        | (696)   | —                      | (696)   | —                         | (696)        |
| Distributions paid to other equity interests                 |      | 35                                       | —        | (80)    | —                      | (80)    | —                         | (80)         |
| Buyback of ordinary shares                                   |      | 34                                       | (182)    | (1,502) | 182                    | (1,502) | —                         | (1,502)      |
| Cancellation of warrants                                     |      | 34                                       | —        | —       | —                      | —       | —                         | —            |
| Other movements                                              |      |                                          | —        | —       | —                      | —       | —                         | —            |
| <b>Total transactions with owners</b>                        |      |                                          | (182)    | (2,283) | 182                    | (2,159) | —                         | (2,159)      |
| <b>At 31 December 2024</b>                                   |      |                                          | 1,455    | 15,676  | (2,934)                | 1,239   | 15,436                    | (9)          |

### Other reserves comprise the following:

|      |                                                              | Capital<br>reserves | Merger<br>reserves | Capital<br>redemption<br>reserves | Revaluation<br>reserves | Investment<br>securities<br>reserves | Cash flow<br>hedging<br>reserves | Foreign<br>currency<br>translation<br>reserves | Total   |
|------|--------------------------------------------------------------|---------------------|--------------------|-----------------------------------|-------------------------|--------------------------------------|----------------------------------|------------------------------------------------|---------|
| Note |                                                              | € m                 | € m                | € m                               | € m                     | € m                                  | € m                              | € m                                            | € m     |
|      | <b>At 1 January 2024</b>                                     | 1,133               | (3,622)            | 73                                | 12                      | (77)                                 | (288)                            | (526)                                          | (3,295) |
|      | Profit for the year                                          | —                   | —                  | —                                 | —                       | —                                    | —                                | —                                              | —       |
|      | Other comprehensive income                                   | 13                  | —                  | —                                 | —                       | (57)                                 | 167                              | 69                                             | 179     |
|      | <b>Comprehensive income for the year</b>                     | —                   | —                  | —                                 | —                       | (57)                                 | 167                              | 69                                             | 179     |
|      | <b>Transactions with owners, recorded directly in equity</b> |                     |                    |                                   |                         |                                      |                                  |                                                |         |
|      | Buyback of ordinary shares                                   | 34                  | —                  | —                                 | 182                     | —                                    | —                                | —                                              | 182     |
|      | <b>Transactions with owners</b>                              |                     | —                  | —                                 | 182                     | —                                    | —                                | —                                              | 182     |
|      | <b>At 31 December 2024</b>                                   | 1,133               | (3,622)            | 255                               | 12                      | (134)                                | (121)                            | (457)                                          | (2,934) |

## Consolidated Statement of Cash Flows for the financial year ended 31 December 2025

|                                                                                | Note | 2025<br>€ m    | 2024<br>€ m    |
|--------------------------------------------------------------------------------|------|----------------|----------------|
| <b>Cash flows from operating activities</b>                                    |      |                |                |
| Profit before taxation for the year                                            |      | 2,399          | 2,702          |
| Adjustments for:                                                               |      |                |                |
| – Non-cash and other items                                                     | 44   | 632            | 1,023          |
| – Change in operating assets                                                   | 44   | (3,384)        | (4,176)        |
| – Change in operating liabilities                                              | 44   | 8,981          | 3,938          |
| – Taxation paid                                                                |      | (25)           | (62)           |
| <b>Net cash flow from operating activities<sup>1</sup></b>                     |      | <b>8,603</b>   | <b>3,425</b>   |
| <b>Cash flows from investing activities</b>                                    |      |                |                |
| Purchase of investment securities                                              | 20   | (5,357)        | (4,081)        |
| Proceeds from sales, redemptions and maturity of investment securities         | 20   | 2,236          | 3,241          |
| Additions to property, plant and equipment                                     | 23   | (59)           | (25)           |
| Disposal of other assets and property plant and equipment                      |      | 1              | 5              |
| Additions to intangible assets                                                 | 22   | (276)          | (232)          |
| Investments accounted for using the equity method                              | 21   | (34)           | (37)           |
| Proceeds from disposal of equity accounted investments                         | 21   | 340            | —              |
| Dividends received from equity accounted investments                           | 21   | —              | 25             |
| <b>Net cash flow from investing activities</b>                                 |      | <b>(3,149)</b> | <b>(1,104)</b> |
| <b>Cash flows from financing activities</b>                                    |      |                |                |
| Proceeds on issue of other equity interests                                    | 35   | 694            | 620            |
| Repurchase of other equity interests                                           | 35   | (625)          | (501)          |
| Proceeds on issue of debt securities <sup>2</sup>                              | 29   | 1,475          | 923            |
| Maturity of debt securities <sup>2</sup>                                       | 29   | (1,149)        | (1,680)        |
| Repurchase of debt securities <sup>2</sup>                                     | 29   | (770)          | —              |
| Proceeds on issue of subordinated liabilities                                  | 32   | 1,000          | 650            |
| Repurchase and redemption of subordinated liabilities                          | 32   | (1)            | (565)          |
| Dividends paid on ordinary shares                                              | 49   | (1,124)        | (696)          |
| Buyback of ordinary shares                                                     | 34   | (1,200)        | (1,502)        |
| Cancellation of warrants                                                       | 34   | (393)          | —              |
| Distributions paid to other equity interests                                   | 35   | (85)           | (80)           |
| Repayment of lease liabilities including interest                              | 30   | (30)           | (34)           |
| Interest paid on debt securities <sup>2</sup>                                  |      | (350)          | (350)          |
| Interest paid on Tier 2 subordinated liabilities and other capital instruments |      | (59)           | (34)           |
| <b>Net cash flow from financing activities</b>                                 |      | <b>(2,617)</b> | <b>(3,249)</b> |
| <b>Change in cash and cash equivalents</b>                                     |      | <b>2,837</b>   | <b>(928)</b>   |
| Opening cash and cash equivalents                                              |      | 38,327         | 39,041         |
| Effect of exchange translation adjustments                                     |      | (287)          | 214            |
| <b>Closing cash and cash equivalents</b>                                       | 43   | <b>40,877</b>  | <b>38,327</b>  |

1. Net cash flow from operating activities, includes interest received of €4,880m (2024: €5,354m) and interest paid of €637m (2024: €466m).

2. Relates to debt securities classified at origination as MREL.

# Notes to the Consolidated Financial Statements

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# Notes to the Consolidated Financial Statements

## 1 Accounting policies

The material accounting policies that the Group applied in the preparation of these financial statements are set out in this section. The Group, as a pillar bank with diverse stakeholders, has considered both quantitative and qualitative factors in its assessment of which accounting policies to disclose as material.

### (a) Reporting entity

AIB Group plc (the 'parent company' or the 'Company') is a company domiciled in Ireland. The address of the Company's registered office is 10 Molesworth Street, Dublin 2, Ireland. AIB Group plc is registered under the Companies Act 2014 as a public limited company under the company number 594283 and is the holding company of the Group.

The consolidated financial statements for the year ended 31 December 2025 include the financial statements of AIB Group plc and its subsidiary undertakings, collectively referred to as 'AIB Group' or 'the Group', where appropriate, including certain structured entities and the Group's interest in associates/joint ventures using the equity method of accounting and are prepared to the end of the financial period. The Group is and has been primarily involved in retail and corporate banking.

A full list of subsidiaries, joint ventures and associated undertakings will be annexed to the Company's Annual Return to be filed in the Companies Registration Office in Ireland.

### (b) Statement of compliance

The consolidated financial statements have been prepared in accordance with International Accounting Standards and International Financial Reporting Standards (collectively IFRSs) as adopted by the European Union (EU) and applicable for the financial year ended 31 December 2025. The consolidated financial statements also comply with those parts of the Companies Act 2014 and the European Union (Credit Institutions: Financial Statements) Regulations 2015 applicable to companies reporting under IFRS, and the Asset Covered Securities Acts 2001 and 2007 and Article 4 of the IAS Regulation. The accounting policies have been consistently applied by Group entities and are consistent with the previous year, unless otherwise described.

### (c) Basis of preparation

#### Functional and presentation currency

The financial statements are presented in Euro, which is the functional currency of the parent company and a significant number of its subsidiaries, rounded to the nearest million.

#### Basis of measurement and presentation

The financial statements have been prepared under the historical cost basis, with the exception of the following assets and liabilities which are stated at their fair value: derivative financial instruments, financial instruments at fair value through profit or loss, certain hedged financial assets and financial liabilities and investment securities at fair value through other comprehensive income (FVOCI). The carrying values of recognised assets and liabilities that are hedged items in fair value hedges, other than portfolio hedges, and otherwise carried at amortised cost, are adjusted to record changes in fair value attributable to the risks that are being hedged.

The financial statements comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of cash flows, and the consolidated statement of changes in equity together with the related notes. The financial statements include the information that is described as being an integral part of the audited financial statements contained in: (i) Sections 2.1, 2.2, 2.3 and 2.4 of the Risk Management Report as described further on page 177 and (ii) the Directors' remuneration section of the Corporate Governance Remuneration Statement as described further on pages 161 and 162.

### Changes in presentation to the financial statements

#### (i) Cash collateral payable to/receivable from derivative and repurchase agreement counterparties

The Group places cash collateral with and receives cash collateral from derivative and repurchase agreement counterparties. In the 2024 financial statements cash collateral placed and received was presented in the following line items:

- Loans and advances to banks;
- Loans and advances to customers;
- Deposits by central banks and banks; and
- Customer accounts.

To ensure a consistent naming convention is applied to the financial statement line items, that include cash collateral, the Group has renamed:

- 'Deposits by central banks and banks' as 'Deposits and advances from banks'; and
- 'Customer accounts' as 'Deposits and advances from customers'.

The Group has also re-presented the notes to the financial statements, that include cash collateral to consistently disclose cash collateral as a line item within the note rather than presenting it separately as an 'of which' amount.

#### (ii) Tier 2 subordinated liabilities and other capital instruments

The Group has renamed 'Subordinated liabilities and other capital instruments' as 'Tier 2 subordinated liabilities and other capital instruments' to better describe the nature of subordinated liabilities in this line item.

#### (iii) Other notes to the financial statements

The Group has changed the presentation of certain tables in the notes to the financial statements. For further information refer to 'Segmental information' (note 3), 'Derivative financial instruments' (note 15) and 'Retirement benefits' (note 26).

### Use of judgements and estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of certain assets, liabilities, revenues and expenses, and disclosures of contingent assets and liabilities. The estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Since management's judgement may involve making estimates concerning the likelihood of future events, the actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected. The judgements that have a significant effect on the consolidated financial statements and estimates with a significant risk of material adjustment in the next year relate to:

- Impairment of financial assets;
- Deferred taxation; and
- Retirement benefit obligations.

A description of these judgements and estimates is set out in note 2.

## 1 Accounting policies continued

### (c) Basis of preparation continued

#### Consideration of climate change

In preparing the financial statements, the Directors have considered the impact of climate change, particularly in the context of the risks identified in the Sustainability Statement in this Annual Financial Report. There has been no material impact identified on the financial reporting judgements and estimates of the Group. In particular, the Directors considered the impact of climate change in respect of the following areas:

- **Credit risk:** The impact of climate risk on management escalation and reporting of credit risk was considered by the Group. There is currently no reasonable and supportable information that indicates a material impact of climate change on expected credit losses (ECL) and the Group's approach to individual counterparty risk assessment adequately captures climate risk where appropriate.
- **Going concern and viability:** The assessment of the Group's going concern and viability over the next three years did not identify material climate-related risks, both in terms of our decarbonisation commitments and the physical risks from climate change. This is set out in further detail on page 168.
- **Provisions and contingent liabilities:** The Group's publicly announced commitment to reduce absolute Scope 1 greenhouse gas (GHG) emissions to 34% by 2027 from a 2019 base year and to increase annual sourcing of renewable electricity to 100% by 2030 from 1% in 2019, are not considered a constructive obligation or a contingent liability. The timeframe allows opportunities for the Group to evolve its plans for how the decarbonisation strategy will be met and therefore the Group should not currently recognise a provision or a contingent liability in relation to its commitment (i.e. as the Group does not have an obligation as a result of a past event). IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* sets out that it is only those obligations arising from past events existing independently of an entity's future actions that are recognised as provisions or disclosed as contingent liabilities.
- **Impairment of non-financial assets:** The Group applies the requirements of IAS 36 *Impairment of Assets* in assessing whether impacted assets are impaired at a reporting date. The Group has a robust process to identify assets that may be impaired which requires the identification of all material potential impairment triggers including identification of climate-related impairment triggers. In addition, the Group's published decarbonisation commitments do not impact the useful lives of the Group's impacted assets as the Group proposes to replace impacted assets as their useful lives expire. The Group's impairment charge for 2024 included the impact of the Greener Branches Refurbishments Programme to improve branch and office buildings' energy efficiency.

#### Going concern

The financial statements for the year ended 31 December 2025 have been prepared on a going concern basis as the Directors are satisfied, having considered the risks and uncertainties impacting the Group, that it has the ability to continue in business for the period of assessment. In making this assessment, the Directors have considered a wide range of information relating to present and future conditions. This includes capital forecasts and internally generated macroeconomic scenarios that take account of geopolitical risks, the impacts of tariffs, inflation, interest rates and related impacts on unemployment and property prices. The period of assessment used by the Directors is at least 12 months from the date of approval of these annual financial statements.

### (d) Basis of consolidation – Notes 21 and 39

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries including consolidated structured entities.

#### Subsidiary undertakings

Subsidiary undertakings are all entities (including structured entities) over which the group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiary undertakings are fully consolidated from the date on which control is transferred to the Group. They are derecognised from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated, unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been updated where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, statement of comprehensive income, statement of changes in equity and consolidated statement of financial position respectively.

If the Group loses control over a subsidiary undertaking, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss.

#### Investments accounted for using the equity method

The Group's investments accounted for using the equity method comprise its investments in associates and joint ventures.

An associated undertaking is an entity over which the Group has significant influence, but not control, over the entity's operating and financial policy decisions. If the Group holds 20% or more of the voting power of an entity, it is presumed that the Group has significant influence, unless it can be clearly demonstrated that this is not the case.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

# Notes to the Consolidated Financial Statements *continued*

## 1 Accounting policies *continued*

### (e) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using their functional currency, being the currency of the primary economic environment in which the entity operates.

#### Transactions and balances

Foreign currency transactions are translated into the respective entity's functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rate prevailing at the period-end. Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Exchange differences on equities and similar non-monetary items held at fair value through profit or loss are reported as part of the fair value gain or loss. Exchange differences on a financial instruments designated as a hedge of the net investment in a foreign operation are reported in other comprehensive income.

#### Foreign operations

The results and financial position of all Group entities that have a functional currency different from the Euro are translated into Euro as follows:

- Assets and liabilities including goodwill and fair value adjustments arising on consolidation of foreign operations are translated at the closing rate;
- Income and expenses are translated into Euro at the average rates of exchange during the period where these rates approximate to the foreign exchange rates ruling at the dates of the transactions;
- Foreign currency translation differences are recognised in other comprehensive income; and
- Since 1 January 2004, the Group's date of transition to IFRS, all such exchange differences are included in the foreign currency cumulative translation reserve within shareholders' equity.

When a foreign operation is disposed of in full, the relevant amount of this reserve is transferred to the income statement. When a subsidiary is partly disposed, the relevant proportion of foreign currency translation reserve is re-attributed to the non-controlling interest. In the case of a partial disposal, a pro-rata amount of the foreign currency cumulative translation reserve is transferred to the income statement. A partial disposal is also considered to have occurred when a formal decision has been made to wind down an entity and where capital is being repaid but there has not been a reduction in the Group's overall percentage holding.

### (f) Interest income and expense recognition – Notes 4 and 5

#### Effective interest rate

The effective interest rate (EIR) is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to:

- The gross carrying amount of the financial asset; or
- The amortised cost of the financial liability.

The application of the method has the effect of recognising income receivable and expense payable on the instrument evenly in proportion to the amount outstanding over the period to maturity or repayment. In calculating the effective interest rate for financial instruments, the Group estimates cash flows (using projections based on its experience of customers' behaviour) considering all contractual terms of the financial instrument but excluding expected credit losses (except, in the case of purchased or originated credit impaired (POCI) financial assets where expected credit losses are included in the calculation of a credit-adjusted effective interest rate). The calculation takes into account all fees, including those for any expected early redemption, and points paid or received between parties to the contract that are an integral part of the effective interest rate, as well as transaction costs and all other premiums and discounts.

All costs associated with mortgage incentive schemes are included in the effective interest rate calculation. Fees and commissions payable to third parties in connection with lending arrangements, where these are direct and incremental costs related to the issue of a financial instrument, are included in interest income as part of the effective interest rate.

#### Amortised cost and gross carrying amount

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest rate method of any difference between the initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

The gross carrying amount of a financial asset is the amortised cost before adjusting for any loss allowance.

#### Calculation of interest income and interest expense

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit impaired) or to the amortised cost of the liability.

For financial assets that have become credit impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit impaired, the calculation of interest income reverts to the gross basis.

However, for financial assets that were credit impaired on initial recognition, interest income is calculated by applying the credit adjusted effective interest rate to the amortised cost of the financial asset. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves.

When a financial asset is no longer credit impaired or has been repaid in full (i.e. cured without financial loss), the Group presents previously unrecognised interest income as a reversal of credit impairment/recovery of amounts previously written-off.

Interest income and expense on financial assets and liabilities classified as held for trading or at fair value through profit or loss (FVTPL) is recognised in 'net trading income' or 'net gain on other financial assets measured at FVTPL' in the income statement, as applicable.

#### Presentation

Interest income and expense presented in the consolidated income statement include:

- Interest on financial assets and financial liabilities measured at amortised cost calculated on an effective interest rate basis;
- Interest on investment debt securities measured at FVOCI calculated on an effective interest rate basis;
- Net interest income and expense on qualifying hedge derivatives designated as cash flow hedges or fair value hedges which are recognised in interest income or interest expense;
- Net interest income or expense on derivatives that are held with hedging intent, but for which hedge accounting is not applied;
- Interest income and funding costs of trading portfolio financial assets;
- Interest income and expense on leases and hire purchase contracts; and
- Interest income on financial assets at FVTPL.

## 1 Accounting policies continued

### (g) Fee and commission income – Note 3

The measurement and timing of recognition of fee and commission income is based on the core principles of IFRS 15 *Revenue from Contracts with Customers*.

Fee and commission income is recognised when the performance obligation in the contract has been performed, either at a 'point in time' or 'over time' if the performance obligation is performed over a period of time unless the income has been included in the effective interest rate calculation.

The Group includes in the transaction price, some or all of an amount of variable consideration estimated only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The majority of the Group's fee and commission income arises from retail banking activities. Loan syndication fees are recognised as revenue when the syndication has been completed and the Group has retained no part of the loan package for itself or retained a part at the same effective interest rate as applicable to the other participants.

Customer related foreign exchange is fee income that is derived from arranging foreign exchange transactions on behalf of customers. Such income is recognised when the individual performance obligation has been fulfilled.

Portfolio and other management advisory and service fees are recognised based on the applicable service contracts. Asset management fees relating to investment funds are recognised over time in line with the performance obligation. The same principle is applied to the recognition of income from wealth management, financial planning and custody services that are continuously provided over an extended period of time.

Commitment fees together with related direct costs, for loan facilities where drawdown is probable, are deferred and recognised as an adjustment to the effective interest rate on the loan once drawn. Commitment fees in relation to facilities where drawdown is not probable are recognised over the term of the commitment on a straight line basis.

Other lending related fees are recognised over time in line with the performance obligation except for arrangement fees where it is likely that the facility will be drawn down, and which are included in the effective interest rate calculation.

Fee income and fee expenses in respect of services and prepaid credits for cellular phone and utilities sold to third parties are classified as customer accounts and payment services and are recognised when the performance obligation is satisfied.

### (h) Employee benefits – Note 26

#### Retirement benefit obligations

The Group provides employees with post-retirement benefits mainly in the form of pensions.

The Group operates a number of retirement benefit schemes including defined benefit and defined contribution schemes. This includes benefits for some members accrued from 2007 to 2013 under a hybrid scheme arrangement that had both defined benefit and defined contribution elements.

Full actuarial valuations of defined benefit schemes are undertaken every three years and are updated to reflect current conditions at each year end reporting date.

Scheme assets are measured at fair value determined by using current bid prices, except for insurance policies acquired as part of a buy-in. If the policies are qualifying policies under IAS 19 *Employee Benefits* and if the timing and amount of payments under the policies exactly match some or all of the benefits payable under the scheme, then the present value of the related obligation is determined and is deemed to be the fair value of the insurance policies to be included in plan assets.

Scheme liabilities are measured on an actuarial basis by estimating the amount of future benefit that employees have earned for their service in current and prior periods and discounting that benefit at the market yield on a high-quality corporate bond of equivalent term and currency to the liability. The calculation is performed by a qualified actuary using the projected unit credit method. The difference between the fair value of the scheme assets and the present value of the defined benefit obligation at the year end reporting date is recognised in the statement of financial position. Schemes in surplus are shown as assets and schemes in deficit, together with unfunded schemes, are shown as liabilities. A surplus is only recognised as an asset to the extent that it is recoverable through a refund from the scheme or through reduced contributions in the future. Actuarial gains and losses are recognised immediately in other comprehensive income.

The cost of providing defined benefit pension schemes to employees, comprising the net interest on the net defined benefit liability/(asset), calculated by applying the discount rate to the net defined benefit liability/(asset) at the start of the annual reporting period, taking into account contributions and benefit payments during the period, is charged to the income statement within personnel expenses.

Remeasurements of the net defined benefit liability/(asset), comprising actuarial gains and losses and the return on scheme assets (excluding amounts included in net interest on the net defined benefit liability/(asset)) are recognised in other comprehensive income. Amounts recognised in other comprehensive income in relation to remeasurements of the net defined benefit liability/(asset) will not be reclassified to profit or loss in a subsequent period.

The Group recognises the effect of an amendment to a defined benefit scheme when the plan amendment occurs, which is when the Group introduces or withdraws a defined benefit scheme, or changes the benefits payable under existing defined benefit schemes. A curtailment is recognised when a significant reduction in the number of employees covered by a defined benefit scheme occurs. A settlement is a transaction that eliminates all further legal or constructive obligations for part or all of the benefits provided under a defined benefit scheme. Gains or losses on plan amendments, curtailments and settlements are recognised in the income statement.

Changes with regard to benefits payable to retirees which represent a constructive obligation under IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* are accounted for as a past service cost. These are recognised in the income statement.

The costs of managing the defined benefit scheme assets are deducted from the return on scheme assets. All costs of running the defined benefit schemes are recognised in the income statement when they are incurred.

The cost of the Group's defined contribution schemes is charged to the income statement in the accounting period in which it is incurred. Any contributions unpaid at the year end reporting date are included as a liability. The Group has no further obligation under these schemes once these contributions have been paid.

#### Short-term employee benefits

Short-term employee benefits, such as salaries and other benefits, are accounted for on an accruals basis over the period during which employees have provided services. Bonuses are recognised to the extent that the Group has a legal or constructive obligation to its employees that can be measured reliably.



# Notes to the Consolidated Financial Statements *continued*

## 1 Accounting policies *continued*

### (i) Income tax, including deferred income tax – Notes 13 and 25

Income tax comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised in other comprehensive income, in which case it is recognised in other comprehensive income. Income tax relating to items in equity is recognised directly in equity. However, the income tax consequences of payments on financial instruments that are classified as equity but treated as liabilities for tax purposes are recognised in profit or loss if those payments are distributions of profits previously recognised in profit or loss.

Current tax is the expected tax payable on the taxable income for the year using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous years.

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes that exist at the balance sheet date. Deferred income tax is determined using tax rates based on legislation enacted or substantively enacted at the reporting date and is expected to apply when the deferred tax asset is realised or the deferred tax liability is settled.

Deferred income tax assets are recognised when it is probable that future taxable profits will be available against which the temporary differences will be utilised. The deferred tax asset is reviewed at the end of each reporting period and the carrying amount will reflect the extent that it is probable that sufficient taxable profits will be available to allow all of the asset to be recovered.

The tax effects of income tax losses available for carry forward are recognised as an asset to the extent that it is probable that future taxable profits will be available against which these losses can be utilised.

Deferred and current tax assets and liabilities are only offset when they arise in the same tax reporting group and where there is both the legal right and the intention to settle the current tax assets and liabilities on a net basis or to realise the asset and settle the liability simultaneously.

The principal temporary differences arise from the depreciation of property, plant and equipment, revaluation of certain financial assets and financial liabilities including derivative contracts, provisions for expected credit losses on financial instruments, provisions for pensions and other post-retirement benefits, and in relation to acquisitions, on the difference between the fair values of the net assets acquired and their tax base.

Deferred income tax is provided on temporary differences arising from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the difference will not reverse in the foreseeable future. In addition, temporary differences are not provided for assets and liabilities the initial recognition of which, in a transaction that is not a business combination, affects neither accounting nor taxable profit.

Income tax payable on profits arising from investments in subsidiaries and associates, based on the applicable tax law in each jurisdiction, is recognised as an expense in the period in which the profits arise.

The Group adopted the amendments to IAS 12 *International Tax Reform – Pillar Two Model Rules*. The amendments provide a mandatory temporary exception from the requirement to recognise and disclose deferred taxes arising from enacted or substantively enacted tax law that implements the Pillar Two model rules. Accordingly, the Group has not recognised any changes to its deferred tax assets or liabilities in respect of Pillar Two.

### (j) Financial assets – Notes 6, 7, 8, 14, 16, 17, 18, 20, 24 and 41

#### Recognition and initial measurement

The Group initially recognises financial assets on the trade date, being the date on which the Group commits to purchase the assets. Loan assets are recognised when cash is advanced to borrowers. In a situation where the Group commits to purchase financial assets under a contract which is not considered a regular-way transaction, the assets to be acquired are not recognised until the acquisition contract is settled. In this case, the contract to acquire the financial asset is a derivative that is measured at FVTPL in the period between the trade date and the settlement date.

Financial assets measured at amortised cost or at fair value through other comprehensive income (FVOCI) are recognised initially at fair value adjusted for direct and incremental transaction costs. Financial assets measured at fair value through profit or loss (FVTPL) are recognised initially at fair value and transaction costs are taken directly to the income statement.

Derivatives are measured initially at fair value on the date on which the derivative contract is entered into. The best evidence of the fair value of a derivative at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. Profits or losses are only recognised on the initial recognition of derivatives when there are observable current market transactions or valuation techniques that are based on observable market inputs.

#### Classification and subsequent measurement

On initial recognition, a financial asset is classified and subsequently measured at amortised cost, FVOCI or FVTPL.

The classification and subsequent measurement of financial assets depend on:

- The Group's business model for managing the asset; and
- The cash flow characteristics of the asset (for assets in a 'hold-to-collect' or 'hold-to-collect-and-sell' business model).

Based on these factors, the Group classifies its financial assets into one of the following categories:

#### – Amortised cost

Assets that have not been designated as at FVTPL, and are held within a 'hold-to-collect' business model whose objective is to hold assets to collect contractual cash flows; and whose contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI). The carrying amount of these assets is calculated using the effective interest rate method and is adjusted on each measurement date by the expected credit loss allowance for each asset, with movements recognised in profit or loss.

#### – Fair value through other comprehensive income (FVOCI)

Assets that have not been designated as at FVTPL, and are held within a 'hold-to-collect-and-sell' business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and whose contractual terms give rise on specified dates to cash flows that are SPPI. Movements in the carrying amount of these assets are taken through other comprehensive income (OCI), except for the recognition of credit impairment gains or losses, interest revenue or foreign exchange gains and losses, which are recognised in profit or loss. When a financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss other than in the case of equity instruments designated at FVOCI.



## 1 Accounting policies continued

### (j) Financial assets continued

#### – Fair value through profit or loss (FVTPL)

Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. Gains or losses (excluding interest income or expense) on such assets are recognised in profit or loss on an ongoing basis.

In addition, the Group may irrevocably designate a financial asset as at FVTPL that otherwise meets the requirements to be measured at amortised cost or at FVOCI if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

#### Business model assessment

The Group makes an assessment of the objective of the business model at a portfolio level, as this reflects how portfolios of assets are managed to achieve a particular objective, rather than management's intentions for individual assets.

The assessment considers the following:

- The strategy for the portfolio as communicated by management;
- How the performance of the portfolio is evaluated and reported to senior management;
- The risks that impact the performance of the business model, and how those risks are managed;
- How managers of the business are compensated (i.e. based on fair value of assets managed or on the contractual cash flows collected); and
- The frequency, value and timing of sales in prior periods, reasons for those sales, and expectations of future sales activity.

Financial assets that are held for trading or managed within a business model that is evaluated on a fair value basis are measured at FVTPL because the business objective is neither hold-to-collect contractual cash flows nor hold-to-collect-and-sell contractual cash flows.

#### Characteristics of the contractual cash flows

An assessment (SPPI test) is performed on all financial assets at origination that are held within a 'hold-to-collect' or 'hold-to-collect-and-sell' business model to determine whether the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset at initial recognition. 'Interest' is defined as consideration for the time value of money, for the credit risk associated with the principal amount outstanding, for other basic lending risks and costs (i.e. liquidity, administrative costs) and profit margin.

The SPPI test requires an assessment of the contractual terms and conditions to determine whether a financial asset contains any terms that could modify the timing or amount of contractual cash flows of the asset, to the extent that they could not be described as solely payments of principal and interest. In making this assessment, the Group considers:

- Features that modify the time value of money element of interest (e.g. tenor of the interest rate does not correspond with the frequency within which it resets);
- Terms providing for prepayment and extension;
- Leverage features;
- Non-recourse features;
- Contingent events that could change the amount and timing of cash flows;
- Terms that limit the Group's claim to cash flows from specified assets; and
- Contractually linked instruments.

Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### Investments in equity instruments

Equity instruments are classified and measured at FVTPL with gains and losses reflected in profit or loss.

#### (k) Financial liabilities and equity – Notes 6, 14, 27, 28, 29, 31, 32 and 41

The Group categorises financial liabilities as at amortised cost or as at FVTPL.

The Group recognises a financial liability when it becomes party to the contractual provisions of the contract.

Issued financial instruments or their components are classified as liabilities where the substance of the contractual arrangement results in the Group having a present obligation to either deliver cash or another financial asset to the holder, to exchange financial instruments on terms that are potentially unfavourable or to satisfy the obligation otherwise than by the exchange of a fixed amount of cash or another financial asset for a fixed number of equity shares.

Financial liabilities are initially recognised at fair value, being their issue proceeds (fair value of consideration received), net of transaction costs incurred. Financial liabilities are subsequently measured at amortised cost, with any difference between the proceeds net of transaction costs and the redemption value recognised in the income statement using the effective interest rate method.

Where financial liabilities are classified as trading they are also initially recognised at fair value with the related transaction costs taken directly to the income statement. Gains and losses arising from subsequent changes in fair value are recognised directly in the income statement within net trading income.

Issued financial instruments are classified as equity when the Group has no contractual obligation to transfer cash, or other financial assets, or to issue a variable number of its own equity instruments. Incremental costs directly attributable to the issue of equity instruments are shown as a deduction from the proceeds of issue, net of tax.

On the extinguishment of equity instruments, gains or losses arising are recognised net of tax directly in the statement of changes in equity.

#### (l) Leases – Notes 23 and 30

The Group applies a single recognition and measurement approach for all leases, except for short-term leases of 12 months or less or leases of low-value assets (i.e. the value of the underlying asset, when new, is less than €5,000/£5,000). The Group recognises lease liabilities that represent the present value of lease payments to be made over the lease term and right-of-use assets representing the right to use the underlying assets.

#### Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, an estimate of any costs to dismantle and remove the asset at the end of the lease and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

# Notes to the Consolidated Financial Statements *continued*

## 1 Accounting policies *continued*

### (l) Leases *continued*

#### Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (less any lease incentives receivable), variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

#### (m) Determination of fair value of financial instruments – Note 42

The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal market, or in its absence, the most advantageous market to which the Group has access at that date. The Group considers the impact of non-performance risk when valuing its financial liabilities.

Financial instruments are initially recognised at fair value and, with the exception of financial assets at fair value through profit or loss, the initial carrying amount is adjusted for direct and incremental transaction costs. In the normal course of business, the fair value on initial recognition is the transaction price (fair value of consideration given or received). If the Group determines that the fair value at initial recognition differs from the transaction price and the fair value is determined by a quoted price in an active market for the same financial instrument, or by a valuation technique which uses only observable market inputs, the difference between the fair value at initial recognition and the transaction price is recognised as a gain or loss. If the fair value is calculated by a valuation technique that features significant market inputs that are not observable, the difference between the fair value at initial recognition and the transaction price is deferred. Subsequently, the difference is recognised in the income statement on an appropriate basis over the life of the financial instrument, but no later than when the valuation is supported by wholly observable inputs; the transaction matures; or is closed out.

Subsequent to initial recognition, the methods used to determine the fair value of financial instruments include quoted prices in active markets where those prices are considered to represent actual and regularly occurring market transactions. Where quoted prices are not available or are unreliable because of market inactivity, and in the case of over-the-counter derivatives, fair values are determined using valuation techniques.

The fair values of financial instruments are classified according to the following fair value hierarchy that reflects the observability of significant market inputs:

- Level 1 – financial assets and liabilities measured using quoted market prices from an active market (unadjusted);
- Level 2 – financial assets and liabilities measured using valuation techniques which use quoted market prices from an active market or measured using quoted market prices unadjusted from an inactive market; and
- Level 3 – financial assets and liabilities measured using valuation techniques which use unobservable market inputs.

#### Quoted prices in active markets

Valuations for negotiable instruments such as debt and equity securities are determined using bid prices for asset positions and ask prices for liability positions.

Where securities are traded on an exchange, the fair value is based on prices from the exchange. The market for debt securities largely operates on an ‘over-the-counter’ basis which means that there is not an official clearing or exchange price for these security instruments. Therefore, market makers and/or investment banks (contributors) publish bid and ask levels which reflect an indicative price that they are prepared to buy and sell a particular security. The Group’s valuation policy requires that the prices used in determining the fair value of securities quoted in active markets must be sourced from established market makers and/or investment banks.

#### Valuation techniques

Valuation techniques maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The valuation techniques used incorporate the factors that market participants would take into account in pricing a transaction. Valuation techniques include the use of recent orderly transactions between market participants, reference to other similar instruments, option pricing models, discounted cash flow analysis and other valuation techniques commonly used by market participants.

Fair value may be estimated using quoted market prices for similar instruments, adjusted for differences between the quoted instrument and the instrument being valued. Where the fair value is calculated using discounted cash flow analysis, the methodology is to use, to the greatest extent possible, market data that is either directly observable or is implied from instrument prices, such as interest rate yield curves, equities and commodities prices, credit spreads, option volatilities and currency rates. In addition, the Group considers the impact of its own credit risk and counterparty risk when valuing its derivative liabilities.

The valuation methodology is to calculate the expected cash flows under the terms of each specific contract and then discount these values back to a present value. The assumptions involved in these valuation techniques include:

- The likelihood and expected timing of future cash flows of the instrument. These cash flows are generally governed by the terms of the instrument, although management judgement may be required when the ability of the counterparty to service the instrument in accordance with the contractual terms is in doubt. In addition, future cash flows may also be sensitive to the occurrence of future events, including changes in market rates; and
- Selecting an appropriate discount rate for the instrument, based on the interest rate yield curves including the determination of an appropriate spread for the instrument over the risk-free rate. The spread is adjusted to take into account the specific credit risk profile of the exposure.

All adjustments in the calculation of the present value of future cash flows are based on factors market participants would take into account in pricing the financial instrument. Certain financial instruments (both assets and liabilities) may be valued on the basis of valuation techniques that feature one or more significant market inputs that are not observable. When applying a valuation technique with unobservable data, estimates are made to reflect uncertainties in fair values resulting from a lack of market data, for example, as a result of illiquidity in the market. For these instruments, the fair value measurement is less reliable. Inputs into valuations based on non-observable data are inherently uncertain because there is little or no current market data available from which to determine the price at which an orderly transaction between market participants would occur under current market conditions. However, in most cases there is some market data available on which to base a determination of fair value, for example historical data, and the fair values of most financial instruments will be based on some market observable inputs even where the non-observable inputs are significant. All unobservable inputs used in valuation techniques reflect the assumptions market participants would use when fair valuing the financial instrument.

## 1 Accounting policies continued

### (m) Determination of fair value of financial instruments continued

The Group tests the outputs of the valuation model to ensure that it reflects current market conditions. The calculation of fair value for any financial instrument may require adjustment of the quoted price or the valuation technique output to reflect the cost of credit risk and the liquidity of the market, if market participants would include one, where these are not embedded in underlying valuation techniques or prices used. The choice of contributors, the quality of market data used for pricing and the valuation techniques used are all subject to internal review and approval procedures.

### (n) Securities financing – Notes 18 and 40

When securities are purchased subject to a commitment to resell (reverse repurchase agreement), or where the Group borrows securities, but does not acquire the risks and rewards of ownership, the transactions are treated as collateralised loans, and the securities are not usually included in the statement of financial position. The exception to this is where these are sold to third parties, at which point the obligation to repurchase the securities is recorded as a trading liability at fair value and any subsequent gain or loss included in trading income.

Similarly, financial assets may be lent or sold subject to a commitment to repurchase them (repurchase agreement). Such securities are retained on the statement of financial position when substantially all the risks and rewards of ownership remain with the Group. The liability to the counterparty is included separately on the statement of financial position.

The difference between the sale and repurchase price for securities financing transactions is accrued over the life of the agreements using the effective interest rate method.

### (o) Derivatives and hedge accounting – Note 15

Derivatives, such as interest rate swaps, options and forward rate agreements, futures, currency swaps and options, credit and equity derivatives are used for trading purposes whereas interest rate swaps, currency swaps, cross currency interest rate swaps and credit derivatives are used for hedge accounting purposes.

The Group maintains trading positions in a variety of financial instruments including derivatives. Trading transactions arise both as a result of activity generated by customers and from proprietary trading with a view to generating incremental income.

Non-trading derivative transactions comprise transactions held for hedging purposes as part of the Group's risk management strategy against assets, liabilities, positions and cash flows.

Derivatives are measured initially at fair value on the date on which the derivative contract is entered into and subsequently remeasured at fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and from valuation techniques using discounted cash flow models and option pricing models as appropriate. Derivatives are included in assets when their fair value is positive, and in liabilities when their fair value is negative, unless there is the legal ability and intention to settle an asset and liability on a net basis.

The best evidence of the fair value of a derivative at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets.

Profits or losses are only recognised on initial recognition of derivatives when there are observable current market transactions or valuation techniques that are based on observable market inputs.

### Hedging

The Group avails of the hedge accounting requirements of IAS 39 *Financial Instruments: Recognition and Measurement* (IAS 39) as adopted by the EU, until Dynamic Risk Management is addressed by the IASB, as permitted as an accounting policy choice under IFRS 9 *Financial Instruments* (IFRS 9).

All derivatives are carried at fair value and the accounting treatment of the resulting fair value gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. Where derivatives are held for risk management purposes, and where transactions meet the criteria specified in IAS 39, the Group designates certain derivatives as either:

- Hedges of the fair value of recognised assets or liabilities or firm commitments (fair value hedge); or
- Hedges of the exposure to variability of cash flows attributable to a recognised asset or liability, or a highly probable forecasted transaction (cash flow hedge); or
- Hedges of a net investment in a foreign operation.

When a financial instrument is designated as a hedge, the Group formally documents the relationship between the hedging instrument and hedged item as well as its risk management objectives and its strategy for undertaking the various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of the hedged items.

The Group discontinues hedge accounting when:

- it is determined that a derivative is not, or has ceased to be, highly effective as a hedge;
- the derivative expires, or is sold, terminated or exercised;
- the hedged item matures or is sold or repaid; or
- a forecast transaction is no longer deemed highly probable.

To the extent that the changes in the fair value of the hedging derivative differ from changes in the fair value of the hedged risk in the hedged item, or the cumulative change in the fair value of the hedging derivative differs from the cumulative change in the fair value of expected future cash flows of the hedged item, ineffectiveness arises. The amount of ineffectiveness, taking into account the timing of the expected cash flows where relevant, provided that it is not so great as to disqualify the entire hedge for hedge accounting, is recorded in the income statement.

In certain circumstances, the Group may decide to cease hedge accounting even though the hedge relationship continues to be highly effective by no longer designating the financial instrument as a hedge.

### Fair value hedge accounting

Changes in fair value of derivatives that qualify and are designated as fair value hedges are recorded in the income statement, together with changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

For micro fair value hedges, the hedge adjustment is presented as an adjustment to the carrying amount of the hedged item. For portfolio fair value hedges, the aggregated fair value changes in the portfolio of hedged items are recognised in a single separate line item within liabilities when the hedged portfolio consists of liabilities, or within assets when the hedged portfolio consists of assets.

If the hedge no longer meets the criteria for hedge accounting, the fair value hedging adjustment, for items carried at amortised cost, is amortised to profit or loss using the effective interest rate method over the remaining maturity of the hedged item for micro hedges, and on a straight-line basis over the relevant repricing period for portfolio hedges. For debt securities measured at FVOCI, the fair value adjustment for hedged items is recognised in the income statement using the effective interest rate method.

# Notes to the Consolidated Financial Statements *continued*

## 1 Accounting policies *continued*

### (o) Derivatives and hedge accounting *continued*

When a hedged item held at amortised cost that is designated in a micro fair value hedge or included in the repricing time-period of a portfolio hedge is derecognised, the unamortised fair value adjustment is recognised immediately in the income statement.

#### Cash flow hedge accounting

The Group enters into portfolio cash flow hedges. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is initially recognised directly in other comprehensive income and included in the cash flow hedging reserve in the statement of changes in equity. The amount recognised in other comprehensive income is reclassified to profit or loss as a reclassification adjustment in the same period as the hedged cash flows affect profit or loss, and in the same line item in the statement of comprehensive income. Any ineffective portion of the gain or loss on the hedging instrument is recognised in the income statement immediately.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss recognised in other comprehensive income from the time when the hedge was effective remains in equity and is reclassified to the income statement as a reclassification adjustment as the forecast transaction affects profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was recognised in other comprehensive income from the period when the hedge was effective is reclassified to the income statement.

The cash flow hedging reserves are adjusted to the lower of either the cumulative gain or loss on the hedging instrument or the cumulative change in fair value (present value) of the hedged item from inception of the hedge. The portion that is offset by the change in the cash flow hedging reserves is recognised in other comprehensive income with any hedge ineffectiveness recognised in the income statement.

#### Net investment hedge

Hedges of net investments in foreign operations, including monetary items that are accounted for as part of the net investment, are accounted for similarly to cash flow hedges. The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income and the ineffective portion is recognised immediately in the income statement. The cumulative gain or loss previously recognised in other comprehensive income is recognised in the income statement on the disposal or partial disposal of the foreign operation. Hedges of net investments may include non-derivative liabilities as well as derivative financial instruments.

#### Derivatives that do not qualify for hedge accounting

Certain derivative contracts entered into as economic hedges do not qualify for hedge accounting and are classified as trading derivatives. Changes in the fair value of these derivative instruments are recognised immediately in the income statement.

### (p) Derecognition

#### Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss. Relevant costs incurred with the disposal of a financial asset are deducted in computing the gain or loss on disposal.

The Group enters into transactions whereby it transfers assets recognised on its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. In such cases, the transferred assets are not derecognised. Examples of such transactions are securities sold under agreements to repurchase.

In transactions in which the Group neither retains nor transfers substantially all of the risks and rewards of ownership of a financial asset and it retains control over the asset, the Group continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

In certain transactions, the Group retains the obligation to service the transferred financial asset for a fee. The transferred asset is derecognised if it meets the derecognition criteria. An asset or liability is recognised for the servicing contract if the servicing fee is more than adequate or is less than adequate for performing the servicing.

The write-off of a financial asset constitutes a derecognition event. Where a financial asset is partially written-off, and the portion written-off comprises specifically identified cash flows, this will constitute a derecognition event for that part written-off.

#### Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired. Any gain or loss on the extinguishment or remeasurement of a financial liability is recognised in profit or loss.

### (q) Impairment of financial assets – Notes 11, 19 and 33

The Group recognises loss allowances for expected credit losses at each balance sheet date for the following financial instruments that are not measured at FVTPL:

- Financial assets at amortised cost;
- Financial assets at FVOCI (except for equity instruments);
- Lease receivables;
- Financial guarantee contracts issued; and
- Loan commitments issued.

Investments in equity instruments are recognised at fair value and accordingly, expected credit losses (ECLs) are not recognised separately for equity instruments.

ECLs are the weighted average of credit losses. When measuring ECLs, the Group takes into account:

- Probability weighted outcomes;
- The time value of money so that ECLs are discounted to the reporting date; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The amount of ECLs recognised as a loss allowance depends on the extent of credit deterioration since initial recognition. There are two measurement bases:

- 12-month ECLs (Stage 1), which applies to all items as long as there is no significant deterioration in credit quality since initial recognition; and
- Lifetime ECLs (Stages 2 and 3), which applies when a significant increase in credit risk has occurred on an individual or collective basis.

The 12-month ECL is the portion of lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Lifetime ECL is the expected credit losses that result from all possible default events over the expected life of a financial instrument.



## 1 Accounting policies continued

### (q) Impairment of financial assets continued

In the case of Stage 2, credit risk on the financial instrument has increased significantly since initial recognition but the instrument is not considered credit impaired. For a financial instrument in Stage 3, credit risk has increased significantly since initial recognition and the instrument is considered credit impaired.

Financial assets are allocated to stages dependent on credit quality relative to when the asset was originated.

A financial asset can only originate in either Stage 1 or as a POCI. The ECL held against an asset depends on a number of factors, one of which is its stage allocation. Assets allocated to Stage 2 and Stage 3 have lifetime ECLs. Collateral and other credit enhancements are not considered as part of stage allocation. Collateral is reflected in the Group's loss given default models (LGD).

#### Purchased or originated credit impaired

POCI financial assets are those that are credit-impaired on initial recognition. The Group may originate a credit-impaired financial asset following a substantial modification of a distressed financial asset that resulted in derecognition of the original financial asset.

POCIs are financial assets originated credit impaired that have a discount to the contractual value when measured at fair value. The Group uses an appropriate discount rate for measuring ECL in the case of POCIs which is the credit-adjusted EIR. This rate is used to discount the expected cash flows of such assets to fair value on initial recognition.

POCIs remain outside of the normal stage allocation process for the lifetime of the obligation. The ECL for POCIs is always measured at an amount equal to lifetime expected credit losses. The amount recognised as a loss allowance for these assets is the cumulative changes in lifetime expected credit losses since the initial recognition of the assets rather than the total amount of lifetime expected credit losses.

At each reporting date, the Group recognises the amount of the change in lifetime expected credit losses as a credit impairment gain or loss in the income statement. Favourable changes in lifetime expected credit losses are recognised as a credit impairment gain, even if the favourable changes exceed the amount previously recognised in profit or loss as a credit impairment loss.

#### Modification

From time to time, the Group will modify the original terms of a customer's loan either as part of the ongoing relationship or arising from changes in the customer's circumstances such as when that customer is unable to make the agreed original contractual repayments. A modification refers to either:

- A change to the previous terms and conditions of a debt contract; or
- A total or partial refinancing of a debt contract.

Modifications may occur for both customers in distress and for those not in distress. Any financial asset that undergoes a change or renegotiation of cash flows and is not derecognised is a modified financial asset.

When modification does not result in derecognition, the modified assets are treated as the same continuous lending agreement and a modification gain or loss is taken to profit or loss immediately. The gross carrying amount of the financial asset is recalculated as the present value of the renegotiated or modified contractual cash flows discounted at the financial asset's original effective interest rate. Any costs or fees incurred adjust the carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

The stage allocation for modified assets which are not derecognised is by reference to the credit risk at initial recognition of the original, unmodified contractual terms, i.e. the date of initial recognition is not reset.

Where renegotiation of the terms of a financial asset leads to a customer granting equity to the Group in exchange for any loan balance outstanding, the new instrument is recognised at fair value with any difference to the loan carrying amount recognised in the income statement.

Derecognition occurs if a modification or restructure is substantial on a qualitative or quantitative basis. Accordingly, certain forbore assets are derecognised. The modified/restructured asset (derecognised forbore asset (DFA)) is considered a 'new financial instrument' and the date that the new asset is recognised is the date of initial recognition from this point forward. DFAs are allocated to Stage 1 on origination and follow the normal staging process thereafter.

If there is evidence of credit impairment at the time of initial recognition of a DFA, the asset is deemed to be a POCI. POCIs are not allocated to stages but are assigned a lifetime PD and ECL for the duration of the obligation's life. Where the modification/restructure of a non-forbore credit obligation results in derecognition, the new loan is originated in Stage 1 and follows the normal staging process thereafter.

#### Collateralised financial assets – Repossessions

The ECL calculation for a collateralised financial asset reflects the cash flows that may result from foreclosure, costs for obtaining and settling the collateral, and whether or not foreclosure is probable.

For loans that are credit impaired, the Group may repossess collateral previously pledged as security in order to achieve an orderly realisation of the loan. The Group will then offer this repossessed collateral for sale. However, if the Group believes the proceeds of the sale will comprise only part of the recoverable amount of the loan with the customer remaining liable for any outstanding balance, the loan continues to be recognised and the repossessed asset is not recognised. However, if the Group believes that the sale proceeds of the asset will comprise all or substantially all of the recoverable amount of the loan, the loan is derecognised and the acquired asset is accounted for in accordance with the applicable accounting standard. Any further impairment of the repossessed asset is treated as an impairment of that asset and not as a credit impairment of the original loan.

#### Financial assets at FVOCI

The ECL allowance for financial assets measured at FVOCI does not reduce the carrying amount in the statement of financial position because the carrying amount of these assets is fair value. However, an amount equal to the ECL allowance that would arise if the assets were measured at amortised cost is recognised in other comprehensive income (OCI) as an accumulated credit impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit or loss upon derecognition of the assets (together with other accumulated gains and losses in OCI).

#### Write-offs and debt forgiveness

The Group reduces the gross carrying amount of a financial asset either partially or fully when there is no reasonable expectation of recovery.

Where there is no formal debt forgiveness agreed with the customer, the Group may write off a loan either partially or fully when there is no reasonable expectation of recovery. This is considered a non-contracted write-off. In this case, the borrower remains fully liable for the credit obligation and is not advised of the write-off.

Once a financial asset is written-off either partially or fully, the amount written-off cannot subsequently be recognised on the balance sheet. It is only when cash is received in relation to the amount written-off that income is recognised in the income statement as a 'recovery of bad debt previously written-off'.

Debt forgiveness arises where there is a formal contract agreed with the customer for the write-off of a loan.



# Notes to the Consolidated Financial Statements *continued*

## 1 Accounting policies *continued*

### (r) Collateral and netting – Note 37

The Group enters into master netting agreements with counterparties, to ensure that if an event of default occurs, all amounts outstanding with those counterparties will be settled on a net basis.

#### Collateral

The Group obtains collateral in respect of customer advances where this is considered appropriate. The collateral normally takes the form of a lien over the customer's assets and gives the Group a claim on these assets for both existing and future customer liabilities. The collateral is, in general, not recorded on the statement of financial position.

The Group also receives collateral in the form of cash or securities in respect of other credit instruments, such as securities borrowing contracts and derivative contracts in order to reduce credit risk. Collateral received in the form of securities is not recorded on the statement of financial position. Collateral received in the form of cash is recorded on the statement of financial position with a corresponding liability. Therefore, in the case of cash collateral, these amounts are assigned to deposits received from banks or other counterparties. Any interest payable or receivable arising is recorded as interest expense or interest income respectively.

In certain circumstances, the Group will pledge collateral in respect of its own liabilities or borrowings. Collateral pledged in the form of securities or loans and advances continues to be recorded on the statement of financial position. Collateral paid away in the form of cash is recorded in loans and advances to banks or customers. Any interest payable or receivable arising is recorded as interest expense or interest income respectively.

#### Netting

Financial assets and financial liabilities are offset and the net amount reported on the statement of financial position if, and only if, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, therefore, the related assets and liabilities are presented gross on the statement of financial position.

### (s) Financial guarantees and loan commitment contracts – Note 38

#### Financial guarantees provided by the Group

Financial guarantees are given to banks, financial institutions and other bodies on behalf of customers to secure loans, overdrafts and other banking facilities (facility guarantees) and to other parties in connection with the performance of customers under obligations relating to contracts, advance payments made by other parties, tenders, retentions and the payment of import duties. In its normal course of business, Allied Irish Banks, p.l.c. (the principal operating company) may issue financial guarantees to other Group entities.

A loan commitment is a contract with a borrower to provide a loan or credit on specified terms at a future date. The contract may or may not be cancelled unconditionally at any time without notice depending on the terms of the contract.

The origination date for financial guarantees and loan commitment contracts is the date when the contracts become irrevocable. The credit risk at this date is used to determine if a significant increase in credit risk has subsequently occurred.

Financial guarantees and loan commitments are initially recognised in the financial statements at fair value on the origination date. Subsequent to initial recognition, the Group applies the impairment provisions of IFRS 9 and calculates an ECL allowance for financial guarantees and loan commitment contracts (i.e. those that are not measured at FVTPL).

The ECL allowance calculated on financial guarantees and loan commitment contracts is reported within 'Provisions for liabilities and commitments'.

### Financial guarantees purchased by the Group

The Group enters into financial guarantee contracts which require the counterparty to the contract to reimburse the Group for a loss when the credit risk of the borrower significantly deteriorates. Any associated reimbursement asset is settled periodically by the Guarantor or when the Group has issued credit linked notes which include the guarantee it is settled by reducing the liability associated with the credit linked notes.

### (t) Property, plant and equipment – Note 23

Property, plant and equipment are stated at cost, or deemed cost, less accumulated depreciation and provisions for impairment, if any. Additions and subsequent expenditures are capitalised only to the extent that they enhance the future economic benefits expected to be derived from the asset. No depreciation is provided on freehold land. Property, plant and equipment are depreciated on a straight line basis over their estimated useful economic lives. Depreciation is calculated based on the gross carrying amount, less the estimated residual value at the end of the assets' economic lives.

The Group uses the following useful lives when calculating depreciation:

| Asset type                                             | Useful life                   |
|--------------------------------------------------------|-------------------------------|
| Freehold buildings and long-leasehold property         | 50 years                      |
| Short leasehold property                               | life of lease, up to 50 years |
| Costs of adaptation of freehold and leasehold property |                               |
| Branch properties                                      | up to 10 years <sup>1</sup>   |
| Office properties                                      | up to 15 years <sup>1</sup>   |
| Computers and similar equipment                        | 3 – 7 years                   |
| Fixtures and fittings and other equipment              | 5 – 10 years                  |

1. Subject to the maximum remaining life of the lease.

The Group depreciates right-of-use assets arising under lease obligations from the commencement date of a lease to the earlier of the end of the useful life of the right-of-use asset and the end of the lease term on a straight-line basis.

The Group reviews its depreciation rates, at least annually, to take account of any change in circumstances. When deciding on useful lives and methods, the principal factors that the Group takes into account are the expected rate of technological developments and expected market requirements for, and the expected pattern of usage of, the assets. When reviewing residual values, the Group estimates the amount that it would currently obtain for the disposal of the asset, after deducting the estimated cost of disposal if the asset was already of the age and condition expected at the end of its useful life.

Gains and losses on disposal of property, plant and equipment are included in the income statement. It is Group policy not to revalue its property, plant and equipment.

## 1 Accounting policies *continued*

### (u) Intangible assets – Note 22

#### Computer software and other intangible assets

Computer software and other intangible assets are stated at cost, less amortisation on a straight line basis and provisions for impairment, if any. The identifiable and directly associated external and internal costs of acquiring and developing software are capitalised where the software is controlled by the Group, and where it is probable that future economic benefits that exceed its cost will flow from its use over more than one year. Costs associated with maintaining software are recognised as an expense when incurred. Capitalised computer software is amortised over 3 to 9 years. Other intangible assets are amortised over the life of the asset. Computer software and other intangible assets are reviewed for impairment when there is an indication that the asset may be impaired. Intangible assets not yet available for use are reviewed for impairment on an annual basis.

#### Acquired intangible assets

Customer related intangible assets and brands acquired in a business combination are recognised at fair value at acquisition date.

Customer related intangible assets and brands have a finite useful life and are carried at cost less accumulated amortisation and provision for impairment, if any. Amortisation is calculated using the straight line basis to allocate the cost over their estimated useful life (6 years).

### (v) Non-credit risk provisions – Note 33

Provisions are recognised for present legal or constructive obligations arising as consequences of past events where it is probable that a transfer of economic benefit will be necessary to settle the obligation, and it can be reliably estimated.

When the effect is material, provisions are determined by discounting expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Payments are deducted from the present value of the provision, and interest at the relevant discount rate is charged annually to interest expense using the effective interest rate method. These are reported within 'Provisions for liabilities and commitments' in the statement of financial position.

### (w) Share capital and reserves – Notes 34, 35, 36 and 49

#### Share capital

Share capital comprises the ordinary shares of the entity. Share capital represents funds raised by issuing shares in return for cash or other consideration.

#### Dividends and distributions

Final dividends on ordinary shares are recognised as a liability in the Group's financial statements in the period in which they are approved by the shareholders of the Company. Proposed dividends that are declared after the end of the reporting date are not recognised as a liability, they are disclosed in note 49.

#### Other equity interests

Other equity interests comprises Additional Tier 1 Perpetual Contingent Temporary Write-down Securities (AT1s). Distributions on the AT1s are recognised in equity when approved for payment by the Board of Directors.

#### Capital contributions

Capital contributions represent the receipt of non-refundable considerations arising from transactions with the Irish Government (note 45). These contributions comprise both financial and non-financial net assets. The contributions are classified as equity and may be either distributable or non-distributable.

#### Investment securities reserves

Investment securities reserves represent the net unrealised gain or loss, net of tax, arising from the recognition in the statement of financial position of investment securities at FVOCI.

On disposal of equity securities which had been designated at FVOCI on initial recognition, any amounts held in the investment securities reserves account is transferred directly to revenue reserves without recycling through profit or loss.

#### Cash flow hedging reserves

Cash flow hedging reserves represent the net gains or losses, net of tax, on effective cash flow hedging instruments that will be reclassified to the income statement when the hedged transaction affects profit or loss.

#### Revenue reserves

Revenue reserves include the following:

- Retained earnings of the parent company and its subsidiaries;
- The Group's share of its joint venture and associated undertakings post-acquisition profits or losses;
- Amounts transferred from issued share capital, share premium, revaluation reserves and capital redemption reserves following Irish High Court approval;
- Amounts arising from the capital reduction which followed the 'Scheme of Arrangement' undertaken by the Group in December 2017;
- Remeasurements of defined benefit pension schemes; and
- Transactions with owners including distributions and buybacks.

#### Merger reserve

The merger reserve arose following the Scheme of Arrangement approved by the Irish High Court in December 2017 where a new company, AIB Group plc, was introduced as the holding company of AIB Group (note 36).

In the consolidated financial statements of AIB Group plc, the carrying value of the investment in Allied Irish Banks, p.l.c. by AIB Group plc was eliminated against the share capital and share premium account in Allied Irish Banks, p.l.c. and the merger reserve in AIB Group plc resulting in a negative merger reserve.

### (x) Cash and cash equivalents – Notes 43 and 44

For the purposes of the cash flow statement, cash comprises cash on hand and demand deposits, and cash equivalents comprise highly liquid investments that are convertible into cash with an insignificant risk of changes in value and with a maturity of less than three months from the date of acquisition.

# Notes to the Consolidated Financial Statements *continued*

## 1 Accounting policies *continued*

### (y) Adoption of new accounting standards and amendments to standards

The table below outlines the new standards and amendments to standards that have been adopted by the Group for the year ended 31 December 2025. The Group has not early adopted any standard or amendment that has been issued but is not yet effective.

|                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                            |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Accounting standard update</b><br>Amendments to IAS 21 <i>The Effects of Changes in Foreign Exchange Rates</i> : Lack of Exchangeability<br><br><b>Nature of change</b><br>Clarifies whether a currency is exchangeable into another currency, and which spot exchange rate to use when it is not. | <b>Effective date</b><br>Annual reporting periods beginning on or after 1 January 2025.<br><br><b>Impact</b><br>The amendments had no material impact on the Group's financial statements. |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

### (z) Prospective accounting changes

The table below outlines the amendments to existing standards which have been approved by the IASB, but not early adopted by the Group, that will impact the Group's financial reporting in future periods. The Group will consider the impact of these amendments as the situation requires. The amendments which are most relevant to the Group are as follows:

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Accounting standard update</b><br>Amendments to IFRS 9 and IFRS 7 <i>Financial Instruments: Disclosures</i> : Classification and Measurements of Financial Instruments<br><br><b>Nature of change</b><br>The amendments:<br><ul style="list-style-type: none"> <li>Clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;</li> <li>Clarify and add further guidance for assessing whether a financial asset meets the SPPI criterion;</li> </ul> | <ul style="list-style-type: none"> <li>Add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with contingent features); and</li> <li>Update the disclosures for equity instruments designated at FVOCI.</li> </ul> <b>Effective date</b><br>Annual reporting periods beginning on or after 1 January 2026 and will apply retrospectively.<br><br><b>Impact</b><br>The amendments are not expected to have an impact on the Group's financial statements because the amendments are in line with the Group's existing accounting policies and practices. |
| <b>Accounting standard update</b><br>Amendments to IFRS 9 and IFRS 7: Nature-dependent Electricity<br><br><b>Nature of change</b><br>The amendments:<br><ul style="list-style-type: none"> <li>Clarify the application of the 'own-use' requirements for in-scope contracts;</li> <li>Amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts; and</li> <li>Add new disclosure requirements.</li> </ul>                                                                                                                                  | <b>Effective date</b><br>Annual reporting periods beginning on or after 1 January 2026.<br><br><b>Impact</b><br>The amendments are not expected to have a material impact on the Group's financial statements.                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Accounting standard update</b><br>Annual Improvements to IFRS – Volume 11<br><br><b>Nature of change</b><br>Limited amendments to IFRS 1 <i>First-time Adoption of International Financial Reporting Standards</i> , IFRS 7, IFRS 9, IFRS 10 <i>Consolidated Financial Statements</i> and IAS 7 <i>Statement of Cash Flows</i> that either clarify the wording of an IFRS standard or correct relatively minor unintended consequences, oversights or conflicts between requirements in the standards.                                                                                        | <b>Effective date</b><br>Annual reporting periods beginning on or after 1 January 2026.<br><br><b>Impact</b><br>The amendments are not expected to have a material impact on the Group's financial statements.                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Accounting standard update</b><br>IFRS 18 <i>Presentation and Disclosure in Financial Statements</i><br><br><b>Nature of change</b><br>Introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss, provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements.                                                                                                                                                                                                                  | <b>Effective date</b><br>Annual reporting periods beginning on or after 1 January 2027.<br><br><b>Impact</b><br>The Group is currently evaluating the impact that IFRS 18 will have on its financial statements.                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Accounting standard update</b><br>IFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i><br><br><b>Nature of change</b><br>Optional for certain eligible subsidiaries of parent entities that report under IFRS Accounting Standards to apply reduced disclosure requirements.                                                                                                                                                                                                                                                                                                | <b>Effective date</b><br>When endorsed by the EU it is expected to be effective for annual reporting periods beginning on or after 1 January 2027.<br><br><b>Impact</b><br>The Group is not eligible to apply IFRS 19 in its consolidated or company financial statements.                                                                                                                                                                                                                                                                                                                                                          |

## 2 Critical accounting judgements and estimates

The accounting judgements that have the most significant effect on the amounts recognised in the financial statements, and the estimates that have a significant risk of material adjustment in the next year, are set out below.

### Significant judgements

The significant judgements made by the Group in applying its accounting policies are as follows:

- Deferred taxation; and
- Impairment of financial assets.

The application of some of these judgements also involves estimations which are discussed separately.

### Deferred taxation

The Group's accounting policy for deferred tax is set out in accounting policy (i) in note 1. Details of the Group's deferred tax assets and liabilities are set out in note 25.

The Group's key judgement in relation to the recoverability of deferred tax assets for unused tax losses is that it is probable that there will be sufficient future taxable profits against which those losses can be used:

- The disclosed estimated utilisation period for those losses in Ireland is within the timeframe that taxable profits are considered probable; and
- Taxable profits are considered more likely than not in the UK for a period of 15 years.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that there will be sufficient future taxable profits against which the losses can be used. For a company with a history of recent losses, there must be other convincing evidence to underpin this assessment.

The recognition of these deferred tax assets relies on the assessment of future profitability and the sufficiency of those profits to absorb losses carried forward. It requires significant judgements to be made about the projection of long-term future profitability because of the period over which recovery extends.

In assessing the future profitability of the Group, the Board has considered a range of positive and negative evidence for this purpose. Among this evidence, the principal positive factors include:

- AIB as a pillar bank with a strong Irish franchise;
- The absence of any expiry dates for Irish and UK tax losses;
- The turnaround evident in the Group's financial performance over the years 2021-2025;
- The changing banking landscape in Ireland;
- The Irish economy remained robust in 2025, with growth accelerating sharply mostly due to developments in the export sector;
- External economic forecasts for Ireland, with growth forecasted for 2026;
- The introduction of the bank resolution framework under the BRRD and the establishment in 2017 of AIB Group plc as the new holding company of the Group. This provides greater confidence in relation to the future viability of Allied Irish Banks, p.l.c. (as the principal operating bank subsidiary) as there are now effective tools in place that should facilitate its recapitalisation in a future crisis; and
- The non-enduring nature of the loan impairments at levels which resulted in the losses between 2009 and 2013.

The Board also considered negative evidence and the inherent uncertainties in any long-term financial assumptions and projections, including:

- The absolute level of deferred tax assets compared to the Group's equity;
- The quantum of profits required to be earned and the extended period over which it is projected that the tax losses will be utilised;
- The challenge of forecasting over a long period, taking account of the changing level of competition, and the evolving interest rate environment;
- The globalised nature of the Irish economy and its exposure to macroeconomic headwinds and geopolitical issues; and
- Taxation changes (including Organisation for Economic Co-operation and Development (OECD) tax reform) and the likelihood of future developments and their impact on profitability.

Taking account of all relevant factors, and in the absence of any expiry date for tax losses in Ireland, it is more likely than not that there will be future profits in the medium term, and beyond, in the relevant Irish Group companies against which to use the tax losses. In this regard, the Group has carried out an exercise to determine the likely number of years required to utilise the deferred tax asset under the following scenario. Using the Group's financial plan 2026 to 2028 as a base and a profit growth rate of 2% from 2028, it was assessed that it will take less than 7 years for the Irish deferred tax asset to be utilised. If the growth rate assumption was decreased by 1%, then the utilisation period would increase by less than 1 year. The Group's analysis of this and other scenarios examined would not alter the basis of recognition or the current carrying value. In 2024, the Group reported that it expected that it would take less than 10 years for the deferred tax asset to be utilised.

Given the relative size of the Group's operations in the UK compared to the role that the Irish operations play in supporting a functioning banking environment, a different judgement has been applied to the period that taxable profits are considered more likely than not in the UK. Despite the absence of any expiry date for tax losses in the UK, the Group has concluded that the recognition of deferred tax assets in its UK subsidiary be limited to the amount projected to be realised within a time period of 15 years. This is the timescale within which the Group believes that it can assess the likelihood of its UK profits arising as being more likely than not.

### Impairment of financial assets

The Group's accounting policy for impairment of financial assets is set out in accounting policy (q) in note 1. Details of the Group's net credit impairment charge are set out in note 11 and ECL allowance on financial assets are set out in note 19.

The calculation of the ECL allowance is complex and requires the use of a number of accounting judgements.

The most significant judgements applied by the Group in determining the ECL allowance are as follows:

- Determining the criteria for a significant increase in credit risk and for being classified as credit impaired; and
- Determining the need for and an appropriate methodology for post-model adjustments.

The significant management judgement and the governance process, relating to ECL, are set out on pages 182 to 189 in the Risk Management section.

## Notes to the Consolidated Financial Statements *continued*

### 2 Critical accounting judgements and estimates *continued*

#### Critical accounting estimates

The accounting estimates with a significant risk of material adjustment to the carrying amounts of assets and liabilities within the next financial year were in relation to:

- Impairment of financial assets; and
- Retirement benefit obligations.

#### Impairment of financial assets

The Group's accounting policy for impairment of financial assets is set out in accounting policy (q) in note 1. Details of the Group's ECL allowance are set out in note 19.

The key estimates and assumptions that the Group have used in determining the ECL allowance are as follows:

- Establishing the number and relative weightings for forward looking scenarios;
- Inputs into discounted cash flows (DCF) for certain Stage 3 credit impaired obligors;
- The assumptions for measuring ECL (e.g. PD, LGD and EAD and the parameters to be included within the models for modelled ECL); and
- The estimation of post model adjustments where required.

The calculation of the ECL allowance is complex and therefore the Group must consider large amounts of information in its determination. This process requires significant use of estimates and assumptions, some of which by their nature are highly subjective and very sensitive to risk factors such as changes to economic conditions. Changes in the ECL allowance can materially affect net income.

On an ongoing basis, the various estimates and assumptions are reviewed in light of differences between actual and previously calculated expected losses. These are then recalibrated and refined to reflect current and evolving economic conditions. The ECL allowance is, in turn, reviewed and approved by the Group Credit Committee on a quarterly basis with final Group levels being approved by the Board Audit Committee. Further detail on the ECL governance process is set out on page 189.

The macroeconomic variables used in models to calculate ECL allowance are based on assumptions, forecasts and estimates against a backdrop of an evolving economic landscape. Accordingly, developments in local and international factors could have a material bearing on the ECL allowance within the next financial year. The Group's sensitivity to a range of macroeconomic factors under the (i) base forecast; (ii) upside; and (iii) downside scenarios is set out on pages 190 to 194 of the Risk Management section of this report.

DCF are used as an input to the ECL calculation for Stage 3 credit-impaired exposures where gross credit exposure is  $\geq$  €1 million in the Republic of Ireland or  $\geq$  £500,000 in the UK. For higher-value cases, multiple DCFs are prepared to ensure that expected losses appropriately reflect forward looking outcomes. This approach is required where gross credit exposure is  $\geq$  €5 million (Republic of Ireland),  $\geq$  £5 million (UK), or where exposures fall within the Group Leveraged Lending Policy. This approach captures borrower specific impacts under base, downside and upside conditions, with each scenario probability weighted to derive the final scenario weighted ECL. Collateral valuation assumptions and the estimated time to realisation of collateral are key drivers of the DCF approach. Forward looking information is incorporated through the Group's credit assessment process and applied consistently across scenarios. Where the calculated ECL is very low, a minimum ECL floor is applied. This is benchmarked against relevant model outputs to ensure consistency and prudence in ECL recognition.

The Group has developed a standard approach for the measurement of ECL for the majority of the Group's exposures where each ECL input parameter (e.g. PD, LGD and EAD) is developed in line with standard modelling methodology. These are discussed further on pages 187 to 189 of the Risk Management section. When considering changes in these assumptions collectively, there is a significant risk of a material adjustment to the Group's ECL allowance within the next financial year.

Where the estimate of ECL does not adequately capture all available forward looking information about the range of possible outcomes, or where there is a significant degree of uncertainty, management may consider it appropriate for an adjustment to ECL. These are referred to as post model adjustments and are set out in detail on pages 195 and 196.

The sensitivity of the carrying amounts of the ECL to changes in assumptions and estimates relating to inputs into DCFs for certain Stage 3 credit impaired obligors, the assumptions for measuring ECL, and the estimation of post model adjustments where required have not been provided given their diverse nature, their interrelationship and the number of estimates and assumptions involved.

#### Retirement benefit obligations

The Group's accounting policy for retirement benefit obligations is set out in accounting policy (h) in note 1. Details of the Group's retirement benefit obligations are set out in note 26.

The key estimates and assumptions that the Group have used in determining the retirement benefit obligation are as follows:

- In a situation where the Group believes the Trustee can grant discretionary increases without any funding being provided by the Group, the Group has assumed that the Trustee will grant increases and as a result the scheme's liabilities include an estimate for this matter; and
- The significant demographic and financial actuarial assumptions used to determine the present value of the retirement benefit obligation.

The Trustee of the Irish Scheme has awarded an increase, in certain years, in respect of pensions eligible for discretionary pension in payment increases notwithstanding a decision by the Group not to fund such increases. This reflected the ability of the Trustee to grant an increase when the financial position of the scheme would enable such an increase at that point in time. Taking these decisions by the Trustee into consideration, the long-term assumption for future increases in pension in payment reflects an assessment of the Trustee's ability to grant further increases without any funding from the Group, capped at the lower of our long-term inflation assumption or the surplus available to the Trustee.

Having taken actuarial advice, the Group has adopted a rate of 2.10% (31 December 2024: 1.90%) for the long-term assumption for future discretionary increases in pensions in payment. This increased the scheme liabilities by €748 million at 31 December 2025 (31 December 2024: €808 million). A sensitivity analysis for the rate of increase in pensions in payment is not provided, as this rate is dependent on the surplus available to the Trustee to distribute and the advice of the actuary.

The actuarial valuation of the schemes' liabilities is dependent upon a number of financial and demographic assumptions which are inherently uncertain. Changes to those assumptions could materially impact the reported amount for schemes' liabilities and the actuarial gains/losses reported in equity. Details of the assumptions adopted by the Group in calculating the schemes' liabilities and a sensitivity analysis for the principal assumptions used to measure the schemes' liabilities are set out in note 26 to the financial statements.



### 3 Segmental information

#### Segment overview

The Group has identified reportable segments on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker (CODM) in order to allocate resources to the segment and assess its performance. Based on this identification, the reportable segments are the operating segments within the Group. The Executive Leadership Team is the CODM and it relies primarily on the management accounts to assess performance of the reportable segments and when making resource allocation decisions.

During 2025, the Group announced a change in its management structure and the integration of AIB UK into the Retail Banking business line. The Group's performance for the 12 months to 31 December 2025 was managed and reported, in the management accounts, across Retail Banking, AIB Capital Markets (Capital Markets), Climate & Infrastructure Capital, AIB UK and Group segments and therefore the announcement did not impact the Group's disclosure of its reportable segments.

Transactions between operating segments are on normal commercial terms and conditions, with internal charges and transfer pricing adjustments reflected in the performance of each operating segment. Revenue sharing agreements are used to allocate external customer revenues to an operating segment on a reasonable basis. The geographical distribution of total revenue is based primarily on the location of the office recording the transaction.

#### Retail Banking

Retail Banking is the Group's leading Irish retail franchise which provides a comprehensive range of products and services through branch, digital and phone banking channels. The aim is to provide our customers with a seamless and transparent experience across all channels, while supporting the development of sustainable businesses within their local communities.

#### Capital Markets

Capital Markets provides institutional, corporate, business banking services and specialised products to the Group's larger customers and customers requiring specific sector or product expertise. Goodbody offers further capabilities in wealth management, asset management and investment banking.

#### Climate & Infrastructure Capital

In 2025, the Group's Climate Capital segment was renamed as Climate & Infrastructure Capital (C&IC) as the name better reflects the nature of its lending activity. C&IC which serves the Irish, UK, European and North American markets, specialises in lending to large scale renewable energy and infrastructure projects, which are key drivers for sustainable economic growth.

#### AIB UK

AIB UK provides lending, treasury, trade facilities, asset finance and invoice discounting services to large corporates in Great Britain and Northern Ireland and operates a full-service retail franchise in Northern Ireland with a focus on everyday banking, mortgage and business banking.

#### Group

Group comprises wholesale treasury activities as well as Group control and support functions. Treasury manages the Group's liquidity and funding positions and provides customer treasury services and economic research while the control and support functions oversee the Group's strategy, establish clear governance and control frameworks and provide management services to the Group.

#### Segment allocations

Under the Group's cost allocation methodology, substantially all of the costs of the Group's control, support and Treasury functions are allocated to Retail Banking, Capital Markets, C&IC and AIB UK. In addition, certain Bank levies and regulatory fees, such as the Irish bank levy, are allocated to the Retail Banking, Capital Markets and C&IC segments.

Funding and liquidity income/charges are based on each segment's funding requirements and the Group's funding cost profile, which is informed by wholesale and retail funding costs. Income attributable to capital is allocated to segments based on each segment's capital requirement.

#### Change in presentation of net fee and commission income

The Group has introduced new categories of fee income and expense for 2025 to separately identify the nature of those items in the Group's disclosures. The Group now discloses Customer accounts and payment services; Wealth and insurance and Investment banking as separate categories of fee income and fee expense and has re-presented the comparatives on this basis. For the 2024 comparatives:

- €128 million of Specialised payments services (Payzone) income and €108 million of Specialised payments services (Payzone) expense were re-presented as Customer accounts and payment services;
- €43 million of Stockbroking client fees and commissions income, €39 million of Other fees and commissions income and €3 million of Other fees and commissions expense were re-presented as Wealth and insurance; and
- €14 million of Stockbroking client fees and commissions income, €6 million of Other fees and commissions income, and €2 million of Other fees and commissions expense were re-presented as Investment banking.

## Notes to the Consolidated Financial Statements *continued*

### 3 Segmental information *continued*

|                                                         | 2025                     |                           |             |               |              |              |                             |              |
|---------------------------------------------------------|--------------------------|---------------------------|-------------|---------------|--------------|--------------|-----------------------------|--------------|
|                                                         | Retail<br>Banking<br>€ m | Capital<br>Markets<br>€ m | C&IC<br>€ m | AIB UK<br>€ m | Group<br>€ m | Total<br>€ m | Exceptional<br>items<br>€ m | Total<br>€ m |
| <b>Operations by business segment</b>                   |                          |                           |             |               |              |              |                             |              |
| Net interest income                                     | 2,380                    | 787                       | 140         | 340           | 101          | 3,748        | —                           | 3,748        |
| Net fee and commission income*                          | 465                      | 171                       | 16          | 41            | (1)          | 692          | —                           | 692          |
| Other                                                   | 28                       | 38                        | 1           | (8)           | 5            | 64           | 7 <sup>2</sup>              | 71           |
| Total other income                                      | 493                      | 209                       | 17          | 33            | 4            | 756          | 7                           | 763          |
| Total operating income                                  | 2,873                    | 996                       | 157         | 373           | 105          | 4,504        | 7                           | 4,511        |
| Personnel expenses                                      | (589)                    | (237)                     | (31)        | (102)         | (7)          | (966)        | (16) <sup>3</sup>           | (982)        |
| General and administrative expenses                     | (543)                    | (106)                     | (11)        | (69)          | (6)          | (735)        | 8 <sup>4</sup>              | (727)        |
| Depreciation, impairment and amortisation               | (224)                    | (37)                      | (4)         | (22)          | (4)          | (291)        | —                           | (291)        |
| Other operating expenses                                | (1,356)                  | (380)                     | (46)        | (193)         | (17)         | (1,992)      | (8)                         | (2,000)      |
| Bank levies and regulatory fees                         | (104)                    | (16)                      | (1)         | (1)           | 8            | (114)        | —                           | (114)        |
| Total operating expenses                                | (1,460)                  | (396)                     | (47)        | (194)         | (9)          | (2,106)      | (8)                         | (2,114)      |
| <b>Operating profit/(loss) before impairment losses</b> | <b>1,413</b>             | <b>600</b>                | <b>110</b>  | <b>179</b>    | <b>96</b>    | <b>2,398</b> | <b>(1)</b>                  | <b>2,397</b> |
| Net credit impairment charge                            | (47)                     | (12)                      | (71)        | (42)          | —            | (172)        | —                           | (172)        |
| <b>Operating profit/(loss)</b>                          | <b>1,366</b>             | <b>588</b>                | <b>39</b>   | <b>137</b>    | <b>96</b>    | <b>2,226</b> | <b>(1)</b>                  | <b>2,225</b> |
| Income from equity accounted investments                | 14                       | —                         | —           | 3             | —            | 17           | 157 <sup>5</sup>            | 174          |
| Loss on disposal of business                            | —                        | —                         | —           | —             | —            | —            | —                           | —            |
| <b>Profit before taxation</b>                           | <b>1,380</b>             | <b>588</b>                | <b>39</b>   | <b>140</b>    | <b>96</b>    | <b>2,243</b> | <b>156</b>                  | <b>2,399</b> |

1. Exceptional items are shown separately above. These are items that Management view as distorting comparability of performance year-on-year. Exceptional items are set out in footnotes 2 to 5 below.

2. Gain on disposal of loan portfolios.

3. Restructuring costs.

4. Legal claims and customer redress writeback.

5. Sale of AIB Merchant Services.

|                                            | 2025                     |                           |             |               |              |              |                             |              |
|--------------------------------------------|--------------------------|---------------------------|-------------|---------------|--------------|--------------|-----------------------------|--------------|
|                                            | Retail<br>Banking<br>€ m | Capital<br>Markets<br>€ m | C&IC<br>€ m | AIB UK<br>€ m | Group<br>€ m | Total<br>€ m | Exceptional<br>items<br>€ m | Total<br>€ m |
| <b>*Net fee and commission income</b>      |                          |                           |             |               |              |              |                             |              |
| Customer accounts and payment services     | 325                      | 26                        | 1           | 11            | 1            | 364          | —                           | 364          |
| Card income                                | 169                      | 9                         | —           | 12            | —            | 190          | —                           | 190          |
| Customer related foreign exchange          | 45                       | 33                        | —           | 8             | 1            | 87           | —                           | 87           |
| Wealth and insurance <sup>1</sup>          | 39                       | 51                        | —           | —             | —            | 90           | —                           | 90           |
| Lending related fees                       | 8                        | 26                        | 11          | 13            | —            | 58           | —                           | 58           |
| Investment banking <sup>2</sup>            | —                        | 32                        | —           | —             | —            | 32           | —                           | 32           |
| Other fees and commissions                 | 3                        | 1                         | 4           | —             | 2            | 10           | —                           | 10           |
| <b>Fee and commission income</b>           | <b>589</b>               | <b>178</b>                | <b>16</b>   | <b>44</b>     | <b>4</b>     | <b>831</b>   | <b>—</b>                    | <b>831</b>   |
| Customer accounts and payment services     | (99)                     | (1)                       | —           | —             | —            | (100)        | —                           | (100)        |
| Card expenses                              | (21)                     | (1)                       | —           | (3)           | —            | (25)         | —                           | (25)         |
| Wealth and insurance <sup>1</sup>          | (3)                      | (3)                       | —           | —             | —            | (6)          | —                           | (6)          |
| Investment banking <sup>2</sup>            | —                        | (1)                       | —           | —             | —            | (1)          | —                           | (1)          |
| Other fees and commissions                 | (1)                      | (1)                       | —           | —             | (5)          | (7)          | —                           | (7)          |
| <b>Fee and commission expense</b>          | <b>(124)</b>             | <b>(7)</b>                | <b>—</b>    | <b>(3)</b>    | <b>(5)</b>   | <b>(139)</b> | <b>—</b>                    | <b>(139)</b> |
| <b>Total net fee and commission income</b> | <b>465</b>               | <b>171</b>                | <b>16</b>   | <b>41</b>     | <b>(1)</b>   | <b>692</b>   | <b>—</b>                    | <b>692</b>   |

1. Wealth refers to fees and commissions from financial planning and investment management services. Insurance refers to fees and commissions from selling insurance products, such as home, car and travel insurance on behalf of the Group's insurance partners.

2. Investment banking relates to fees and commissions earned from advisory, corporate research and transactional services for debt or equity raising.

Fees and commissions which are an integral part of the effective interest rate are recognised as part of interest and similar income (note 4) or interest and similar expense (note 5).

### 3 Segmental information continued

|                                                         | 2024                     |                           |             |               |              |              |                                          |              |
|---------------------------------------------------------|--------------------------|---------------------------|-------------|---------------|--------------|--------------|------------------------------------------|--------------|
|                                                         | Retail<br>Banking<br>€ m | Capital<br>Markets<br>€ m | C&IC<br>€ m | AIB UK<br>€ m | Group<br>€ m | Total<br>€ m | Exceptional<br>items<br>€ m <sup>1</sup> | Total<br>€ m |
| <b>Operations by business segment</b>                   |                          |                           |             |               |              |              |                                          |              |
| Net interest income                                     | 2,633                    | 906                       | 110         | 379           | 101          | 4,129        | —                                        | 4,129        |
| Net fee and commission income*                          | 455                      | 158                       | 13          | 37            | 3            | 666          | 15 <sup>2</sup>                          | 681          |
| Other                                                   | 54                       | 65                        | 8           | (11)          | (3)          | 113          | 5 <sup>3</sup>                           | 118          |
| Other income                                            | 509                      | 223                       | 21          | 26            | —            | 779          | 20                                       | 799          |
| Total operating income                                  | 3,142                    | 1,129                     | 131         | 405           | 101          | 4,908        | 20                                       | 4,928        |
| Personnel expenses                                      | (611)                    | (239)                     | (29)        | (95)          | (6)          | (980)        | (4) <sup>4</sup>                         | (984)        |
| General and administrative expenses                     | (510)                    | (97)                      | (12)        | (66)          | (5)          | (690)        | (82) <sup>5-7</sup>                      | (772)        |
| Depreciation, impairment and amortisation               | (232)                    | (39)                      | (6)         | (21)          | (3)          | (301)        | —                                        | (301)        |
| Other operating expenses                                | (1,353)                  | (375)                     | (47)        | (182)         | (14)         | (1,971)      | (86)                                     | (2,057)      |
| Bank levies and regulatory fees                         | (104)                    | (19)                      | (2)         | (2)           | (11)         | (138)        | —                                        | (138)        |
| Total operating expenses                                | (1,457)                  | (394)                     | (49)        | (184)         | (25)         | (2,109)      | (86)                                     | (2,195)      |
| <b>Operating profit/(loss) before impairment losses</b> | 1,685                    | 735                       | 82          | 221           | 76           | 2,799        | (66)                                     | 2,733        |
| Net credit impairment (charge)/writeback                | (28)                     | 83                        | (22)        | (90)          | 2            | (55)         | —                                        | (55)         |
| <b>Operating profit/(loss)</b>                          | 1,657                    | 818                       | 60          | 131           | 78           | 2,744        | (66)                                     | 2,678        |
| Income/(loss) from equity accounted investments         | 21                       | —                         | —           | 6             | (1)          | 26           | —                                        | 26           |
| Loss on disposal of business                            | —                        | —                         | —           | —             | (2)          | (2)          | —                                        | (2)          |
| <b>Profit/(loss) before taxation</b>                    | 1,678                    | 818                       | 60          | 137           | 75           | 2,768        | (66)                                     | 2,702        |

1. Exceptional items are shown separately above. These are items that Management view as distorting comparability of performance year-on-year. Exceptional items are set out in footnotes 2 to 7 below.

2. Run-off fee receivable on exit of a servicing arrangement.

3. Gain on disposal of loan portfolios and other operating income.

4. Restructuring costs.

5. Customer redress costs.

6. Inorganic transaction costs.

7. Other costs.

|                                            | 2024                     |                           |             |               |              |              |                                          |              |
|--------------------------------------------|--------------------------|---------------------------|-------------|---------------|--------------|--------------|------------------------------------------|--------------|
|                                            | Retail<br>Banking<br>€ m | Capital<br>Markets<br>€ m | C&IC<br>€ m | AIB UK<br>€ m | Group<br>€ m | Total<br>€ m | Exceptional<br>items<br>€ m <sup>1</sup> | Total<br>€ m |
| <b>*Net fee and commission income</b>      |                          |                           |             |               |              |              |                                          |              |
| Customer accounts and payment services     | 338                      | 26                        | 1           | 12            | 1            | 378          | —                                        | 378          |
| Card income                                | 169                      | 8                         | —           | 12            | —            | 189          | —                                        | 189          |
| Customer related foreign exchange          | 47                       | 36                        | 1           | 6             | 1            | 91           | —                                        | 91           |
| Wealth and insurance <sup>2</sup>          | 37                       | 45                        | —           | —             | —            | 82           | —                                        | 82           |
| Lending related fees                       | 8                        | 28                        | 9           | 11            | —            | 56           | —                                        | 56           |
| Investment banking <sup>3</sup>            | —                        | 20                        | —           | —             | —            | 20           | —                                        | 20           |
| Other fees and commissions                 | 6                        | 1                         | 2           | —             | 5            | 14           | 15 <sup>4</sup>                          | 29           |
| <b>Fee and commission income</b>           | 605                      | 164                       | 13          | 41            | 7            | 830          | 15                                       | 845          |
| Customer accounts and payment services     | (109)                    | (1)                       | —           | —             | —            | (110)        | —                                        | (110)        |
| Card expenses                              | (36)                     | (1)                       | —           | (4)           | —            | (41)         | —                                        | (41)         |
| Wealth and insurance <sup>2</sup>          | (3)                      | —                         | —           | —             | —            | (3)          | —                                        | (3)          |
| Investment banking <sup>3</sup>            | —                        | (2)                       | —           | —             | —            | (2)          | —                                        | (2)          |
| Other fees and commissions                 | (2)                      | (2)                       | —           | —             | (4)          | (8)          | —                                        | (8)          |
| <b>Fee and commission expense</b>          | (150)                    | (6)                       | —           | (4)           | (4)          | (164)        | —                                        | (164)        |
| <b>Total net fee and commission income</b> | 455                      | 158                       | 13          | 37            | 3            | 666          | 15                                       | 681          |

1. Exceptional items are shown separately above. These are items that Management view as distorting comparability of performance year-on-year.

2. Wealth refers to fees and commissions from financial planning and investment management services. Insurance refers to fees and commissions from selling insurance products, such as home, car and travel insurance on behalf of the Group's insurance partners.

3. Investment banking relates to fees and commissions earned from advisory, corporate research and transactional services for debt or equity raising.

4. Run-off fee receivable on exit of a servicing arrangement.

## Notes to the Consolidated Financial Statements *continued*

### 3 Segmental information *continued*

|                                                 | 31 December 2025  |                    |       |        |       |         |
|-------------------------------------------------|-------------------|--------------------|-------|--------|-------|---------|
|                                                 | Retail<br>Banking | Capital<br>Markets | C&IC  | AIB UK | Group | Total   |
| Other amounts – statement of financial position | € m               | € m                | € m   | € m    | € m   | € m     |
| Loans and advances to customers:                |                   |                    |       |        |       |         |
| – measured at amortised cost                    | 42,231            | 16,518             | 6,248 | 6,028  | 91    | 71,116  |
| – measured at FVTPL                             | —                 | 84                 | —     | —      | —     | 84      |
| Total loans and advances to customers           | 42,231            | 16,602             | 6,248 | 6,028  | 91    | 71,200  |
| Deposits and advances from customers            | 89,893            | 17,561             | 305   | 8,440  | 1,472 | 117,671 |

|                                                 | 31 December 2024  |                    |       |        |       |         |
|-------------------------------------------------|-------------------|--------------------|-------|--------|-------|---------|
|                                                 | Retail<br>Banking | Capital<br>Markets | C&IC  | AIB UK | Group | Total   |
| Other amounts – statement of financial position | € m               | € m                | € m   | € m    | € m   | € m     |
| Loans and advances to customers:                |                   |                    |       |        |       |         |
| – measured at amortised cost                    | 41,570            | 16,885             | 5,483 | 5,837  | 50    | 69,825  |
| – measured at FVTPL                             | —                 | 64                 | —     | —      | —     | 64      |
| Total loans and advances to customers           | 41,570            | 16,949             | 5,483 | 5,837  | 50    | 69,889  |
| Deposits and advances from customers            | 84,206            | 15,555             | 365   | 8,575  | 1,182 | 109,883 |

|                                    | Year to 31 December 2025 |                          |                             |              |
|------------------------------------|--------------------------|--------------------------|-----------------------------|--------------|
|                                    | Ireland<br>€ m           | United<br>Kingdom<br>€ m | Rest of the<br>World<br>€ m | Total<br>€ m |
| Gross external revenue             | 3,868                    | 557                      | 86                          | 4,511        |
| Inter-geographical segment revenue | 171                      | (111)                    | (60)                        | —            |
| <b>Total revenue</b>               | <b>4,039</b>             | <b>446</b>               | <b>26</b>                   | <b>4,511</b> |

|                                    | Year to 31 December 2024 |                          |                             |              |
|------------------------------------|--------------------------|--------------------------|-----------------------------|--------------|
|                                    | Ireland<br>€ m           | United<br>Kingdom<br>€ m | Rest of the<br>World<br>€ m | Total<br>€ m |
| Gross external revenue             | 4,410                    | 483                      | 35                          | 4,928        |
| Inter-geographical segment revenue | 21                       | 31                       | (52)                        | —            |
| <b>Total revenue</b>               | <b>4,431</b>             | <b>514</b>               | <b>(17)</b>                 | <b>4,928</b> |

Revenue comprises all items included within total operating income as disclosed in the consolidated income statement.

|                                 | 31 December 2025 |                          |                             |              |
|---------------------------------|------------------|--------------------------|-----------------------------|--------------|
|                                 | Ireland<br>€ m   | United<br>Kingdom<br>€ m | Rest of the<br>World<br>€ m | Total<br>€ m |
| Non-current assets <sup>2</sup> | 1,447            | 51                       | 6                           | 1,504        |

|                                 | 31 December 2024 |                          |                             |              |
|---------------------------------|------------------|--------------------------|-----------------------------|--------------|
|                                 | Ireland<br>€ m   | United<br>Kingdom<br>€ m | Rest of the<br>World<br>€ m | Total<br>€ m |
| Non-current assets <sup>2</sup> | 1,387            | 55                       | 8                           | 1,450        |

1. For details of significant geographic concentrations, see the Risk Management section.

2. Non-current assets comprise intangible assets, goodwill and property, plant and equipment.

## 4 Interest and similar income

|                                                                                         | 2025<br>€ m  | 2024<br>€ m  |
|-----------------------------------------------------------------------------------------|--------------|--------------|
| Interest on loans and advances to customers                                             | 3,026        | 2,715        |
| Interest on loans and advances to banks                                                 | 970          | 1,445        |
| Interest on securities financing                                                        | 198          | 271          |
| Interest on investment securities                                                       | 268          | 545          |
| <b>Total interest income on financial assets measured at amortised cost</b>             | <b>4,462</b> | <b>4,976</b> |
| Interest on investment securities at FVOCI                                              | 364          | 297          |
| <b>Interest income calculated using the effective interest rate method</b>              | <b>4,826</b> | <b>5,273</b> |
| Interest income on finance leases and hire purchase contracts                           | 103          | 94           |
| Interest income on financial assets at FVTPL                                            | —            | 9            |
| <b>Other interest and similar income</b>                                                | <b>103</b>   | <b>103</b>   |
| <b>Total interest and similar income</b>                                                | <b>4,929</b> | <b>5,376</b> |
| <i>of which relates to cash flow hedges transferred from other comprehensive income</i> | <b>(82)</b>  | <b>(618)</b> |
| <i>of which relates to fair value hedges of interest rate risk</i>                      | <b>153</b>   | <b>407</b>   |

## 5 Interest and similar expense

|                                                                                         | 2025<br>€ m  | 2024<br>€ m  |
|-----------------------------------------------------------------------------------------|--------------|--------------|
| Interest on deposits and advances from customers                                        | 523          | 468          |
| Interest on deposits and advances from banks                                            | 17           | 35           |
| Interest on securities financing                                                        | 28           | 25           |
| Interest on debt securities in issue                                                    | 439          | 540          |
| Interest on lease liabilities                                                           | 10           | 9            |
| Interest on Tier 2 subordinated liabilities and other capital instruments               | 88           | 111          |
| <b>Interest expense on financial liabilities measured at amortised cost</b>             | <b>1,105</b> | <b>1,188</b> |
| Negative interest on financial assets                                                   | —            | 2            |
| <b>Interest expense calculated using the effective interest rate method</b>             | <b>1,105</b> | <b>1,190</b> |
| Non-trading derivatives (not in hedge accounting relationships – economic hedges)       | 76           | 57           |
| <b>Other interest and similar expense</b>                                               | <b>76</b>    | <b>57</b>    |
| <b>Total interest and similar expense</b>                                               | <b>1,181</b> | <b>1,247</b> |
| <i>of which relates to cash flow hedges transferred from other comprehensive income</i> | <b>(25)</b>  | <b>(49)</b>  |
| <i>of which relates to fair value hedges of interest rate risk</i>                      | <b>61</b>    | <b>220</b>   |
| <i>of which relates to portfolio fair value hedges of interest rate risk</i>            | <b>(45)</b>  | <b>12</b>    |

## 6 Net trading income

|                                                                         | 2025<br>€ m | 2024<br>€ m |
|-------------------------------------------------------------------------|-------------|-------------|
| Foreign exchange contracts                                              | 1           | 23          |
| Interest rate contracts and debt securities                             | 9           | 12          |
| Credit derivative contracts                                             | (1)         | (1)         |
| Equity investments, index contracts and warrants                        | (1)         | (8)         |
| Forward contract to acquire loans                                       | —           | 27          |
| Virtual corporate power purchase agreement                              | 1           | (3)         |
| <b>Total net trading income</b>                                         | <b>9</b>    | <b>50</b>   |
| <i>of which relates to hedging ineffectiveness on cash flow hedges</i>  | <b>(1)</b>  | <b>(6)</b>  |
| <i>of which relates to hedging ineffectiveness on fair value hedges</i> | <b>(9)</b>  | <b>(2)</b>  |



## Notes to the Consolidated Financial Statements *continued*

### 7 Net gain on other financial assets measured at FVTPL

|                                                                   | 2025<br>€ m | 2024<br>€ m |
|-------------------------------------------------------------------|-------------|-------------|
| Loans and advances to customers                                   | 13          | 12          |
| Investment securities – equity                                    | 32          | 70          |
| Other                                                             | 3           | —           |
| <b>Total net gain on other financial assets measured at FVTPL</b> | <b>48</b>   | <b>82</b>   |

### 8 Net gain on derecognition of financial assets measured at amortised cost

|                                 | 2025                                                                                          |                                   | 2024                                                                                          |                                   |
|---------------------------------|-----------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------------------------------------------------------------------|-----------------------------------|
|                                 | Carrying value of<br>derecognised<br>financial assets<br>measured at<br>amortised cost<br>€ m | Gain from<br>derecognition<br>€ m | Carrying value of<br>derecognised<br>financial assets<br>measured at<br>amortised cost<br>€ m | Gain from<br>derecognition<br>€ m |
| Loans and advances to customers | 520                                                                                           | 8                                 | 284                                                                                           | 2                                 |

Derecognition relates to the sale of portfolios of performing and non-performing loans and the sale of individual loans (for credit management purposes) where credit deterioration had occurred.

### 9 Other income/(expense)

|                                                                                         | 2025<br>€ m | 2024<br>€ m |
|-----------------------------------------------------------------------------------------|-------------|-------------|
| Loss on disposal of investment securities at FVOCI – debt                               | (76)        | (77)        |
| Gain on termination of hedging swaps <sup>1</sup>                                       | 76          | 41          |
| Dividend income                                                                         | —           | 1           |
| Miscellaneous operating income                                                          | 6           | 19          |
| <b>Total other income/(expense)</b>                                                     | <b>6</b>    | <b>(16)</b> |
| <i>of which relates to cash flow hedges transferred from other comprehensive income</i> | <b>1</b>    | —           |

1. The majority of the gain on termination of hedging swaps relates to the disposal of debt securities at FVOCI.

### 10 Operating expenses

|                                                    | 2025<br>€ m  | 2024<br>€ m  |
|----------------------------------------------------|--------------|--------------|
| Personnel expenses:                                |              |              |
| Wages and salaries                                 | 770          | 777          |
| Retirement benefits <sup>1</sup>                   | 117          | 110          |
| Social security costs                              | 85           | 83           |
| Other personnel expenses                           | 32           | 29           |
| Termination benefits <sup>2</sup>                  | 17           | 19           |
|                                                    | <b>1,021</b> | <b>1,018</b> |
| Less: staff costs capitalised to intangible assets | (39)         | (34)         |
| <b>Total personnel expenses<sup>3</sup></b>        | <b>982</b>   | <b>984</b>   |
| General and administrative expenses                | 729          | 720          |
| Customer redress                                   | (2)          | 52           |
|                                                    | <b>727</b>   | <b>772</b>   |
| Bank levies and regulatory fees                    | 114          | 138          |
| <b>Total operating expenses</b>                    | <b>1,823</b> | <b>1,894</b> |

1. Comprises a defined contribution charge of €99m (2024: a charge of €96m), a defined benefit expense charge of €7m (2024: a charge of €3m), and a long-term disability payments/death in service benefit charge of €11m (2024: a charge of €11m). For details of retirement benefits, see note 26.

2. Represents charges for voluntary severance programmes.

3. The Group implemented a new 'Save As You Earn' (SAYE) scheme in September 2025. The scheme is available to eligible employees in Ireland and the UK and is classified as an equity-settled share-based payment arrangement under IFRS 2 *Share-based payment*. The expense related to the SAYE scheme is not material for the year.

The average number of employees for 2025 and 2024 is set out in note 46.

## 11 Net credit impairment charge

The following table analyses the income statement net credit impairment charge on financial instruments for the years to 31 December 2025 and 2024.

|                                              | 2025                             |                      |              | 2024                             |                      |             |
|----------------------------------------------|----------------------------------|----------------------|--------------|----------------------------------|----------------------|-------------|
|                                              | Measured<br>at amortised<br>cost | Measured<br>at FVOCI | Total        | Measured<br>at amortised<br>cost | Measured<br>at FVOCI | Total       |
|                                              | € m                              | € m                  | € m          | € m                              | € m                  | € m         |
| <b>Net remeasurement of ECL allowance</b>    |                                  |                      |              |                                  |                      |             |
| Loans and advances to banks                  | —                                | —                    | —            | —                                | —                    | —           |
| Loans and advances to customers              | (204)                            | —                    | (204)        | (92)                             | —                    | (92)        |
| Securities financing                         | 1                                | —                    | 1            | —                                | —                    | —           |
| Loan commitments                             | 3                                | —                    | 3            | 1                                | —                    | 1           |
| Financial guarantee contracts                | 5                                | —                    | 5            | 2                                | —                    | 2           |
| Investment securities – debt                 | —                                | (3)                  | (3)          | 2                                | —                    | 2           |
| <b>Net remeasurement of ECL allowance</b>    | <b>(195)</b>                     | <b>(3)</b>           | <b>(198)</b> | <b>(87)</b>                      | <b>—</b>             | <b>(87)</b> |
| Recoveries of amounts previously written-off | 26                               | —                    | 26           | 32                               | —                    | 32          |
| <b>Net credit impairment charge</b>          | <b>(169)</b>                     | <b>(3)</b>           | <b>(172)</b> | <b>(55)</b>                      | <b>—</b>             | <b>(55)</b> |

## 12 Auditor's remuneration

The disclosure of auditor's remuneration is in accordance with Section 322 of the Companies Act 2014. This mandates disclosure of remuneration paid/payable to the Group Auditor only (PricewaterhouseCoopers), for services relating to the audit of the Group and relevant subsidiary financial statements in the categories set out below.

|                                               | 2025       |            |            | 2024       |            |            |
|-----------------------------------------------|------------|------------|------------|------------|------------|------------|
|                                               | Ireland    | Overseas   | Total      | Ireland    | Overseas   | Total      |
|                                               | € m        | € m        | € m        | € m        | € m        | € m        |
| <b>Auditor's remuneration (excluding VAT)</b> |            |            |            |            |            |            |
| Audit of Group financial statements           | 3.4        | 0.9        | 4.3        | 3.9        | 0.9        | 4.8        |
| Other assurance services                      | 1.2        | 0.1        | 1.3        | 1.5        | 0.1        | 1.6        |
| Other non-audit services                      | —          | —          | —          | —          | —          | —          |
| <b>Total auditor's remuneration</b>           | <b>4.6</b> | <b>1.0</b> | <b>5.6</b> | <b>5.4</b> | <b>1.0</b> | <b>6.4</b> |

The amounts in the table above relate to fees payable to PricewaterhouseCoopers, split between those payable to the statutory auditors, PricewaterhouseCoopers in Ireland and fees paid to overseas auditors, PricewaterhouseCoopers LLP in the UK.

Other assurance services include remuneration for additional assurance issued by the firms outside of the audit of the statutory financial statements of the Group and its subsidiaries such as sustainability reporting, letters of comfort and other regulatory reporting. This remuneration includes assignments where the Auditor, in Ireland, provides assurance to third parties.

The Group policy on the provision of non-audit services to the parent and its subsidiary companies includes the prohibition on the provision of certain services and the pre-approval by the Board Audit Committee of the engagement of the Auditor in other instances. The Board Audit Committee has reviewed the level of non-audit services remuneration and is satisfied that it has not affected the independence of the Auditor. It is Group policy to subject all large consultancy assignments to competitive tender, where appropriate.

## Notes to the Consolidated Financial Statements *continued*

### 13 Taxation

|                                                                                         | 2025<br>€ m   | 2024<br>€ m   |
|-----------------------------------------------------------------------------------------|---------------|---------------|
| <b>Current tax</b>                                                                      |               |               |
| Corporation tax in Ireland                                                              |               |               |
| Current tax on income for the year                                                      | (8)           | (8)           |
| Adjustments in respect of prior years                                                   | —             | 1             |
|                                                                                         | (8)           | (7)           |
| Foreign tax                                                                             |               |               |
| Current tax on income for the year                                                      | (44)          | (52)          |
| Adjustments in respect of prior years                                                   | —             | (1)           |
|                                                                                         | (44)          | (53)          |
| <b>Current tax charge for the year</b>                                                  | <b>(52)</b>   | <b>(60)</b>   |
| <b>Deferred tax</b>                                                                     |               |               |
| Origination and reversal of temporary differences                                       | (4)           | 4             |
| Adjustments in respect of prior years                                                   | (2)           | (1)           |
| Recognition of deferred tax assets in respect of current and prior period losses        | 64            | 25            |
| Reduction in carrying value of deferred tax assets in respect of carried forward losses | (266)         | (319)         |
| <b>Deferred tax charge for the year</b>                                                 | <b>(208)</b>  | <b>(291)</b>  |
| <b>Total tax charge for the year</b>                                                    | <b>(260)</b>  | <b>(351)</b>  |
| <b>Effective tax rate</b>                                                               | <b>10.8 %</b> | <b>13.0 %</b> |

#### Factors affecting the effective tax rate

The following table sets out the difference between the tax charge that would result from applying the standard corporation tax rate in Ireland of 12.5% and the actual tax charge for the year:

|                                                                                         | 2025         |             | 2024         |             |
|-----------------------------------------------------------------------------------------|--------------|-------------|--------------|-------------|
|                                                                                         | € m          | %           | € m          | %           |
| Profit before tax                                                                       | 2,399        |             | 2,702        |             |
| Tax charge at standard corporation tax rate in Ireland of 12.5%                         | (300)        | 12.5        | (338)        | 12.5        |
| Effects of:                                                                             |              |             |              |             |
| Foreign profits taxed at other rates                                                    | (36)         | 1.5         | (34)         | 1.3         |
| Expenses not deductible for tax purposes                                                | (16)         | 0.7         | (20)         | 0.6         |
| Exempted income, income at reduced rates and tax credits                                | 28           | (1.2)       | 1            | —           |
| Share of results of equity accounted investments shown post tax in the income statement | 3            | (0.1)       | 5            | (0.2)       |
| Income taxed at higher tax rates                                                        | (5)          | 0.2         | (7)          | 0.3         |
| Tax legislation on equity distributions                                                 | 12           | (0.5)       | 11           | (0.4)       |
| Deferred tax assets not recognised/reversal of amounts previously not recognised        | 64           | (2.7)       | 30           | (1.1)       |
| Other tax adjustments                                                                   | (8)          | 0.3         | 1            | —           |
| Adjustments to tax charge in respect of prior years                                     | (2)          | 0.1         | —            | —           |
| <b>Tax charge</b>                                                                       | <b>(260)</b> | <b>10.8</b> | <b>(351)</b> | <b>13.0</b> |

The Group is within the scope of the global minimum top-up tax under Pillar Two tax legislation from 1 January 2024, however the Group is not liable to any additional top-up tax expense for the period in Ireland nor in any of the other jurisdictions in which it operates. This is because the Pillar Two effective tax rate in each of those jurisdictions is above 15% or transitional exemptions apply.

## 13 Taxation continued

### Recognised within other comprehensive income in the Consolidated Statement of Comprehensive Income

The following table sets out the movements recognised in other comprehensive income in the period before and after the effect of tax.

|                                                                                                                                                                     | 2025         |             |              | 2024         |             |             |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-------------|--------------|--------------|-------------|-------------|
|                                                                                                                                                                     | Gross<br>€ m | Tax<br>€ m  | Net<br>€ m   | Gross<br>€ m | Tax<br>€ m  | Net<br>€ m  |
| <b>Revenue reserves</b>                                                                                                                                             |              |             |              |              |             |             |
| Remeasurement of retirement benefit assets/(liabilities)                                                                                                            | (23)         | 7           | (16)         | (18)         | 5           | (13)        |
| <b>Total</b>                                                                                                                                                        | <b>(23)</b>  | <b>7</b>    | <b>(16)</b>  | <b>(18)</b>  | <b>5</b>    | <b>(13)</b> |
| <b>Foreign currency translation reserves</b>                                                                                                                        |              |             |              |              |             |             |
| Net gains/(losses) on net investment hedges                                                                                                                         | 69           | (9)         | 60           | (66)         | 8           | (58)        |
| Net exchange differences on translation of foreign operations                                                                                                       | (140)        | —           | (140)        | 127          | —           | 127         |
| <b>Total</b>                                                                                                                                                        | <b>(71)</b>  | <b>(9)</b>  | <b>(80)</b>  | <b>61</b>    | <b>8</b>    | <b>69</b>   |
| <b>Cash flow hedging reserves</b>                                                                                                                                   |              |             |              |              |             |             |
| Amounts reclassified from the cash flow hedging reserves to the income statement as a reclassification adjustment when the hedged item affects the income statement | 56           | (7)         | 49           | 569          | (71)        | 498         |
| Hedging (losses)/gains recognised in other comprehensive income                                                                                                     | (271)        | 22          | (249)        | (382)        | 51          | (331)       |
| <b>Total</b>                                                                                                                                                        | <b>(215)</b> | <b>15</b>   | <b>(200)</b> | <b>187</b>   | <b>(20)</b> | <b>167</b>  |
| <b>Investment debt securities at FVOCI reserves</b>                                                                                                                 |              |             |              |              |             |             |
| Fair value losses reclassified to income statement                                                                                                                  | 76           | (8)         | 68           | 77           | (4)         | 73          |
| Fair value gains/(losses) recognised in other comprehensive income                                                                                                  | 98           | (13)        | 85           | (148)        | 18          | (130)       |
| <b>Total</b>                                                                                                                                                        | <b>174</b>   | <b>(21)</b> | <b>153</b>   | <b>(71)</b>  | <b>14</b>   | <b>(57)</b> |
| <b>Total movements recognised in other comprehensive income</b>                                                                                                     | <b>(135)</b> | <b>(8)</b>  | <b>(143)</b> | <b>159</b>   | <b>7</b>    | <b>166</b>  |

## 14 Trading portfolio

|                   | 2025                                  |                                            | 2024                                  |                                            |
|-------------------|---------------------------------------|--------------------------------------------|---------------------------------------|--------------------------------------------|
|                   | Trading<br>portfolio<br>assets<br>€ m | Trading<br>portfolio<br>liabilities<br>€ m | Trading<br>portfolio<br>assets<br>€ m | Trading<br>portfolio<br>liabilities<br>€ m |
| Equity securities | 10                                    | (3)                                        | 15                                    | (5)                                        |
| Debt securities   | 276                                   | (522)                                      | 121                                   | (257)                                      |
| <b>Total</b>      | <b>286</b>                            | <b>(525)</b>                               | <b>136</b>                            | <b>(262)</b>                               |

## Notes to the Consolidated Financial Statements *continued*

### 15 Derivative financial instruments

Derivatives are entered into to service customer requirements, to manage the Group's interest rate, exchange rate, equity and credit exposures and for trading purposes. Derivative instruments are contractual agreements whose value is derived from price movements in underlying assets, interest rates, foreign exchange rates or indices. All hedging instruments are included within derivative financial instruments on the statement of financial position and ineffectiveness is included within net trading income in the income statement.

Market risk is the exposure to potential loss through holding interest rate, exchange rate and equity positions in the face of absolute and relative price movements, interest rate volatility, movements in exchange rates and shifts in liquidity. Credit risk is the exposure to loss should the counterparty to a financial instrument fail to perform in accordance with the terms of the contract.

Credit risk in derivative contracts is the risk that the Group's counterparty in the contract defaults prior to maturity at a time when the Group has a claim on the counterparty under the contract (i.e. contracts with a positive fair value). The Group would then have to replace the contract at the current market rate, which may result in a loss. For risk management purposes, consideration is taken of the fact that not all counterparties to derivative positions are expected to default at the point where the Group is most exposed to them. While notional principal amounts are used to express the volume of derivative transactions, the amounts subject to credit risk are much lower because derivative contracts typically involve payments based on the net differences between specified prices or rates.

The following table presents the notional principal amount of interest rate, exchange rate, equity, credit and commodity derivative contracts together with the positive and negative fair values attaching to those contracts at 31 December 2025 and 2024:

|                                            | 2025                            |              |                | 2024                            |              |                |
|--------------------------------------------|---------------------------------|--------------|----------------|---------------------------------|--------------|----------------|
|                                            | Notional<br>principal<br>amount | Fair values  |                | Notional<br>principal<br>amount | Fair values  |                |
|                                            |                                 | Assets       | Liabilities    |                                 | Assets       | Liabilities    |
| Derivative financial instruments           | € m                             | € m          | € m            | € m                             | € m          | € m            |
| Interest rate contracts                    | 100,910                         | 1,582        | (1,366)        | 86,671                          | 2,109        | (1,689)        |
| Exchange rate contracts                    | 17,460                          | 59           | (38)           | 8,685                           | 35           | (112)          |
| Equity contracts                           | 24                              | —            | (1)            | 41                              | —            | —              |
| Credit derivatives                         | 35                              | —            | (1)            | 83                              | —            | (3)            |
| Virtual corporate power purchase agreement | 2                               | —            | (2)            | 2                               | —            | (3)            |
| <b>Total</b>                               | <b>118,431</b>                  | <b>1,641</b> | <b>(1,408)</b> | <b>95,482</b>                   | <b>2,144</b> | <b>(1,807)</b> |

The Group uses the same credit control and risk management policies in undertaking all off-balance sheet commitments as it does for on-balance sheet lending including counterparty credit approval, limit setting and monitoring procedures. In addition, derivative instruments are subject to the market risk policy and control framework as described in the Risk Management section of this report.

The Group has the following concentration of exposures in respect of notional principal amount and positive fair value of derivative financial instruments. The concentrations are based primarily on the location of the office recording the transaction.

| Geographical information | Notional principal amount |               | Positive fair value |              |
|--------------------------|---------------------------|---------------|---------------------|--------------|
|                          | 2025                      | 2024          | 2025                | 2024         |
|                          | € m                       | € m           | € m                 | € m          |
| Ireland                  | 114,588                   | 91,221        | 1,598               | 2,064        |
| United Kingdom           | 3,737                     | 4,174         | 41                  | 78           |
| United States of America | 106                       | 87            | 2                   | 2            |
| <b>Total</b>             | <b>118,431</b>            | <b>95,482</b> | <b>1,641</b>        | <b>2,144</b> |

#### Trading book activities

The Group maintains trading positions in a variety of financial instruments including derivatives. These derivative financial instruments include interest rate, foreign exchange, equity and credit derivatives. Most of these positions arise as a result of activity generated by corporate customers while the remainder represent trading decisions of the Group's derivative and foreign exchange traders with a view to generating incremental income.

All trading activity is conducted within risk limits approved by the Board. Systems are in place which measure risks and profitability associated with derivative trading positions as market movements occur. Independent risk control units monitor these risks.

#### Banking book activities

In addition to meeting customer needs, the Group's principal objective in holding or transacting derivatives is the management of interest rate and foreign exchange risks which arise within the banking book through the operations of the Group as outlined below. Market risk within the banking book is also controlled through limits approved by the Board and monitored by an independent second line risk function.

The operations of the Group are exposed to interest rate risk arising from the fact that assets and liabilities mature or reprice at different times or in differing amounts. Derivatives are used to modify the repricing or maturity characteristics of assets and liabilities in a cost-efficient manner. This flexibility helps the Group to achieve interest rate risk management objectives. Similarly, foreign exchange derivatives can be used to hedge the Group's exposure to foreign exchange risk.



## 15 Derivative financial instruments *continued*

### Banking book activities *continued*

The fair values of derivatives fluctuate as the underlying market interest rates or foreign exchange rates change. If the derivatives are purchased or sold as hedges of statement of financial position items, the change in fair value of the derivatives will generally be offset by the change in fair value of the hedged items.

To achieve its risk management objectives, the Group uses a combination of derivative financial instruments, particularly interest rate swaps, cross currency interest rate swaps, futures, options and currency swaps, as well as other contracts. The risk that counterparties to derivative contracts (both trading and banking book) might default on their obligations is monitored on an ongoing basis. The level of credit risk is minimised by dealing with counterparties of good credit standing, by the use of Credit Support Annexes and ISDA Netting Agreements and increased clearing of derivatives through Central Clearing Counterparties (CCPs). As the traded instruments are recognised at fair value, any changes in fair value directly affect reported income for a given period.

The following table shows the notional principal amount and the fair value of derivative financial instruments analysed by product and purpose at 31 December 2025 and 2024. A description of how the fair values of derivatives is determined is set out in note 42.

|                                                              | 2025                            |              |                | 2024                            |              |                |
|--------------------------------------------------------------|---------------------------------|--------------|----------------|---------------------------------|--------------|----------------|
|                                                              | Notional<br>principal<br>amount | Fair values  |                | Notional<br>principal<br>amount | Fair values  |                |
|                                                              |                                 | Assets       | Liabilities    |                                 | Assets       | Liabilities    |
|                                                              | € m                             | € m          | € m            | € m                             | € m          | € m            |
| <b>Derivatives held for trading</b>                          |                                 |              |                |                                 |              |                |
| Interest rate swaps – over-the-counter (OTC)                 | 4,773                           | 61           | (238)          | 5,700                           | 107          | (321)          |
| Interest rate swaps – OTC CCPs                               | 4,917                           | 235          | (37)           | 5,111                           | 274          | (36)           |
| Interest rate options bought and sold – OTC                  | 3,044                           | 6            | (5)            | 3,701                           | 9            | (10)           |
| Interest rate futures bought and sold – exchange traded      | 362                             | —            | (1)            | 221                             | —            | —              |
| <b>Total interest rate derivatives</b>                       | <b>13,096</b>                   | <b>302</b>   | <b>(281)</b>   | <b>14,733</b>                   | <b>390</b>   | <b>(367)</b>   |
| Foreign exchange contracts – OTC                             | 16,061                          | 46           | (34)           | 7,246                           | 35           | (88)           |
| <b>Total foreign exchange derivatives</b>                    | <b>16,061</b>                   | <b>46</b>    | <b>(34)</b>    | <b>7,246</b>                    | <b>35</b>    | <b>(88)</b>    |
| Equity total return swaps – OTC                              | 24                              | —            | (1)            | 41                              | —            | —              |
| Credit derivatives – OTC CCPs                                | 35                              | —            | (1)            | 83                              | —            | (3)            |
| Virtual corporate power purchase agreement                   | 2                               | —            | (2)            | 2                               | —            | (3)            |
| <b>Total equity, credit and other derivatives</b>            | <b>61</b>                       | <b>—</b>     | <b>(4)</b>     | <b>126</b>                      | <b>—</b>     | <b>(6)</b>     |
| <b>Total derivatives held for trading</b>                    | <b>29,218</b>                   | <b>348</b>   | <b>(319)</b>   | <b>22,105</b>                   | <b>425</b>   | <b>(461)</b>   |
| <b>Derivatives held for hedging</b>                          |                                 |              |                |                                 |              |                |
| Interest rate swaps – OTC                                    | —                               | —            | —              | 183                             | 5            | —              |
| Interest rate swaps – OTC CCPs                               | 52,492                          | 909          | (339)          | 29,783                          | 1,050        | (363)          |
| <b>Total derivatives designated as fair value hedges</b>     | <b>52,492</b>                   | <b>909</b>   | <b>(339)</b>   | <b>29,966</b>                   | <b>1,055</b> | <b>(363)</b>   |
| Interest rate swaps – OTC                                    | 58                              | —            | (1)            | 222                             | —            | (5)            |
| Interest rate swaps – OTC CCPs                               | 34,629                          | 332          | (745)          | 41,110                          | 664          | (915)          |
| Cross currency interest rate swaps – OTC                     | 635                             | 39           | —              | 640                             | —            | (39)           |
| <b>Total derivatives designated as cash flow hedges</b>      | <b>35,322</b>                   | <b>371</b>   | <b>(746)</b>   | <b>41,972</b>                   | <b>664</b>   | <b>(959)</b>   |
| Forward exchange contracts – OTC                             | 1,399                           | 13           | (4)            | 1,439                           | —            | (24)           |
| <b>Total derivatives designated as net investment hedges</b> | <b>1,399</b>                    | <b>13</b>    | <b>(4)</b>     | <b>1,439</b>                    | <b>—</b>     | <b>(24)</b>    |
| <b>Total derivatives held for hedging</b>                    | <b>89,213</b>                   | <b>1,293</b> | <b>(1,089)</b> | <b>73,377</b>                   | <b>1,719</b> | <b>(1,346)</b> |
| <b>Total derivative financial instruments</b>                | <b>118,431</b>                  | <b>1,641</b> | <b>(1,408)</b> | <b>95,482</b>                   | <b>2,144</b> | <b>(1,807)</b> |

## Notes to the Consolidated Financial Statements *continued*

### 15 Derivative financial instruments *continued*

#### Nominal values and average interest rates by residual maturity

At 31 December 2025 and 2024, the Group held the following hedging instruments of interest rate risk and foreign exchange rate risk in fair value, cash flow and net investment hedges respectively. The Group has disclosed, by risk category, the profile of the timing of the nominal amount of the hedging instruments in line with the requirements of IFRS 7. In 2024 additional voluntary disclosures were provided for the cash flows by hedged item. The 2024 comparatives have been re-presented to align with the disclosure in 2025.

|                                                                         | 2025         |               |               |               |               |
|-------------------------------------------------------------------------|--------------|---------------|---------------|---------------|---------------|
|                                                                         | Up to 1 year | 1 to 2 years  | 2 to 5 years  | 5 years +     | Total         |
| <b>Fair value hedges – Interest rate risk</b>                           |              |               |               |               |               |
| <b>Assets</b>                                                           |              |               |               |               |               |
| Interest rate swaps – nominal principal amount (€ m)                    | 1,600        | 1,844         | 5,726         | 9,297         | 18,467        |
| Average interest rate (%) <sup>1</sup>                                  | 0.77         | 0.90          | 1.21          | 2.29          | 1.69          |
| <b>Liabilities</b>                                                      |              |               |               |               |               |
| Interest rate swaps – nominal principal amount (€ m)                    | 2,283        | 4,097         | 10,121        | 17,524        | 34,025        |
| Average interest rate (%) <sup>1</sup>                                  | 1.84         | 2.41          | 3.56          | 2.69          | 2.86          |
| <b>Total nominal amount of fair value hedges – Interest rate risk</b>   | <b>3,883</b> | <b>5,941</b>  | <b>15,847</b> | <b>26,821</b> | <b>52,492</b> |
| <b>Cash flow hedges – Interest rate risk</b>                            |              |               |               |               |               |
| <b>Assets</b>                                                           |              |               |               |               |               |
| Interest rate and cross currency swaps – nominal principal amount (€ m) | 7,659        | 3,161         | 8,444         | 14,159        | 33,423        |
| Average interest rate (%) <sup>2</sup>                                  | 3.27         | 2.72          | 1.33          | 2.67          | 2.47          |
| <b>Liabilities</b>                                                      |              |               |               |               |               |
| Interest rate and cross currency swaps – nominal principal amount (€ m) | 405          | 239           | 1,003         | 252           | 1,899         |
| Average interest rate (%) <sup>2</sup>                                  | 2.48         | 2.87          | 2.93          | 2.55          | 2.78          |
| <b>Total nominal amount of cash flow hedges – Interest rate risk</b>    | <b>8,064</b> | <b>3,400</b>  | <b>9,447</b>  | <b>14,411</b> | <b>35,322</b> |
| <b>Net investment hedges – Forward exchange risk</b>                    |              |               |               |               |               |
| Nominal principal amount (€ m)                                          | 1,399        | —             | —             | —             | 1,399         |
| Forward FX rate (%) <sup>3</sup>                                        | 0.87         | —             | —             | —             | 0.87          |
|                                                                         | 2024         |               |               |               |               |
|                                                                         | Up to 1 year | 1 to 2 years  | 2 to 5 years  | 5 years +     | Total         |
| <b>Fair value hedges – Interest rate risk</b>                           |              |               |               |               |               |
| <b>Assets</b>                                                           |              |               |               |               |               |
| Interest rate swaps – nominal principal amount (€ m)                    | 785          | 1,617         | 5,949         | 7,818         | 16,169        |
| Average interest rate (%) <sup>1</sup>                                  | 0.94         | 0.77          | 1.02          | 1.86          | 1.39          |
| <b>Liabilities</b>                                                      |              |               |               |               |               |
| Interest rate swaps – nominal principal amount (€ m)                    | 1,972        | 1,750         | 6,083         | 3,992         | 13,797        |
| Average interest rate (%) <sup>1</sup>                                  | 4.73         | 1.86          | 3.82          | 4.18          | 3.80          |
| <b>Total nominal amount of fair value hedges – Interest rate risk</b>   | <b>2,757</b> | <b>3,367</b>  | <b>12,032</b> | <b>11,810</b> | <b>29,966</b> |
| <b>Cash flow hedges – Interest rate risk</b>                            |              |               |               |               |               |
| <b>Assets</b>                                                           |              |               |               |               |               |
| Interest rate and cross currency swaps – nominal principal amount (€ m) | 4,430        | 10,627        | 7,182         | 17,526        | 39,765        |
| Average interest rate (%) <sup>2</sup>                                  | 3.06         | 3.27          | 1.78          | 2.34          | 2.57          |
| <b>Liabilities</b>                                                      |              |               |               |               |               |
| Interest rate and cross currency swaps – nominal principal amount (€ m) | 213          | 459           | 962           | 573           | 2,207         |
| Average interest rate (%) <sup>2</sup>                                  | 2.29         | 2.39          | 2.61          | 2.76          | 2.57          |
| <b>Total nominal amount of cash flow hedges – Interest rate risk</b>    | <b>4,643</b> | <b>11,086</b> | <b>8,144</b>  | <b>18,099</b> | <b>41,972</b> |
| <b>Net investment hedges – Forward exchange risk</b>                    |              |               |               |               |               |
| Nominal principal amount (€ m)                                          | 1,231        | 208           | —             | —             | 1,439         |
| Forward FX rate (%) <sup>3</sup>                                        | 0.85         | 0.87          | —             | —             | 0.85          |

1. Represents the fixed rate on the hedged item which is being swapped for a variable rate.

2. This is the average interest rate on the fixed leg of swap agreements where the variable rate on the assets and liabilities in cash flow hedges is being swapped for a fixed rate. Pay fixed cash flow hedges are used to hedge the cash flows on variable rate liabilities and receive fixed cash flow hedges are used to hedge the cash flows on variable rate assets.

3. Being the forward FX rates on the hedging derivatives which are being used to hedge the Group's net investment in foreign operations.

## 15 Derivative financial instruments *continued*

### Fair value hedges of interest rate risk

The tables below set out the amounts relating to items designated as (a) hedging instruments and (b) hedged items in fair value hedges of interest rate risk together with the related hedge ineffectiveness at 31 December 2025 and 2024. The Group has disclosed, by risk category, tabular information in relation to the hedging instrument for fair value hedges in line with the requirements of IFRS 7. In 2024 additional voluntary disclosures were provided in relation to hedged items. The 2024 comparatives have been re-presented to align with the disclosure in 2025.

| 2025                |                                             |                                       |                    |                                                                                     |                                                                 |
|---------------------|---------------------------------------------|---------------------------------------|--------------------|-------------------------------------------------------------------------------------|-----------------------------------------------------------------|
| Hedging instrument  | Nominal amount of hedging instrument<br>€ m | Carrying amount of hedging instrument |                    | Change in fair value used for calculating hedge ineffectiveness for the year<br>€ m | Hedge ineffectiveness recognised in the income statement<br>€ m |
|                     |                                             | Assets<br>€ m                         | Liabilities<br>€ m |                                                                                     |                                                                 |
| Interest rate swaps | 52,492                                      | 909                                   | (339)              | (96)                                                                                | (9)                                                             |

| 2025                                                                       |                                                                              |             |                                                                                                                                                                                                     |             |                                                                                                    |                                                      |
|----------------------------------------------------------------------------|------------------------------------------------------------------------------|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|----------------------------------------------------------------------------------------------------|------------------------------------------------------|
| Line item in Statement of Financial Position where hedged item is included | Carrying amount of hedged item recognised in Statement of Financial Position |             | Accumulated amount of fair value hedge adjustments on the hedged item included in the carrying amount of the hedged item or presented separately on the face of the Statement of Financial Position |             | Change in fair value of hedged item used for calculating hedge ineffectiveness for the year<br>€ m | Remaining adjustments for discontinued hedges<br>€ m |
|                                                                            | Assets                                                                       | Liabilities | Assets                                                                                                                                                                                              | Liabilities |                                                                                                    |                                                      |
|                                                                            | € m                                                                          | € m         | € m                                                                                                                                                                                                 | € m         |                                                                                                    |                                                      |
| Investment securities                                                      | 17,871                                                                       | —           | —                                                                                                                                                                                                   | (643)       | (93)                                                                                               | —                                                    |
| Debt securities in issue                                                   | —                                                                            | (7,197)     | —                                                                                                                                                                                                   | (37)        | (57)                                                                                               | —                                                    |
| Tier 2 subordinated liabilities and other capital instruments              | —                                                                            | (2,625)     | 25                                                                                                                                                                                                  | —           | —                                                                                                  | —                                                    |
| Deposits and advances from customers                                       | —                                                                            | (24,209)    | 175                                                                                                                                                                                                 | —           | 239                                                                                                | —                                                    |
| Loans and advances to customers                                            | 15                                                                           | —           | —                                                                                                                                                                                                   | (1)         | (2)                                                                                                | —                                                    |
|                                                                            | 17,886                                                                       | (34,031)    | 200                                                                                                                                                                                                 | (681)       | 87                                                                                                 | —                                                    |

| 2024                |                                             |                                       |                    |                                                                                     |                                                                 |
|---------------------|---------------------------------------------|---------------------------------------|--------------------|-------------------------------------------------------------------------------------|-----------------------------------------------------------------|
| Hedging instrument  | Nominal amount of hedging instrument<br>€ m | Carrying amount of hedging instrument |                    | Change in fair value used for calculating hedge ineffectiveness for the year<br>€ m | Hedge ineffectiveness recognised in the income statement<br>€ m |
|                     |                                             | Assets<br>€ m                         | Liabilities<br>€ m |                                                                                     |                                                                 |
| Interest rate swaps | 29,966                                      | 1,055                                 | (363)              | (177)                                                                               | —                                                               |

| 2024                                                                       |                                                                              |             |                                                                                                                                                                                                     |             |                                                                                                    |                                                      |
|----------------------------------------------------------------------------|------------------------------------------------------------------------------|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|----------------------------------------------------------------------------------------------------|------------------------------------------------------|
| Line item in Statement of Financial Position where hedged item is included | Carrying amount of hedged item recognised in Statement of Financial Position |             | Accumulated amount of fair value hedge adjustments on the hedged item included in the carrying amount of the hedged item or presented separately on the face of the Statement of Financial Position |             | Change in fair value of hedged item used for calculating hedge ineffectiveness for the year<br>€ m | Remaining adjustments for discontinued hedges<br>€ m |
|                                                                            | Assets                                                                       | Liabilities | Assets                                                                                                                                                                                              | Liabilities |                                                                                                    |                                                      |
|                                                                            | € m                                                                          | € m         | € m                                                                                                                                                                                                 | € m         |                                                                                                    |                                                      |
| Investment securities                                                      | 15,172                                                                       | —           | —                                                                                                                                                                                                   | (555)       | 373                                                                                                | —                                                    |
| Debt securities in issue                                                   | —                                                                            | (7,900)     | 18                                                                                                                                                                                                  | —           | (69)                                                                                               | —                                                    |
| Tier 2 subordinated liabilities and other capital instruments              | —                                                                            | (1,625)     | 25                                                                                                                                                                                                  | —           | (63)                                                                                               | —                                                    |
| Deposits and advances from customers                                       | —                                                                            | (4,225)     | —                                                                                                                                                                                                   | (64)        | (64)                                                                                               | —                                                    |
| Loans and advances to customers                                            | 15                                                                           | —           | 1                                                                                                                                                                                                   | —           | —                                                                                                  | —                                                    |
|                                                                            | 15,187                                                                       | (13,750)    | 44                                                                                                                                                                                                  | (619)       | 177                                                                                                | —                                                    |

## Notes to the Consolidated Financial Statements *continued*

### 15 Derivative financial instruments *continued*

#### Cash flow hedges of interest rate risk

The tables below set out the amounts relating to (a) items designated as hedging instruments and (b) the hedged items in cash flow hedges of interest rate risk together with the related hedge ineffectiveness at 31 December 2025 and 2024. The Group has disclosed, by risk category, tabular information in relation to the hedging instrument for cash flow hedges in line with the requirements of IFRS 7. In 2024 additional voluntary disclosures were provided in relation to hedged items. The 2024 comparatives have been re-presented to align with the disclosure in 2025.

|                                        |                                                 |                                           |                    |                                                                                                          |                                                                                 |                                                                 | 2025                                                                                 |
|----------------------------------------|-------------------------------------------------|-------------------------------------------|--------------------|----------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------------|--------------------------------------------------------------------------------------|
| Hedging instrument                     | Nominal amount of the hedging instrument<br>€ m | Carrying amount of the hedging instrument |                    | Change in fair value of hedging instrument used for calculating hedge ineffectiveness in the year<br>€ m | Change in fair value of hedging instrument recognised in OCI in the year<br>€ m | Hedge ineffectiveness recognised in the income statement<br>€ m | Amounts reclassified from the cash flow hedge reserve to the income statement<br>€ m |
|                                        |                                                 | Assets<br>€ m                             | Liabilities<br>€ m |                                                                                                          |                                                                                 |                                                                 |                                                                                      |
| Interest rate and cross currency swaps | 35,322                                          | 371                                       | (746)              | (179)                                                                                                    | (178)                                                                           | (1)                                                             | (56) <sup>1</sup>                                                                    |

| Line item in Statement of Financial Position in which hedged item is included | Change in fair value of hedged item used for calculating hedge ineffectiveness for the year<br>€ m | Amounts in the cash flow hedging reserves for continuing hedges pre tax<br>€ m | Amounts in the cash flow hedging reserves for continuing hedges post tax<br>€ m | Amounts remaining in the cash flow hedging reserves from any hedging relationship for which hedge accounting is no longer applied pre tax<br>€ m | Amounts remaining in the cash flow hedging reserves from any hedging relationship for which hedge accounting is no longer applied post tax<br>€ m |
|-------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|---------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                               |                                                                                                    |                                                                                |                                                                                 |                                                                                                                                                  |                                                                                                                                                   |
| Loans and advances to customers                                               | 149                                                                                                | (437)                                                                          | (351)                                                                           | 12                                                                                                                                               | 10                                                                                                                                                |
| Deposits and advances from customers                                          | 29                                                                                                 | 23                                                                             | 20                                                                              | —                                                                                                                                                | —                                                                                                                                                 |

|                                        |                                                 |                                           |                    |                                                                                                          |                                                                                     |                                                                 | 2024                                                                                 |
|----------------------------------------|-------------------------------------------------|-------------------------------------------|--------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-----------------------------------------------------------------|--------------------------------------------------------------------------------------|
| Hedging instrument                     | Nominal amount of the hedging instrument<br>€ m | Carrying amount of the hedging instrument |                    | Change in fair value of hedging instrument used for calculating hedge ineffectiveness in the year<br>€ m | Change in fair value of the hedging instrument recognised in OCI in the year<br>€ m | Hedge ineffectiveness recognised in the income statement<br>€ m | Amounts reclassified from the cash flow hedge reserve to the income statement<br>€ m |
|                                        |                                                 | Assets<br>€ m                             | Liabilities<br>€ m |                                                                                                          |                                                                                     |                                                                 |                                                                                      |
| Interest rate and cross currency swaps | 41,972                                          | 664                                       | (959)              | 167                                                                                                      | 173                                                                                 | (6)                                                             | (569) <sup>1</sup>                                                                   |

| Line item in Statement of Financial Position in which hedged item is included | Change in fair value of hedged item used for calculating hedge ineffectiveness for the year<br>€ m | Amounts in the cash flow hedging reserves for continuing hedges pre tax<br>€ m | Amounts in the cash flow hedging reserves for continuing hedges post tax<br>€ m | Amounts remaining in the cash flow hedging reserves from any hedging relationship for which hedge accounting is no longer applied pre tax<br>€ m | Amounts remaining in the cash flow hedging reserves from any hedging relationship for which hedge accounting is no longer applied post tax<br>€ m |
|-------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|---------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                               |                                                                                                    |                                                                                |                                                                                 |                                                                                                                                                  |                                                                                                                                                   |
| Loans and advances to customers                                               | (173)                                                                                              | (264)                                                                          | (189)                                                                           | 25                                                                                                                                               | 22                                                                                                                                                |
| Deposits and advances from customers                                          | —                                                                                                  | 52                                                                             | 46                                                                              | —                                                                                                                                                | —                                                                                                                                                 |

1. Included in the income statement as follows: debit of €82m (2024: debit of €618m) in interest and similar income, credit of €25m (2024: credit of €49m) in interest and similar expense, and a credit of €1m (2024: Nil) in other income/(expense) transferred from other comprehensive income in respect of cash flow hedges.

#### Forecast cash flows

The table below sets out the hedged cash flows, including the amortisation of terminated cash flow hedges, which are expected to occur and impact the income statement in the following periods:

| Cash flows                                                                          | 2025           |                  |                  |                 |              | 2024           |                  |                  |                 |              |
|-------------------------------------------------------------------------------------|----------------|------------------|------------------|-----------------|--------------|----------------|------------------|------------------|-----------------|--------------|
|                                                                                     | <1 year<br>€ m | 1-2 years<br>€ m | 2-5 years<br>€ m | >5 years<br>€ m | Total<br>€ m | <1 year<br>€ m | 1-2 years<br>€ m | 2-5 years<br>€ m | >5 years<br>€ m | Total<br>€ m |
| Forecast receivable cash flows                                                      | 743            | 570              | 1,681            | 1,011           | 4,005        | 991            | 696              | 1,545            | 1,016           | 4,248        |
| Forecast payable cash flows                                                         | 51             | 36               | 57               | 8               | 152          | 77             | 53               | 93               | 29              | 252          |
| Forecast payable cash flows (including amortisation of terminated cash flow hedges) | 59             | 35               | 58               | 12              | 164          | 87             | 60               | 91               | 35              | 273          |

## 15 Derivative financial instruments *continued*

### Hedges of net investment in foreign operations

The tables below set out the amounts relating to (a) items designated as hedging instruments and (b) the hedged items in hedges of the net investment in foreign operations together with the related hedge ineffectiveness at 31 December 2025 and 2024. The Group has disclosed, by risk category, tabular information in relation to the hedging instrument for hedges of net investment in foreign operations in line with the requirements of IFRS 7. In 2024 additional voluntary disclosures were provided in relation to hedged items. The 2024 comparatives have been re-presented to align with the disclosure in 2025.

| 2025                       |                                             |                                           |                    |                                                                                                          |                                                                                 |                                                                              |                                                                                                     |
|----------------------------|---------------------------------------------|-------------------------------------------|--------------------|----------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| Hedging Instrument         | Nominal amount of hedging instrument<br>€ m | Carrying amount of the hedging instrument |                    | Change in fair value of hedging instrument used for calculating hedge ineffectiveness in the year<br>€ m | Change in fair value of hedging instrument recognised in OCI in the year<br>€ m | Hedge Ineffectiveness recognised in the income statement <sup>1</sup><br>€ m | Amounts that have been transferred because the hedged item has affected the income statement<br>€ m |
|                            |                                             | Assets<br>€ m                             | Liabilities<br>€ m |                                                                                                          |                                                                                 |                                                                              |                                                                                                     |
| Foreign exchange contracts | 1,399                                       | 13                                        | (4)                | 69                                                                                                       | 69                                                                              | —                                                                            | — <sup>1</sup>                                                                                      |

| 2025                                                                          |                                                                                                    |                                                                                          |                                                                                            |                                                                                                                                                             |                                                                                                                                                              |  |
|-------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| Line item in Statement of Financial Position in which hedged item is included | Change in fair value of hedged item used for calculating hedge ineffectiveness for the year<br>€ m | Amount in the foreign currency translation reserves for continuing hedges pre tax<br>€ m | Amounts in the foreign currency translation reserves for continuing hedges post tax<br>€ m | Amounts remaining in the foreign currency translation reserves from any hedging relationship for which hedge accounting is no longer applied pre tax<br>€ m | Amounts remaining in the foreign currency translation reserves from any hedging relationship for which hedge accounting is no longer applied post tax<br>€ m |  |
| Reserves <sup>2</sup>                                                         | (69)                                                                                               | (39)                                                                                     | (34)                                                                                       | (8)                                                                                                                                                         | (7)                                                                                                                                                          |  |

| 2024                       |                                             |                                           |                    |                                                                                                          |                                                                                  |                                                                              |                                                                                                     |
|----------------------------|---------------------------------------------|-------------------------------------------|--------------------|----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| Hedging Instrument         | Nominal amount of hedging instrument<br>€ m | Carrying amount of the hedging instrument |                    | Change in fair value of hedging instrument used for calculating hedge ineffectiveness in the year<br>€ m | Change in fair value of hedging instruments recognised in OCI in the year<br>€ m | Hedge Ineffectiveness recognised in the income statement <sup>1</sup><br>€ m | Amounts that have been transferred because the hedged item has affected the income statement<br>€ m |
|                            |                                             | Assets<br>€ m                             | Liabilities<br>€ m |                                                                                                          |                                                                                  |                                                                              |                                                                                                     |
| Foreign exchange contracts | 1,439                                       | —                                         | (24)               | (66)                                                                                                     | (66)                                                                             | —                                                                            | — <sup>1</sup>                                                                                      |

| 2024                                                                          |                                                                                                    |                                                                                          |                                                                                            |                                                                                                                                                             |                                                                                                                                                              |  |
|-------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| Line item in Statement of Financial Position in which hedged item is included | Change in fair value of hedged item used for calculating hedge ineffectiveness for the year<br>€ m | Amount in the foreign currency translation reserves for continuing hedges pre tax<br>€ m | Amounts in the foreign currency translation reserves for continuing hedges post tax<br>€ m | Amounts remaining in the foreign currency translation reserves from any hedging relationship for which hedge accounting is no longer applied pre tax<br>€ m | Amounts remaining in the foreign currency translation reserves from any hedging relationship for which hedge accounting is no longer applied post tax<br>€ m |  |
| Reserves <sup>2</sup>                                                         | 66                                                                                                 | (108)                                                                                    | (94)                                                                                       | (8)                                                                                                                                                         | (7)                                                                                                                                                          |  |

1. Included in other (expense)/income in the income statement.

2. Relates to the net investment in AIB Group (UK) p.l.c.



## Notes to the Consolidated Financial Statements *continued*

### 16 Loans and advances to banks

|                                                                                                   | 2025<br>€ m | 2024<br>€ m |
|---------------------------------------------------------------------------------------------------|-------------|-------------|
| <b>At amortised cost</b>                                                                          |             |             |
| Funds placed with central banks                                                                   | 229         | 241         |
| Funds placed with other banks <sup>1</sup>                                                        | 325         | 400         |
| <b>Loans to central banks and banks<sup>1</sup></b>                                               | <b>554</b>  | 641         |
| Cash collateral advanced to other banks <sup>1,2</sup>                                            | 47          | 680         |
| <b>Loans and advances to central banks and banks<sup>1</sup></b>                                  | <b>601</b>  | 1,321       |
| <b>ECL</b>                                                                                        | <b>—</b>    | —           |
| <b>Total loans and advances to banks<sup>1</sup></b>                                              | <b>601</b>  | 1,321       |
| <i>of which comprises restricted balances held in respect of certain payables<sup>3</sup></i>     | <b>7</b>    | 6           |
| <i>of which comprises reserve balances maintained with the Bank of England as required by law</i> | <b>229</b>  | 241         |

1. Refer to note 1 (c) for further information about the change in presentation to the financial statements.

2. Relates to cash collateral payable to derivative and repurchase agreement counterparties.

3. Included in other liabilities in the Consolidated Statement of Financial Position are customer funds held for Payzone's parking solution.

|                                                                     | 2025<br>€ m | 2024<br>€ m |
|---------------------------------------------------------------------|-------------|-------------|
| <b>Loans and advances to banks by geographical area<sup>1</sup></b> |             |             |
| Ireland                                                             | 276         | 989         |
| United Kingdom                                                      | 311         | 317         |
| United States of America                                            | 14          | 15          |
| <b>Total loans and advances to banks by geographical area</b>       | <b>601</b>  | 1,321       |

1. The classification of loans and advances to banks by geographical area is based primarily on the location of the office recording the transaction.

### 17 Loans and advances to customers

|                                                                                     | 2025<br>€ m   | 2024<br>€ m |
|-------------------------------------------------------------------------------------|---------------|-------------|
| <b>At amortised cost</b>                                                            |               |             |
| Loans to customers <sup>1</sup>                                                     | 70,277        | 69,403      |
| Amounts receivable under finance leases and hire purchase contracts                 | 1,891         | 1,716       |
| <b>Gross loans to customers<sup>1</sup></b>                                         | <b>72,168</b> | 71,119      |
| Cash collateral advanced to customers <sup>1,2</sup>                                | 91            | 50          |
| <b>Gross loans and advances to customers<sup>1</sup></b>                            | <b>72,259</b> | 71,169      |
| ECL allowance                                                                       | (1,143)       | (1,344)     |
| <b>Net loans and advances to customers<sup>1</sup></b>                              | <b>71,116</b> | 69,825      |
| <b>Mandatorily at fair value through profit or loss</b>                             |               |             |
| Loans and advances to customers                                                     | 84            | 64          |
| <b>Total loans and advances to customers</b>                                        | <b>71,200</b> | 69,889      |
| <i>of which comprises amounts repayable on demand</i>                               | <b>1,814</b>  | 2,319       |
| <i>of which comprises amounts due from equity accounted investments<sup>3</sup></i> | <b>56</b>     | 66          |

1. Refer to note 1 (c) for further information about the change in presentation to the financial statements.

2. Relates to cash collateral placed with derivative counterparties.

3. Undrawn commitments amount to €16m and are less than one year (31 December 2024: €208m).

For details of credit quality of loans and advances to customers, including forbearance, refer to the sections denoted as 'audited' in 2.1.2 to 2.1.6 of the Risk Management report.

## 17 Loans and advances to customers *continued*

### Amounts receivable under finance leases and hire purchase contracts

The following balances principally comprise leasing arrangements and hire purchase agreements of vehicles, plant, machinery and equipment:

|                                                                          | 2025<br>€ m  | 2024<br>€ m |
|--------------------------------------------------------------------------|--------------|-------------|
| <b>Gross receivables</b>                                                 |              |             |
| Not later than 1 year                                                    | 703          | 647         |
| Later than 1 year and not later than 2 years                             | 539          | 493         |
| Later than 2 years and not later than 3 years                            | 406          | 361         |
| Later than 3 years and not later than 4 years                            | 242          | 222         |
| Later than 4 years and not later than 5 years                            | 122          | 109         |
| Later than 5 years                                                       | 29           | 24          |
| <b>Total</b>                                                             | <b>2,041</b> | 1,856       |
| Unearned future finance income                                           | (160)        | (151)       |
| Deferred costs incurred on origination                                   | 10           | 11          |
| <b>Present value of minimum payments</b>                                 | <b>1,891</b> | 1,716       |
| ECL allowance for uncollectible minimum payments receivable <sup>1</sup> | 40           | 39          |

1. Included in ECL allowance on loans and advances to customers in note 19.

## 18 Securities financing

|                                                | 2025         |                  |              | 2024         |                  |              |
|------------------------------------------------|--------------|------------------|--------------|--------------|------------------|--------------|
|                                                | Banks<br>€ m | Customers<br>€ m | Total<br>€ m | Banks<br>€ m | Customers<br>€ m | Total<br>€ m |
| <b>Assets</b>                                  |              |                  |              |              |                  |              |
| Reverse repurchase agreements                  | 4,185        | 267              | 4,452        | 3,380        | 175              | 3,555        |
| Securities borrowing transactions              | 1,374        | 1,513            | 2,887        | 1,848        | 1,240            | 3,088        |
| <b>Total<sup>1</sup></b>                       | <b>5,559</b> | <b>1,780</b>     | <b>7,339</b> | 5,228        | 1,415            | 6,643        |
| <b>Liabilities</b>                             |              |                  |              |              |                  |              |
| Securities sold under agreements to repurchase | 682          | —                | 682          | 191          | 5                | 196          |
| <b>Total</b>                                   | <b>682</b>   | <b>—</b>         | <b>682</b>   | 191          | 5                | 196          |

1. Classified as ECL Stage 1 and have a Nil ECL at 31 December 2025 (31 December 2024: €1m).

In accordance with the terms of the reverse repurchase agreements and securities borrowing agreements, the Group accepts collateral that it is permitted to sell or repledge in the absence of default by the owner of the collateral. At 31 December 2025, the total fair value of the collateral received was €7,339 million (2024: €6,643 million), none of which had been resold or repledged. These transactions were conducted under terms that are usual and customary to standard reverse repurchase agreements and securities borrowing agreements.

Securities sold under agreements to repurchase mature within six months and are secured by debt securities and eligible assets. At 31 December 2025, in relation to securities sold under agreements to repurchase, the Group had pledged collateral with a fair value of €682 million (2024: €196 million). These transactions were conducted under terms that are usual and customary to standard securities sold under repurchase transactions.

## Notes to the Consolidated Financial Statements *continued*

### 19 ECL allowance on financial assets

The following table shows the movements on the ECL allowance on financial assets. Further information is disclosed in the Gross Loans and ECL movement tables in the Risk Management section of this report. See pages 205 to 209.

|                                                                   | 2025<br>€ m  | 2024<br>€ m |
|-------------------------------------------------------------------|--------------|-------------|
| <b>At 1 January</b>                                               | <b>1,347</b> | 1,525       |
| Net remeasurement of ECL allowance – investment securities – debt | —            | (2)         |
| Net remeasurement of ECL allowance – banks                        | —            | —           |
| Net remeasurement of ECL allowance – customers                    | <b>204</b>   | 92          |
| Net remeasurement of ECL allowance – securities financing         | <b>(1)</b>   | —           |
| Changes in ECL allowance due to write-offs                        | <b>(114)</b> | (126)       |
| Changes in ECL allowance due to disposals                         | <b>(286)</b> | (173)       |
| Exchange translation adjustments                                  | <b>(13)</b>  | 16          |
| Other                                                             | <b>8</b>     | 15          |
| <b>At 31 December</b>                                             | <b>1,145</b> | 1,347       |
| Amount included in financial assets measured at amortised cost:   |              |             |
| Investment securities – debt                                      | <b>1</b>     | 1           |
| Loans and advances to banks                                       | —            | —           |
| Loans and advances to customers                                   | <b>1,143</b> | 1,344       |
| Securities financing                                              | —            | 1           |
| Other assets – stockbroking client debtors                        | <b>1</b>     | 1           |
| <b>At 31 December</b>                                             | <b>1,145</b> | 1,347       |

## 20 Investment securities

The following table analyses the carrying value of investment securities at 31 December 2025 and 2024.

|                                                        | 2025<br>€ m   | 2024<br>€ m   |
|--------------------------------------------------------|---------------|---------------|
| <b>Debt securities at FVOCI</b>                        |               |               |
| Government securities                                  | 4,156         | 3,013         |
| Supranational banks and government agencies securities | 4,421         | 3,132         |
| Asset backed securities                                | 107           | 153           |
| Bank securities                                        | 6,584         | 6,532         |
| Corporate securities                                   | 933           | 738           |
| <b>Total debt securities at FVOCI<sup>1</sup></b>      | <b>16,201</b> | <b>13,568</b> |
| <i>of which provided as collateral</i>                 | <b>2,392</b>  | <b>1,963</b>  |
| <b>Debt securities at amortised cost</b>               |               |               |
| Government securities                                  | 2,206         | 2,226         |
| Supranational banks and government agencies securities | 241           | 237           |
| Asset backed securities                                | 2,329         | 2,113         |
| Bank securities                                        | 80            | 79            |
| Corporate securities                                   | 187           | 148           |
| <b>Total debt securities at amortised cost</b>         | <b>5,043</b>  | <b>4,803</b>  |
| <i>of which provided as collateral</i>                 | <b>1,234</b>  | <b>859</b>    |
| <b>Total debt securities</b>                           | <b>21,244</b> | <b>18,371</b> |
| <i>of which provided as collateral</i>                 | <b>3,626</b>  | <b>2,822</b>  |
| <b>Equity securities</b>                               |               |               |
| Equity securities at FVTPL                             | 304           | 297           |
| <b>Total equity securities</b>                         | <b>304</b>    | <b>297</b>    |
| <b>Total investment securities</b>                     | <b>21,548</b> | <b>18,668</b> |

The following table analyses the carrying amount of debt securities by ECL stage:

|                                          | 2025<br>€ m   | 2024<br>€ m   |
|------------------------------------------|---------------|---------------|
| <b>Gross amount</b>                      |               |               |
| Stage 1                                  | 21,245        | 18,372        |
| Stage 2                                  | —             | —             |
| <b>Total debt securities</b>             | <b>21,245</b> | <b>18,372</b> |
| ECL on debt securities at amortised cost | (1)           | (1)           |
| <b>Carrying value</b>                    | <b>21,244</b> | <b>18,371</b> |

1. The ECL of €5m (2024: €2m) on debt securities at FVOCI does not reduce the carrying amount, but an amount equal to the allowance is recognised in OCI as an accumulated impairment amount, with corresponding impairment gains or losses recognised in the income statement.

## Notes to the Consolidated Financial Statements *continued*

### 21 Investments accounted for using the equity method

|                                                                           | 2025              |                         |              | 2024              |                         |              |
|---------------------------------------------------------------------------|-------------------|-------------------------|--------------|-------------------|-------------------------|--------------|
|                                                                           | Associates<br>€ m | Joint<br>venture<br>€ m | Total<br>€ m | Associates<br>€ m | Joint<br>venture<br>€ m | Total<br>€ m |
| <b>Share of net assets including goodwill</b>                             |                   |                         |              |                   |                         |              |
| At 1 January                                                              | 243               | 105                     | 348          | 208               | 102                     | 310          |
| Investment during the year                                                | 27                | 7                       | 34           | 27                | 10                      | 37           |
| Disposal during the year <sup>1</sup>                                     | (203)             | —                       | (203)        | —                 | —                       | —            |
| Dividends received                                                        | —                 | —                       | —            | (25)              | —                       | (25)         |
| Share of results of equity accounted investments (after tax)              | 22                | (5)                     | 17           | 33                | (7)                     | 26           |
| <b>At 31 December</b>                                                     | <b>89</b>         | <b>107</b>              | <b>196</b>   | <b>243</b>        | <b>105</b>              | <b>348</b>   |
| <b>Amounts recognised in the income statement</b>                         |                   |                         |              |                   |                         |              |
| Profit on disposal of associate <sup>1</sup>                              | 157               | —                       | 157          | —                 | —                       | —            |
| Share of results of equity accounted investments (after tax) <sup>2</sup> | 22                | (5)                     | 17           | 33                | (7)                     | 26           |
| <b>Income from equity accounted investments</b>                           | <b>179</b>        | <b>(5)</b>              | <b>174</b>   | <b>33</b>         | <b>(7)</b>              | <b>26</b>    |

1. In 2025, the Group disposed of its 49.9% shareholding in its principal associate, AIB Merchant Services.

2. Share of results of equity accounted investments includes €22m (2024: €34m) relating to AIB Merchant Services up to the date of disposal.

#### Details of the Group's associates and joint venture

Investments in associates at 31 December 2025 comprise the Group's investment in Vianova DAC (formerly Clearpay DAC), First Homes Scheme DAC and Autolease Fleet Management Ltd. The investment in joint venture comprises the Group's investment in AIB life, being the Group's joint venture with Great-West Lifeco Inc. None of the investments are considered individually material to the Group.

#### Transactions with the Group's associates and joint venture

Banking transactions between the Group and its associates and joint venture are entered into in the normal course of business. For further information see notes 17 and 28. There was no unrecognised share of losses of associates or joint ventures at 31 December 2025 or 2024.

#### Significant restrictions

There is no significant restriction on the ability of the associates or joint ventures to transfer funds to the Group in the form of cash or dividends, or to repay loans or advances made by the Group.



## 22 Intangible assets and goodwill

|                                            | 2025                                       |                                            |                                          |                 |              |              |
|--------------------------------------------|--------------------------------------------|--------------------------------------------|------------------------------------------|-----------------|--------------|--------------|
|                                            | Software<br>externally<br>purchased<br>€ m | Software<br>internally<br>generated<br>€ m | Software<br>under<br>construction<br>€ m | Goodwill<br>€ m | Other<br>€ m | Total<br>€ m |
| <b>Cost</b>                                |                                            |                                            |                                          |                 |              |              |
| At 1 January                               | 216                                        | 1,899                                      | 164                                      | 128             | 42           | 2,449        |
| Additions                                  | 4                                          | 117                                        | 155                                      | —               | —            | 276          |
| Transfers in/(out)                         | —                                          | 92                                         | (92)                                     | —               | —            | —            |
| Amounts written-off <sup>1</sup>           | (51)                                       | (10)                                       | (2)                                      | —               | —            | (63)         |
| Exchange translation adjustments           | —                                          | (3)                                        | —                                        | —               | —            | (3)          |
| <b>At 31 December</b>                      | <b>169</b>                                 | <b>2,095</b>                               | <b>225</b>                               | <b>128</b>      | <b>42</b>    | <b>2,659</b> |
| <b>Accumulated amortisation/impairment</b> |                                            |                                            |                                          |                 |              |              |
| At 1 January                               | 191                                        | 1,288                                      | —                                        | —               | 36           | 1,515        |
| Amortisation for the year <sup>2</sup>     | 11                                         | 203                                        | —                                        | —               | 5            | 219          |
| Impairment for the year <sup>2</sup>       | —                                          | 1                                          | 2                                        | —               | —            | 3            |
| Amounts written-off <sup>1</sup>           | (51)                                       | (10)                                       | (2)                                      | —               | —            | (63)         |
| Exchange translation adjustments           | —                                          | (2)                                        | —                                        | —               | —            | (2)          |
| <b>At 31 December</b>                      | <b>151</b>                                 | <b>1,480</b>                               | <b>—</b>                                 | <b>—</b>        | <b>41</b>    | <b>1,672</b> |
| <b>Carrying value at 31 December</b>       | <b>18</b>                                  | <b>615</b>                                 | <b>225</b>                               | <b>128</b>      | <b>1</b>     | <b>987</b>   |

|                                            | 2024                                       |                                            |                                          |                 |              |              |
|--------------------------------------------|--------------------------------------------|--------------------------------------------|------------------------------------------|-----------------|--------------|--------------|
|                                            | Software<br>externally<br>purchased<br>€ m | Software<br>internally<br>generated<br>€ m | Software<br>under<br>construction<br>€ m | Goodwill<br>€ m | Other<br>€ m | Total<br>€ m |
| <b>Cost</b>                                |                                            |                                            |                                          |                 |              |              |
| At 1 January                               | 237                                        | 1,805                                      | 158                                      | 128             | 42           | 2,370        |
| Additions                                  | 13                                         | 106                                        | 113                                      | —               | —            | 232          |
| Transfers in/(out)                         | —                                          | 105                                        | (105)                                    | —               | —            | —            |
| Amounts written-off <sup>1</sup>           | (34)                                       | (120)                                      | (2)                                      | —               | —            | (156)        |
| Exchange translation adjustments           | —                                          | 3                                          | —                                        | —               | —            | 3            |
| <b>At 31 December</b>                      | <b>216</b>                                 | <b>1,899</b>                               | <b>164</b>                               | <b>128</b>      | <b>42</b>    | <b>2,449</b> |
| <b>Accumulated amortisation/impairment</b> |                                            |                                            |                                          |                 |              |              |
| At 1 January                               | 214                                        | 1,201                                      | —                                        | —               | 30           | 1,445        |
| Amortisation for the year <sup>2</sup>     | 11                                         | 205                                        | —                                        | —               | 6            | 222          |
| Impairment for the year <sup>2</sup>       | —                                          | —                                          | 2                                        | —               | —            | 2            |
| Amounts written-off <sup>1</sup>           | (34)                                       | (120)                                      | (2)                                      | —               | —            | (156)        |
| Exchange translation adjustments           | —                                          | 2                                          | —                                        | —               | —            | 2            |
| <b>At 31 December</b>                      | <b>191</b>                                 | <b>1,288</b>                               | <b>—</b>                                 | <b>—</b>        | <b>36</b>    | <b>1,515</b> |
| <b>Carrying value at 31 December</b>       | <b>25</b>                                  | <b>611</b>                                 | <b>164</b>                               | <b>128</b>      | <b>6</b>     | <b>934</b>   |

1. Relates to assets which are no longer in use with a Nil carrying value.

2. Included in 'Impairment and amortisation of intangible assets' in the consolidated income statement.

Future capital expenditure in relation to both intangible assets and property, plant and equipment is set out in note 23.

## Notes to the Consolidated Financial Statements *continued*

### 23 Property, plant and equipment

|                                               |              |                |                          |           |                           |                     | 2025  |       |
|-----------------------------------------------|--------------|----------------|--------------------------|-----------|---------------------------|---------------------|-------|-------|
|                                               | Owned assets |                |                          |           |                           | Leased assets       |       |       |
|                                               | Property     |                |                          |           |                           | Right-of-use assets |       |       |
|                                               | Freehold     | Long leasehold | Leasehold under 50 years | Equipment | Assets under construction | Property            | Other | Total |
|                                               | € m          | € m            | € m                      | € m       | € m                       | € m                 | € m   | € m   |
| Cost                                          |              |                |                          |           |                           |                     |       |       |
| At 1 January                                  | 176          | 37             | 120                      | 353       | 10                        | 421                 | 5     | 1,122 |
| Transfers in/(out)                            | 4            | —              | 4                        | 1         | (9)                       | —                   | —     | —     |
| Additions                                     | 5            | —              | 3                        | 31        | 20                        | 14                  | 1     | 74    |
| Transfers to held for sale                    | —            | —              | —                        | —         | —                         | —                   | —     | —     |
| Amounts written-off <sup>1</sup>              | (3)          | —              | (10)                     | (105)     | —                         | (12)                | (1)   | (131) |
| Exchange translation adjustments              | (1)          | —              | —                        | (1)       | —                         | (3)                 | —     | (5)   |
| At 31 December                                | 181          | 37             | 117                      | 279       | 21                        | 420                 | 5     | 1,060 |
| Accumulated depreciation/impairment           |              |                |                          |           |                           |                     |       |       |
| At 1 January                                  | 60           | 15             | 67                       | 288       | —                         | 174                 | 2     | 606   |
| Depreciation charge for the year <sup>2</sup> | 6            | —              | 8                        | 21        | —                         | 33                  | 1     | 69    |
| Impairment charge for the year <sup>2</sup>   | —            | —              | —                        | —         | —                         | —                   | —     | —     |
| Amounts written-off <sup>1</sup>              | (3)          | —              | (10)                     | (105)     | —                         | (12)                | (1)   | (131) |
| Transfers to held for sale                    | —            | —              | —                        | —         | —                         | —                   | —     | —     |
| Exchange translation adjustments              | —            | —              | —                        | —         | —                         | (1)                 | —     | (1)   |
| At 31 December                                | 63           | 15             | 65                       | 204       | —                         | 194                 | 2     | 543   |
| Carrying value at 31 December                 | 118          | 22             | 52                       | 75        | 21                        | 226                 | 3     | 517   |

|                                               |              |                |                          |           |                           |                     | 2024  |       |
|-----------------------------------------------|--------------|----------------|--------------------------|-----------|---------------------------|---------------------|-------|-------|
|                                               | Owned assets |                |                          |           |                           | Leased assets       |       |       |
|                                               | Property     |                |                          |           |                           | Right-of-use assets |       |       |
|                                               | Freehold     | Long leasehold | Leasehold under 50 years | Equipment | Assets under construction | Property            | Other | Total |
|                                               | € m          | € m            | € m                      | € m       | € m                       | € m                 | € m   | € m   |
| Cost                                          |              |                |                          |           |                           |                     |       |       |
| At 1 January                                  | 173          | 39             | 109                      | 370       | 17                        | 443                 | 5     | 1,156 |
| Transfers in/(out)                            | 1            | —              | 13                       | 2         | (16)                      | —                   | —     | —     |
| Additions                                     | 1            | —              | 2                        | 13        | 9                         | 8                   | 1     | 34    |
| Transfers to held for sale                    | —            | (2)            | —                        | —         | —                         | —                   | —     | (2)   |
| Amounts written-off <sup>1</sup>              | —            | —              | (4)                      | (33)      | —                         | (32)                | (1)   | (70)  |
| Exchange translation adjustments              | 1            | —              | —                        | 1         | —                         | 2                   | —     | 4     |
| At 31 December                                | 176          | 37             | 120                      | 353       | 10                        | 421                 | 5     | 1,122 |
| Accumulated depreciation/impairment           |              |                |                          |           |                           |                     |       |       |
| At 1 January                                  | 54           | 14             | 61                       | 298       | —                         | 171                 | —     | 598   |
| Depreciation charge for the year <sup>2</sup> | 5            | 1              | 9                        | 22        | —                         | 34                  | 2     | 73    |
| Impairment charge for the year <sup>2</sup>   | 1            | 1              | 1                        | 1         | —                         | —                   | —     | 4     |
| Amounts written-off <sup>1</sup>              | —            | —              | (4)                      | (33)      | —                         | (32)                | (1)   | (70)  |
| Transfers to held for sale                    | —            | (1)            | —                        | —         | —                         | —                   | —     | (1)   |
| Exchange translation adjustments              | —            | —              | —                        | —         | —                         | 1                   | 1     | 2     |
| At 31 December                                | 60           | 15             | 67                       | 288       | —                         | 174                 | 2     | 606   |
| Carrying value at 31 December                 | 116          | 22             | 53                       | 65        | 10                        | 247                 | 3     | 516   |

1. Relates to assets which are no longer in use with a Nil carrying value.

2. Included in 'Impairment and depreciation of property, plant and equipment' in the consolidated income statement.

The net carrying value of property occupied by the Group for its own activities was €183 million (2024: €182 million) in relation to owned assets and €226 million in relation to right-of-use assets (2024: €247 million), excluding those held as disposal groups and non-current assets held for sale. Property leased to others by the Group had a net carrying value of €9 million (2024: €9 million).

## 23 Property, plant and equipment *continued*

### Future capital expenditure

The table below shows future capital expenditure in relation to both property, plant and equipment and intangible assets (excluding right-of-use assets).

|                                                                                                                     | 2025<br>€ m | 2024<br>€ m |
|---------------------------------------------------------------------------------------------------------------------|-------------|-------------|
| Estimated outstanding commitments for capital expenditure not provided for in the financial statements <sup>1</sup> | 58          | 2           |
| Capital expenditure authorised but not yet contracted for <sup>1</sup>                                              | —           | 14          |

1. At 31 December 2025, the Group had a higher level of contractual commitments for capital expenditure compared to the previous year. As a result of these increased commitments, there was no outstanding authorised capital expenditure that had been approved that had not yet been contracted for.

### Leased assets

#### Property

The Group leases property for its offices and retail branch outlets. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Most of these leases carry statutory renewal rights, or include an option to renew the lease for an additional period after the end of the contract term. Where the Group is likely to exercise these options, this has been taken into account in determining the lease liability and the right-of-use asset.

#### Other

The Group leases motor vehicles, ATM offsite locations and IT equipment.

### Lease liabilities

A maturity analysis of lease liabilities is shown in note 30.

|                                                 | 2025<br>€ m | 2024<br>€ m |
|-------------------------------------------------|-------------|-------------|
| <b>Amounts recognised in income statement</b>   |             |             |
| Depreciation expense on right-of-use assets     | 34          | 36          |
| Interest on lease liabilities ( <i>note 5</i> ) | 10          | 9           |

|                                                                               | 2025<br>€ m | 2024<br>€ m |
|-------------------------------------------------------------------------------|-------------|-------------|
| <b>Amounts recognised in statement of cash flows</b>                          |             |             |
| Total cash outflow for leases during the year                                 | 40          | 43          |
| <i>of which comprises interest expense on lease liabilities (note 30)</i>     | 10          | 9           |
| <i>of which comprises principal repayments on lease liabilities (note 30)</i> | 30          | 34          |

## 24 Other assets

|                                                                | 2025<br>€ m | 2024<br>€ m |
|----------------------------------------------------------------|-------------|-------------|
| Proceeds due from disposal of loan portfolio <sup>1</sup>      | 286         | 133         |
| Proceeds due from the issuance of debt securities <sup>1</sup> | —           | 105         |
| Stockbroking client debtors <sup>2</sup>                       | 21          | 11          |
| Items in transit                                               | 143         | 114         |
| Items in course of collection                                  | 27          | 35          |
| Other <sup>3</sup>                                             | 114         | 77          |
| <b>Total other assets</b>                                      | <b>591</b>  | <b>475</b>  |

Other assets are analysed as follows:

|                     | 2025<br>€ m | 2024<br>€ m |
|---------------------|-------------|-------------|
| Less than 1 year    | 569         | 475         |
| Greater than 1 year | 22          | —           |
|                     | <b>591</b>  | <b>475</b>  |

1. ECL: Nil (2024: Nil).

2. ECL: €1m (2024: €1m).

3. Includes sundry debtors €28m (2024: €32m) and deferred consideration for the disposal of AIB Merchant Services €26m (2024: Nil).

## Notes to the Consolidated Financial Statements *continued*

### 25 Deferred taxation

|                                                            | 2025<br>€ m  | 2024<br>€ m  |
|------------------------------------------------------------|--------------|--------------|
| Deferred tax assets:                                       |              |              |
| Unutilised tax losses                                      | 1,975        | 2,203        |
| Cash flow hedges                                           | 81           | 73           |
| Transition to IFRS 9                                       | 2            | 3            |
| Assets used in the business                                | 44           | 47           |
| Retirement benefits                                        | 2            | 3            |
| Assets leased to customers                                 | 15           | 15           |
| Investment securities                                      | —            | 15           |
| Other                                                      | 2            | 3            |
| <b>Total gross deferred tax assets</b>                     | <b>2,121</b> | <b>2,362</b> |
| Deferred tax liabilities:                                  |              |              |
| Cash flow hedges                                           | —            | (7)          |
| Retirement benefits                                        | (2)          | (6)          |
| Assets used in the business                                | (49)         | (51)         |
| Investment securities                                      | (6)          | —            |
| Acquisition of subsidiary                                  | —            | (1)          |
| Other                                                      | (7)          | (8)          |
| <b>Total gross deferred tax liabilities</b>                | <b>(64)</b>  | <b>(73)</b>  |
| <b>Net deferred tax assets</b>                             | <b>2,057</b> | <b>2,289</b> |
| <b>Represented on the statement of financial position:</b> |              |              |
| Deferred tax assets                                        | 2,074        | 2,303        |
| Deferred tax liabilities                                   | (17)         | (14)         |
|                                                            | <b>2,057</b> | <b>2,289</b> |

Net deferred tax assets at 31 December 2025 of €1,826 million (2024: €2,076 million) are expected to be recovered after more than 12 months. For each of the years ended 31 December 2025 and 2024, full provision has been made for capital allowances and other temporary differences.

|                                                                    | 2025<br>€ m  | 2024<br>€ m  |
|--------------------------------------------------------------------|--------------|--------------|
| <b>Analysis of movements in deferred taxation</b>                  |              |              |
| At 1 January                                                       | 2,289        | 2,558        |
| Exchange translation and other adjustments                         | (16)         | 15           |
| Deferred tax through other comprehensive income ( <i>note 13</i> ) | (8)          | 7            |
| Income statement <sup>1</sup> ( <i>note 13</i> )                   | (208)        | (291)        |
| <b>At 31 December</b>                                              | <b>2,057</b> | <b>2,289</b> |

1. During 2025 the Group recognised a net charge of €202m to the income statement in respect of deferred tax assets arising from unutilised tax losses (2024: €294m). In addition, the carrying value decreased by €26m (2024: increase of €23m) due to exchange translation differences and other adjustments. As a result the recognised deferred tax asset relating to unutilised tax losses amounted to €1,975m at the reporting date (2024: €2,203m).

Commentary on the basis of recognition of deferred tax assets on unused tax losses is included in note 2. The Group's deferred tax asset for unutilised losses at 31 December 2025 and 2024 comprises the following:

|                              | 2025<br>€ m  | 2024<br>€ m  |
|------------------------------|--------------|--------------|
| <b>Unutilised tax losses</b> |              |              |
| Irish tax losses             | 1,729        | 1,995        |
| UK tax losses                | 219          | 191          |
| US tax losses                | 27           | 17           |
| <b>At 31 December</b>        | <b>1,975</b> | <b>2,203</b> |

## 25 Deferred taxation *continued*

For certain other subsidiaries and branches, the Group has concluded that it is more likely than not that there will be insufficient profits to support the recognition of deferred tax assets. The Group has not recognised deferred tax assets for the following unutilised losses and foreign tax credits at 31 December 2025 and 2024.

|                                                                                         | 2025<br>€ m  | 2024<br>€ m  |
|-----------------------------------------------------------------------------------------|--------------|--------------|
| <b>Tax losses and foreign tax credits for which no deferred tax asset is recognised</b> |              |              |
| Irish tax on unused tax losses                                                          | 152          | 155          |
| Foreign tax (UK and USA) on unused tax losses                                           | 2,687        | 3,078        |
| Foreign tax credits for Irish tax purposes                                              | 19           | 19           |
| <b>At 31 December<sup>1</sup></b>                                                       | <b>2,858</b> | <b>3,252</b> |

1. None of these tax losses and foreign tax credits for which no deferred tax asset is recognised have an expiry date.

The aggregate amount of temporary differences associated with investments in subsidiaries, branches and associates for which deferred tax liabilities have not been recognised amounted to Nil (2024: Nil). Deferred tax recognised directly in equity amounted to Nil (2024: Nil).

## 26 Retirement benefits

The Group operates a number of defined contribution and defined benefit schemes for employees.

### Defined contribution

From 1 January 2014, all Group staff accrue future pension benefits on a defined contribution (DC) basis with a standard employer contribution of 10%. An additional matched employer contribution, subject to limits based on age bands of 2%, 5% or 8% is also paid into the schemes.

The amount included in operating expenses in respect of DC schemes is €99 million (2024: €96 million) (note 10).

### Defined benefit schemes

All defined benefit schemes operated by the Group closed to future accrual no later than 31 December 2013 and staff transferred to defined contribution schemes for future pension benefits. The most significant defined benefit schemes operated by the Group are the AIB Group Irish Pension Scheme (the Irish scheme) and the AIB Group UK Pension Scheme (the UK scheme).

Retirement benefits for the defined benefit schemes are calculated by reference to service and final pensionable salary at 31 December 2013. The final pensionable salary used in the calculation of this benefit for staff is based on their average pensionable salary in the period between 30 June 2009 and 31 December 2013. This calculation of benefit for each staff member will revalue between 1 January 2014 and retirement date in line with the statutory requirement to revalue deferred benefits. There is no link to any future changes in salaries.

In the main Irish scheme, there are 15,325 members comprising 4,876 pensioners and 10,449 deferred members at 31 December 2025. 7,363 members have benefits accrued from 2007 to 2013 under a hybrid arrangement. In addition, there are 918 members comprising 167 pensioners and 751 deferred members at 31 December 2025 in EBS Defined Benefit Schemes.

#### (i) Responsibilities for governance

The Trustees of each Group pension scheme are ultimately responsible for the governance of the schemes. In respect of the Irish schemes, the scheme actuary reviews the statutory minimum funding requirement annually. In the event of a deficit on the statutory funding basis either the Group can meet the deficit over an agreed period through agreeing a funding proposal with the Trustees and pensions regulator or making a contribution to meet the deficit. There are currently no funding proposals or contribution requirements in respect of the Irish schemes and the scheme actuary's most recent review confirmed that the schemes met their statutory funding obligations. Funding arrangements for the UK scheme are described in the asset-liability matching strategies within this note.

#### (ii) Risks

Details of the pension risk to which the Group is exposed are set out in the Risk Management section on pages 225 and 226 of this report.

#### (iii) Valuations

Independent actuarial valuations for the Irish scheme and the UK scheme are carried out on a triennial basis by the schemes' actuary, Mercer. The most recent valuation of the Irish scheme was carried out at 30 June 2024 and reported the scheme to be in surplus. The next actuarial valuation of the Irish scheme will be prepared with an effective date of 30 June 2027 with the results expected by 31 March 2028. No deficit funding is required at this time as the Irish scheme continues to meet the minimum funding standard. The most recent valuation of the UK scheme was carried out at 31 December 2023. The next actuarial valuation of the UK scheme will be carried out for 31 December 2026 with the results expected by 31 March 2028.

#### (iv) Contributions

Total contributions to all defined benefit pension schemes operated by the Group in 2025 amounted to €19 million (2024: €24 million). There were no contributions made to the Irish scheme in 2025 (2024: Nil). Contributions of £16.1 million were made to the UK scheme (2024: £18.5 million) with further detail on this provided in the Asset-liability matching strategies within this note. Total contributions to all defined benefit pension schemes operated by the Group for the year to 31 December 2026 are estimated to be €3 million.



## Notes to the Consolidated Financial Statements *continued*

### 26 Retirement benefits *continued*

#### (v) Financial assumptions

The following table summarises the financial assumptions adopted in the preparation of these financial statements in respect of the main schemes at 31 December 2025 and 2024. The assumptions have been set based upon the advice of the Group's actuary.

| Financial assumptions                                                                      | 2025<br>%   | 2024<br>% |
|--------------------------------------------------------------------------------------------|-------------|-----------|
| <b>Irish scheme</b>                                                                        |             |           |
| Rate of increase of pensions in payment                                                    | <b>2.10</b> | 1.90      |
| Discount rate                                                                              | <b>4.21</b> | 3.52      |
| Inflation assumptions that apply to deferred members' benefits up to their retirement date | <b>1.70</b> | 1.90      |
| <b>UK scheme</b>                                                                           |             |           |
| Rate of increase of pensions in payment <sup>1</sup>                                       | <b>2.95</b> | 3.20      |
| Discount rate                                                                              | <b>5.50</b> | 5.50      |
| Inflation assumptions (RPI)                                                                | <b>2.90</b> | 3.10      |

1. The UK scheme's long-term inflation (RPI) assumption considers both projected inflation and deflation. The pension increase assumption considers increases in line with RPI but has a floor of 0%.

#### – Funding of increases in pensions in payment for the Irish scheme

The Board previously determined that the funding of discretionary increases to pensions in payment is a decision to be made by the Board each year. A process, taking account of all relevant interests and factors was implemented by the Board. These interests and factors include: the advice of the Actuary; the interests of the members of the scheme; the interests of the employees; the Group's financial circumstances and ability to pay; the views of the Trustees and the Group's commercial interests. As a result of this process, the Group's judgement is that a constructive obligation to fund future discretionary pension in payment increases does not exist. The Group decided in February 2025 and 2026 that the funding of discretionary increases was not appropriate in either year in relation to the Irish scheme.

#### – Rate of increase of pensions in payment – Irish scheme

Notwithstanding the decisions by the Board not to fund discretionary increases, the Trustee of the Irish scheme awarded an increase of 1.80% in 2025 (2024: increase of 3.40%). Taking this decision by the Trustee into consideration and the financial position of the scheme, the long-term assumption for future discretionary increases in pensions in payment continues to reflect an assessment of the Trustee's ability to grant further discretionary increases without funding from the Group. Having taken actuarial advice, this amount was estimated to increase scheme liabilities by €748 million at 31 December 2025 (31 December 2024: €808 million). This is equivalent to a rate of 2.10% (31 December 2024: 1.90%) for the long-term assumption for future discretionary increases in pensions in payment (which is the lower of the surplus available to the Trustee to distribute or the long-term inflation assumption).

#### (vi) Demographic assumptions

Demographic assumptions include assumptions for mortality, proportions married, commutation and retirement age. The mortality assumption has the most material impact on changes in demographic assumptions and further details on this assumption are set out below. The life expectancies underlying the value of the scheme liabilities for the Irish and UK schemes at 31 December 2025 and 2024 are shown in the following table.

|                                | Life expectancy – years |      |                   |      |
|--------------------------------|-------------------------|------|-------------------|------|
|                                | Irish scheme<br>2025    | 2024 | UK scheme<br>2025 | 2024 |
| Retiring today age 63          |                         |      |                   |      |
| Males                          | <b>25.2</b>             | 25.1 | <b>24.3</b>       | 24.2 |
| Females                        | <b>27.1</b>             | 27.0 | <b>25.9</b>       | 26.2 |
| Retiring in 10 years at age 63 |                         |      |                   |      |
| Males                          | <b>25.8</b>             | 25.8 | <b>24.2</b>       | 24.5 |
| Females                        | <b>27.8</b>             | 27.8 | <b>26.6</b>       | 27.2 |

The mortality assumptions for the Irish and UK schemes were updated in 2021 to reflect emerging market experience. The table shows that a member of the Irish scheme retiring at age 63 on 31 December 2025 is assumed to live on average for 25.2 years for a male (24.3 years for the UK scheme) and 27.1 years for a female (25.9 years for the UK scheme). There will be variation between members but these assumptions are expected to be appropriate for all members. The table also shows the life expectancy for members aged 53 on 31 December 2025 who will retire in ten years. Younger members are expected to live longer in retirement than those retiring now, reflecting a decrease in mortality rates in future years due to advances in medical science and improvements in standards of living.

## 26 Retirement benefits continued

### (vii) Movement in defined benefit obligation and scheme assets

The following table sets out the movement in the defined benefit obligation and scheme assets during 2025 and 2024:

|                                                              | 2025                       |                             |                                             |                                          | 2024                       |                             |                                             |                                          |
|--------------------------------------------------------------|----------------------------|-----------------------------|---------------------------------------------|------------------------------------------|----------------------------|-----------------------------|---------------------------------------------|------------------------------------------|
|                                                              | Defined benefit obligation | Fair value of scheme assets | Asset ceiling/ minimum funding <sup>1</sup> | Net defined benefit (liabilities) assets | Defined benefit obligation | Fair value of scheme assets | Asset ceiling/ minimum funding <sup>1</sup> | Net defined benefit (liabilities) assets |
|                                                              | € m                        | € m                         | € m                                         | € m                                      | € m                        | € m                         | € m                                         | € m                                      |
| <b>At 1 January</b>                                          | <b>(4,950)</b>             | <b>5,586</b>                | <b>(614)</b>                                | <b>22</b>                                | <b>(5,023)</b>             | <b>5,690</b>                | <b>(650)</b>                                | <b>17</b>                                |
| <b>Included in profit or loss</b>                            |                            |                             |                                             |                                          |                            |                             |                                             |                                          |
| Past service cost                                            | (4)                        | —                           | —                                           | (4)                                      | (1)                        | —                           | —                                           | (1)                                      |
| Interest (cost)/income                                       | (184)                      | 206                         | (21)                                        | 1                                        | (183)                      | 209                         | (23)                                        | 3                                        |
| Administration costs                                         | —                          | (4)                         | —                                           | (4)                                      | —                          | (5)                         | —                                           | (5)                                      |
|                                                              | <b>(188)</b>               | <b>202</b>                  | <b>(21)</b>                                 | <b>(7)</b>                               | <b>(184)</b>               | <b>204</b>                  | <b>(23)</b>                                 | <b>(3)</b>                               |
| <b>Included in other comprehensive income</b>                |                            |                             |                                             |                                          |                            |                             |                                             |                                          |
| <i>Remeasurement loss:</i>                                   |                            |                             |                                             |                                          |                            |                             |                                             |                                          |
| – Actuarial (loss)/gain arising from:                        |                            |                             |                                             |                                          |                            |                             |                                             |                                          |
| – Experience adjustments <sup>2</sup>                        | (70)                       | —                           | —                                           | (70)                                     | (45)                       | —                           | —                                           | (45)                                     |
| – Changes in demographic assumptions                         | 6                          | —                           | —                                           | 6                                        | 1                          | —                           | —                                           | 1                                        |
| – Changes in financial assumptions                           | 376                        | —                           | —                                           | 376                                      | 84                         | —                           | —                                           | 84                                       |
| – Return on scheme assets excluding interest income          | —                          | (219)                       | —                                           | (219)                                    | —                          | (117)                       | —                                           | (117)                                    |
| – Asset ceiling/minimum funding adjustments                  | —                          | —                           | (116)                                       | (116)                                    | —                          | —                           | 59                                          | 59                                       |
| Total remeasurement loss                                     |                            |                             |                                             | <b>(23)</b> <sup>3</sup>                 |                            |                             |                                             | <b>(18)</b> <sup>3</sup>                 |
| Translation adjustment on non-Euro schemes                   | 41                         | (40)                        | —                                           | 1                                        | (36)                       | 38                          | —                                           | 2                                        |
|                                                              | <b>353</b>                 | <b>(259)</b>                | <b>(116)</b>                                | <b>(22)</b>                              | <b>4</b>                   | <b>(79)</b>                 | <b>59</b>                                   | <b>(16)</b>                              |
| <b>Other</b>                                                 |                            |                             |                                             |                                          |                            |                             |                                             |                                          |
| Contributions by employer                                    | —                          | 19                          | —                                           | 19                                       | —                          | 24                          | —                                           | 24                                       |
| Benefits paid                                                | 264                        | (264)                       | —                                           | —                                        | 253                        | (253)                       | —                                           | —                                        |
|                                                              | <b>264</b>                 | <b>(245)</b>                | <b>—</b>                                    | <b>19</b>                                | <b>253</b>                 | <b>(229)</b>                | <b>—</b>                                    | <b>24</b>                                |
| <b>At 31 December</b>                                        | <b>(4,521)</b>             | <b>5,284</b>                | <b>(751)</b>                                | <b>12</b>                                | <b>(4,950)</b>             | <b>5,586</b>                | <b>(614)</b>                                | <b>22</b>                                |
|                                                              |                            |                             |                                             |                                          |                            |                             |                                             |                                          |
|                                                              | Ireland <sup>4</sup>       | UK                          | Other                                       | 31 December 2025                         | Ireland <sup>4</sup>       | UK                          | Other                                       | 31 December 2024                         |
|                                                              | € m                        | € m                         | € m                                         | € m                                      | € m                        | € m                         | € m                                         | € m                                      |
| <b>Recognised on the statement of financial position as:</b> |                            |                             |                                             |                                          |                            |                             |                                             |                                          |
| Retirement benefit assets                                    | —                          | 7                           | 12                                          | 19                                       | —                          | 20                          | 11                                          | 31                                       |
| Retirement benefit liabilities                               | —                          | —                           | (7)                                         | (7)                                      | —                          | —                           | (9)                                         | (9)                                      |
| <b>Net pension surplus</b>                                   | <b>—</b>                   | <b>7</b>                    | <b>5</b>                                    | <b>12</b>                                | <b>—</b>                   | <b>20</b>                   | <b>2</b>                                    | <b>22</b>                                |

1. In recognising the net surplus or deficit on a pension scheme, the funded status of each scheme is adjusted to reflect any minimum funding requirement and any ceiling on the amount that the sponsor has a right to recover from a scheme.

2. The effects of differences between the previous actuarial assumptions and what has actually occurred.

3. After tax €16m (2024: €13m), see note 13.

4. Includes the Irish and EBS schemes.

## Notes to the Consolidated Financial Statements *continued*

### 26 Retirement benefits *continued*

#### Scheme assets

The Group has disclosed an analysis of scheme assets by asset class in accordance with the requirements of IAS 19. In 2024 additional voluntary disclosures were provided for certain asset classes. The 2024 comparatives have been re-presented to align with the disclosure in 2025.

|                                                   | 2025<br>€ m  | 2024<br>€ m  |
|---------------------------------------------------|--------------|--------------|
| Cash and cash equivalents                         | 528          | 148          |
| Quoted equity instruments                         | 710          | 995          |
| Quoted debt instruments                           | 1,044        | 1,801        |
| Real estate <sup>1,2</sup>                        | 282          | 278          |
| Derivatives                                       | 2            | (14)         |
| Quoted investment funds                           | 2,069        | 1,585        |
| Mortgage backed securities <sup>2</sup>           | —            | 115          |
| Insurance contracts <sup>3</sup>                  | 649          | 678          |
| <b>Fair value of scheme assets at 31 December</b> | <b>5,284</b> | <b>5,586</b> |

1. Located in Europe.

2. A quoted market price in an active market is not available.

3. Further details on these contracts are set out in the Asset-liability matching strategies section within this note.

#### Sensitivity analysis for principal assumptions used to measure scheme liabilities

There are inherent uncertainties surrounding the assumptions adopted in calculating the liabilities of the pension schemes. Set out in the table below is a sensitivity analysis of the key assumptions for the Irish scheme and the UK scheme at 31 December 2025. A sensitivity analysis for the rate of increase of pensions in payment is not provided for the Irish scheme, as this rate is dependent on the surplus available to the Trustee to distribute and the advice of the actuary (see page 300). The inflation sensitivities for the UK Scheme are a combination of those relating to deferred members and pensioners.

In the table below, changes in assumptions are independent of each other (i.e. the effect of the reflected change in the discount rate assumes that there has been no change in the rate of mortality assumption and vice versa).

|                                                     | 2025                                          |                 |                                            |                 | 2024                                          |                 |                                            |                 |
|-----------------------------------------------------|-----------------------------------------------|-----------------|--------------------------------------------|-----------------|-----------------------------------------------|-----------------|--------------------------------------------|-----------------|
|                                                     | Irish scheme<br>defined benefit<br>obligation |                 | UK scheme<br>defined benefit<br>obligation |                 | Irish scheme<br>defined benefit<br>obligation |                 | UK scheme<br>defined benefit<br>obligation |                 |
|                                                     | Increase<br>€ m                               | Decrease<br>€ m | Increase<br>€ m                            | Decrease<br>€ m | Increase<br>€ m                               | Decrease<br>€ m | Increase<br>€ m                            | Decrease<br>€ m |
| Discount rate (0.25% movement)                      | (82)                                          | 86              | (18)                                       | 16              | (101)                                         | 106             | (19)                                       | 18              |
| Inflation (0.25% movement)                          | 25                                            | (24)            | 15                                         | (18)            | 39                                            | (37)            | 17                                         | (19)            |
| Future mortality (1 year change in life expectancy) | 79                                            | (79)            | 22                                         | (19)            | 106                                           | (106)           | 16                                         | (18)            |

#### Maturity of the defined benefit obligation

The weighted average duration of the Irish scheme at 31 December 2025 is 12 years (2024: 13 years) and of the UK scheme at 31 December 2025 is 11 years (2024: 11 years).

#### Asset-liability matching strategies

##### UK scheme

The Group and the Trustee began a substantial de-risking process of the UK scheme in 2019, with the initial purchase of a buy-in for the pensioner members and an assured payment policy for the deferred pensioner members. The de-risking was completed in 2025 and all members' benefits are now substantially covered by buy-in policies which match the amount and timing of the benefits payable to the members covered. Therefore, the value of the buy-in contract will be equal to the value of the insured liabilities, using the same IAS 19 assumptions. There are liabilities in respect of Guaranteed Minimum Pension (GMP) equalisation and data true-ups of the buy-in transactions that are expected to be covered by the buy-ins over 2026 and 2027.

To complete the conversion to buy-in, the Group made total payments of £16.1 million in 2025. This was made up of £2 million contributions to meet scheme expenses and £14.1 million to cover the final buy-in transaction, the expected cost of insuring GMP equalisation and data true-up liabilities, and a cash buffer to ensure the scheme has sufficient liquidity to pay benefits as they fall due. The Group expects to make payments of £2.6 million in 2026, which includes £2 million for expected Trustee expenses and an additional £0.6 million in respect of the difference between the initial and final buy-in pricing from Legal and General Assurance Society (LGAS). These payments and any other related costs are subject to change prior to finalising the buy-in.

##### Irish scheme

The Irish scheme continued to de-risk in 2025, with further sales of equities and additional investments in its Liability Driven Investment (LDI) portfolio, which is in place to hedge its interest rate and inflation risk. The LDI portfolio comprises a mixture of nominal bonds, inflation linked bonds and interest rate and inflation derivatives.

## 26 Retirement benefits *continued*

### Other long-term employee benefits

Other long-term employee benefits include additional benefits which the Group provides to employees who suffer prolonged periods of sickness, subject to the qualifying terms of the insurer. It provides for the partial replacement of income in the event of illness or injury resulting in the employee's long-term absence from work.

Furthermore, on the death of an employee before their normal retirement date, the Group has in place insurance policies to cover the additional financial costs to the Group under the terms of the schemes.

In 2025, the Group contributed €11 million (2024: €11 million) towards insuring these benefits which are included in 'Operating expenses' (note 10).

## 27 Deposits and advances from banks

|                                                           | 2025<br>€ m | 2024<br>€ m |
|-----------------------------------------------------------|-------------|-------------|
| Central bank – secured                                    | —           | 6           |
| Other bank – unsecured <sup>1</sup>                       | 21          | 27          |
| <b>Deposits by central banks and banks<sup>1</sup></b>    | <b>21</b>   | <b>33</b>   |
| Cash collateral advanced by other banks <sup>1,2</sup>    | 135         | 803         |
| <b>Total deposits and advances from banks<sup>1</sup></b> | <b>156</b>  | <b>836</b>  |

1. Refer to note 1 (c) for further information about the change in presentation to the financial statements.

2. Relates to cash collateral received from derivative and repurchase agreement counterparties.

### Financial assets pledged for secured borrowings

Financial assets pledged for secured borrowings and providing access to future funding facilities with central banks and banks are detailed in the following table.

|                                                         | 2025                    |              |              | 2024                    |              |              |
|---------------------------------------------------------|-------------------------|--------------|--------------|-------------------------|--------------|--------------|
|                                                         | Central<br>banks<br>€ m | Banks<br>€ m | Total<br>€ m | Central<br>banks<br>€ m | Banks<br>€ m | Total<br>€ m |
| Government securities                                   | 10                      | —            | 10           | 9                       | —            | 9            |
| Other securities <sup>1</sup>                           | 460                     | —            | 460          | 78                      | —            | 78           |
| <b>Total carrying value of financial assets pledged</b> | <b>470</b>              | <b>—</b>     | <b>470</b>   | <b>87</b>               | <b>—</b>     | <b>87</b>    |

1. Securities pledged as collateral include third party securities held by the Group and covered bonds secured on pools of residential mortgages that have been issued by and are held by the Group.

## 28 Deposits and advances from customers

|                                                               | 2025<br>€ m    | 2024<br>€ m    |
|---------------------------------------------------------------|----------------|----------------|
| Current accounts                                              | 64,871         | 62,657         |
| Demand deposits                                               | 32,392         | 31,126         |
| Time deposits <sup>1</sup>                                    | 19,976         | 16,033         |
| <b>Customer deposits<sup>1</sup></b>                          | <b>117,239</b> | <b>109,816</b> |
| Cash collateral advanced from customers <sup>1,2</sup>        | 432            | 67             |
| <b>Total deposits and advances from customers<sup>1</sup></b> | <b>117,671</b> | <b>109,883</b> |

Deposits and advances from customers are analysed as follows:

|                                                                       |                |                |
|-----------------------------------------------------------------------|----------------|----------------|
| Non-interest bearing current accounts                                 | 60,950         | 58,454         |
| Interest bearing deposits, current accounts and short term borrowings | 56,721         | 51,429         |
| <b>Total deposits and advances from customers<sup>1</sup></b>         | <b>117,671</b> | <b>109,883</b> |
| <i>of which comprises amounts due to equity accounted investments</i> | <b>19</b>      | <b>320</b>     |

1. Refer to note 1 (c) for further information about the change in presentation to the financial statements.

2. Relates to cash collateral received from derivative and repurchase agreement counterparties.

At 31 December 2025, the Group's five largest customer deposits amounted to 1% (2024: 1%) of total deposits and advances from customers.

## Notes to the Consolidated Financial Statements *continued*

### 29 Debt securities in issue

|                                       | 2025<br>€ m  | 2024<br>€ m  |
|---------------------------------------|--------------|--------------|
| <b>Issued by AIB Group plc</b>        |              |              |
| Euro Medium Term Note Programme       | (a) 4,799    | 5,245        |
| Global Medium Term Note Programme     | (a) 2,368    | 2,628        |
|                                       | <b>7,167</b> | <b>7,873</b> |
| <b>Issued by subsidiaries</b>         |              |              |
| Credit linked notes                   | (b) 114      | 95           |
| Bonds and other medium term notes     | 26           | 27           |
| Commercial paper                      | (c) 876      | 837          |
|                                       | <b>1,016</b> | <b>959</b>   |
| <b>Total debt securities in issue</b> | <b>8,183</b> | <b>8,832</b> |

|                                                          | 2025<br>€ m  | 2024<br>€ m  |
|----------------------------------------------------------|--------------|--------------|
| <b>Analysis of movements in debt securities in issue</b> |              |              |
| <b>At 1 January</b>                                      | <b>8,832</b> | <b>8,423</b> |
| Issued during the year                                   | 6,183        | 4,011        |
| Repurchased                                              | (770)        | —            |
| Matured                                                  | (5,742)      | (3,886)      |
| Amortisation                                             | 52           | 22           |
| Other <sup>1</sup>                                       | (372)        | 262          |
| <b>At 31 December</b>                                    | <b>8,183</b> | <b>8,832</b> |

1. Includes a positive fair value hedge adjustment of €55m (2024: positive €70m), negative foreign exchange of €428m (2024: positive €192m).

#### (a) Euro and Global Medium Term Note Programme

All the issuances by AIB Group plc are initially eligible to meet the Group's MREL requirements. These instruments are redeemable for tax or for regulatory reasons, subject to the permission of the relevant regulation authority.

##### Issuances

During 2025, AIB Group plc issued the following senior unsecured notes:

| Issue date | Nominal amount | Optional redemption date | Maturity date | Interest rate <sup>1</sup> |
|------------|----------------|--------------------------|---------------|----------------------------|
| March 2025 | €500m          | March 2032               | March 2033    | 3.75% Fixed Rate           |
| March 2025 | €300m          | March 2035               | March 2036    | 4% Fixed Rate              |
| May 2025   | \$750m         | May 2030                 | May 2031      | 5.32% Fixed Rate           |

1. Interest is payable annually, or semi-annually in arrears.

##### Repurchases

During 2025, AIB Group plc repurchased the following senior unsecured notes:

| Repurchase date | Nominal amount | Repurchased nominal | Maturity date | Interest rate     | Outstanding nominal |
|-----------------|----------------|---------------------|---------------|-------------------|---------------------|
| March 2025      | €750m          | €343m               | July 2026     | 3.625% Fixed Rate | Nil <sup>1</sup>    |
| May 2025        | \$750m         | \$469m              | October 2026  | 7.583% Fixed Rate | Nil <sup>2</sup>    |

1. The remaining nominal of €407m was redeemed in July on the call date.

2. The remaining nominal of \$281m was redeemed in October on the call date.

#### (b) Credit linked notes

The following table shows the amortising credit linked notes issued by the Group as part of credit risk transfer transactions. For further information on Significant Risk Transfer, refer to 'credit risk mitigants' on page 185 in the Risk Management section of this report.

| Issue date    | Initial nominal amount | Optional redemption date | Maturity date | Interest rate <sup>1</sup> | Reference portfolio                |
|---------------|------------------------|--------------------------|---------------|----------------------------|------------------------------------|
| November 2024 | €97.5m                 | January 2028             | January 2033  | Floating Rate              | Corporate loans                    |
| December 2025 | €49.81m                | January 2039             | January 2044  | Floating Rate              | Residential mortgages <sup>2</sup> |

1. Interest is payable quarterly in arrears.

2. During 2025, AIB Group plc executed a significant risk transfer transaction on a reference portfolio of €1.97bn of residential mortgages.

#### (c) Commercial paper

Allied Irish Banks, p.l.c. introduced a short-term commercial paper programme in 2024. This programme is used as an additional liquidity mechanism whereby short-term debt, with maturities of typically less than six months, is issued in EUR, GBP and USD.



## 30 Lease liabilities

|                                                   | 2025<br>€ m | 2024<br>€ m |
|---------------------------------------------------|-------------|-------------|
| <b>Analysis of movements in lease liabilities</b> |             |             |
| <b>At 1 January</b>                               | <b>258</b>  | 282         |
| Lease payments <sup>1</sup>                       | (40)        | (43)        |
| Interest expense <sup>1</sup>                     | 10          | 9           |
| Additions                                         | 15          | 9           |
| Foreign exchange translation adjustments          | (2)         | 1           |
| <b>At 31 December</b>                             | <b>241</b>  | 258         |

1. Comprises principal payments of €30m (2024: €34m) and interest payments of €10m (2024: €9m).

|                                                                 | 2025<br>€ m | 2024<br>€ m |
|-----------------------------------------------------------------|-------------|-------------|
| <b>Maturity analysis – contractual undiscounted cash flows:</b> |             |             |
| Not later than one year                                         | 41          | 41          |
| Later than one year and not later than five years               | 121         | 127         |
| Later than five years                                           | 139         | 160         |
| <b>Total undiscounted lease liabilities at end of year</b>      | <b>301</b>  | 328         |

## 31 Other liabilities

|                                | 2025<br>€ m  | 2024<br>€ m |
|--------------------------------|--------------|-------------|
| Notes in circulation           | 30           | 33          |
| Items in transit               | 126          | 65          |
| Creditors                      | 36           | 40          |
| Stockbroking client creditors  | 32           | 11          |
| Bank drafts                    | 249          | 252         |
| Items in course of collection  | 377          | 321         |
| Other <sup>1</sup>             | 382          | 389         |
| <b>Total other liabilities</b> | <b>1,232</b> | 1,111       |

Other liabilities are analysed as follows:

|                     |              |       |
|---------------------|--------------|-------|
| Less than 1 year    | 1,158        | 1,047 |
| Greater than 1 year | 74           | 64    |
|                     | <b>1,232</b> | 1,111 |

1. Includes invoice discounting credit balances on deposits and advances from customers €141m (2024: €120m) and debt securities awaiting settlement Nil (2024: €32m).

## Notes to the Consolidated Financial Statements *continued*

### 32 Tier 2 subordinated liabilities and other capital instruments

|                                                                            | 2025<br>€ m  | 2024<br>€ m  |
|----------------------------------------------------------------------------|--------------|--------------|
| <b>Dated loan capital – European Medium Term Note Programme:</b>           |              |              |
| <b>Issued by AIB Group plc</b>                                             |              |              |
| €1bn Subordinated Tier 2 Notes                                             | (a) 990      | 963          |
| €650m Subordinated Tier 2 Notes                                            | (b) 655      | 662          |
| €1bn Subordinated Tier 2 Notes                                             | (c) 980      | —            |
|                                                                            | <b>2,625</b> | <b>1,625</b> |
| <b>Issued by subsidiaries</b>                                              |              |              |
| €500m Callable Step-up Floating Rate Notes (nominal value €0.2m) due 2035  | —            | —            |
| £368m 12.5% Subordinated Notes (nominal value £1.715m) due 2035            | 1            | 2            |
| £500m Callable Fixed/Floating Rate Notes (nominal value £0.136m) due 2035  | —            | —            |
|                                                                            | <b>1</b>     | <b>2</b>     |
| <b>Total Tier 2 subordinated liabilities and other capital instruments</b> | <b>2,626</b> | <b>1,627</b> |

Dated loan capital outstanding is repayable as follows:

|                 |       |       |
|-----------------|-------|-------|
| 5 years or more | 2,626 | 1,627 |
|-----------------|-------|-------|

|                                                                                               | 2025<br>€ m  | 2024<br>€ m  |
|-----------------------------------------------------------------------------------------------|--------------|--------------|
| <b>Analysis of movements in Tier 2 subordinated liabilities and other capital instruments</b> |              |              |
| <b>At 1 January</b>                                                                           | <b>1,627</b> | <b>1,473</b> |
| Issued during the year                                                                        | 1,000        | 650          |
| Repurchased                                                                                   | (1)          | (502)        |
| Matured                                                                                       | —            | (94)         |
| Amortisation                                                                                  | —            | 3            |
| Other                                                                                         | —            | 97           |
| <b>At 31 December</b>                                                                         | <b>2,626</b> | <b>1,627</b> |

#### Dated loan capital issued by AIB Group plc

The following table shows the dated loan capital at 31 December 2025 and 2024:

|     | Nominal amount | Issue date     | Optional redemption date | Maturity date | Interest rate <sup>1</sup> | Interest rate reset on optional redemption date   |
|-----|----------------|----------------|--------------------------|---------------|----------------------------|---------------------------------------------------|
| (a) | €1bn           | September 2020 | May 2026                 | May 2031      | 2.875% Fixed Rate          | Euro 5 year Mid Swap rate plus a margin of 330bps |
| (b) | €650m          | May 2024       | May 2030                 | May 2035      | 4.625% Fixed Rate          | Euro 5 year Mid Swap rate plus a margin of 190bps |
| (c) | €1bn           | December 2025  | December 2031            | December 2036 | 3.75% Fixed Rate           | Euro 5 year Mid Swap rate plus a margin of 140bps |

1. Interest is payable annually in arrears.

The Notes may be redeemed in whole, but not in part, at the option of the Group on the optional redemption date, subject to the approval of the regulatory authorities, with approval being conditional on meeting the requirements of the EU Capital Requirements Regulation.

#### Dated subordinated loan capital issued by subsidiaries

Following liability management exercises and the Subordinated Liabilities Order (SLO) in 2011, residual balances remained on the dated loan capital instruments above. The SLO, which was effective from 22 April 2011, changed the terms of all of those outstanding dated loan capital instruments. The original liabilities were derecognised and new liabilities were recognised, with their initial measurement based on the fair value at the SLO effective date. The contractual maturity date changed to 2035 as a result of the SLO, and payment of coupons became optional at the discretion of the Group. The Board of Allied Irish Banks, p.l.c. has considered the matter and as at the date of this report, the Group's position is that coupons are not paid on these instruments. These instruments will amortise to their nominal value in the period to their maturity in 2035. In 2025, Allied Irish Banks, p.l.c. repurchased €1 million (2024: €118 million) nominal of these notes, at a discount to par.

#### Additional information

The dated loan capital in this section is subordinated in right of payment to senior creditors, including depositors, of the respective issuing entities. Following the implementation in Ireland of the EU (Bank Recovery and Resolution) Regulations 2015, these notes are loss absorbing at the point of non-viability.

### 33 Provisions for liabilities and commitments

|                                                                    | 2025                |                         |                         |                        |
|--------------------------------------------------------------------|---------------------|-------------------------|-------------------------|------------------------|
|                                                                    | Legal claims<br>€ m | Customer redress<br>€ m | Other provisions<br>€ m | Total<br>€ m           |
| <b>At 1 January 2025</b>                                           | <b>23</b>           | <b>94</b>               | <b>29</b>               | <b>146</b>             |
| Charged to income statement                                        | 6                   | 2                       | 2                       | 10 <sup>1</sup>        |
| Released to income statement                                       | (8)                 | (4)                     | —                       | (12) <sup>1</sup>      |
| Provisions utilised                                                | (5)                 | (45)                    | (4)                     | (54)                   |
| <b>At 31 December 2025</b>                                         | <b>16</b>           | <b>47</b>               | <b>27</b>               | <b>90</b> <sup>2</sup> |
| <b>ECLs on loan commitments and financial guarantees contracts</b> |                     |                         |                         |                        |
| <b>At 1 January 2025</b>                                           |                     |                         |                         | <b>57</b>              |
| Net writeback to income statement                                  |                     |                         |                         | (8) <sup>3</sup>       |
| Disposals                                                          |                     |                         |                         | —                      |
| Exchange translation adjustments                                   |                     |                         |                         | (1)                    |
| <b>At 31 December 2025</b>                                         |                     |                         |                         | <b>48</b>              |
| <b>Total provisions for liabilities and commitments</b>            |                     |                         |                         | <b>138</b>             |

|                                                                    | 2024                |                         |                         |                         |
|--------------------------------------------------------------------|---------------------|-------------------------|-------------------------|-------------------------|
|                                                                    | Legal claims<br>€ m | Customer redress<br>€ m | Other provisions<br>€ m | Total<br>€ m            |
| <b>At 1 January 2024</b>                                           | <b>23</b>           | <b>82</b>               | <b>33</b>               | <b>138</b>              |
| Charged to income statement                                        | 3                   | 68                      | 7                       | 78 <sup>1</sup>         |
| Released to income statement                                       | (1)                 | (16)                    | (5)                     | (22) <sup>1</sup>       |
| Provisions utilised                                                | (2)                 | (40)                    | (6)                     | (48)                    |
| <b>At 31 December 2024</b>                                         | <b>23</b>           | <b>94</b>               | <b>29</b>               | <b>146</b> <sup>2</sup> |
| <b>ECLs on loan commitments and financial guarantees contracts</b> |                     |                         |                         |                         |
| <b>At 1 January 2024</b>                                           |                     |                         |                         | <b>59</b>               |
| Net writeback to income statement                                  |                     |                         |                         | (3) <sup>3</sup>        |
| Disposals                                                          |                     |                         |                         | —                       |
| Exchange translation adjustments                                   |                     |                         |                         | 1                       |
| <b>At 31 December 2024</b>                                         |                     |                         |                         | <b>57</b>               |
| <b>Total provisions for liabilities and commitments</b>            |                     |                         |                         | <b>203</b>              |

1. Included in note 10.

2. Amounts expected to be settled within one year are €51m (2024: €99m). Amounts expected to be settled outside of one year amount to €39m (31 December 2024: €47m).

3. Included in note 11.

The ECL allowance on loan commitments and financial guarantee contracts are presented as a provision in the balance sheet (i.e. as a liability under IFRS 9) and separate from the ECL allowance on financial assets. For details of the geographic concentration of contingent liabilities and commitments and internal credit ratings, see pages 199 and 208 in the Risk Management section of this report.

#### Legal claims

In the ordinary course of business, legal claims (claims which have resulted in legal cases commencing in the Courts) are frequently served on the Group. There is always a level of uncertainty with legal claims given the range of potential outcomes. The Group considers many factors, including the background facts of the legal claim, legal advice and the stage of the legal claim to determine the appropriate provision.

#### Customer redress

Customer redress relates to remediation payments to customers and associated costs for certain legacy matters such as investment property funds; the 2020 Financial Services and Pensions Ombudsman decision; and other customer redress provisions. The provision represents the Group's best estimate of the costs of remediation of any remaining impacted customers, addressing customer appeals and closing out other related matters. Due to the complex nature of these legacy matters, they can take some time to resolve and the final outcome may be higher or lower depending on the finalisation of all associated matters.

#### Other provisions

Other provisions, which are individually immaterial, include provisions for right-of-use commitments, onerous contracts and other miscellaneous provisions.

## Notes to the Consolidated Financial Statements *continued*

### 34 Share capital

The following table shows the authorised and fully paid issued share capital:

|                                | 31 December 2025      |       | 31 December 2024      |       |
|--------------------------------|-----------------------|-------|-----------------------|-------|
|                                | Number of shares<br>m | € m   | Number of shares<br>m | € m   |
| <b>Authorised</b>              |                       |       |                       |       |
| <b>Ordinary share capital</b>  |                       |       |                       |       |
| Ordinary shares of €0.625 each | 4,000.0               | 2,500 | 4,000.0               | 2,500 |
| <b>Issued and fully paid</b>   |                       |       |                       |       |
| <b>Ordinary share capital</b>  |                       |       |                       |       |
| Ordinary shares of €0.625 each | 2,136.7               | 1,335 | 2,328.4               | 1,455 |

All AIB Group plc ordinary shares in issue confer identical rights, including in respect of capital, dividends and voting.

#### Movement in ordinary shares

The following table shows the movement in the number of ordinary shares:

|                                                    | 2025                  | 2024                  |
|----------------------------------------------------|-----------------------|-----------------------|
|                                                    | Number of shares<br>m | Number of shares<br>m |
| <b>At 1 January</b>                                | <b>2,328.4</b>        | 2,618.7               |
| Repurchase and cancellation of shares <sup>1</sup> | (191.7)               | (290.3)               |
| <b>At 31 December</b>                              | <b>2,136.7</b>        | 2,328.4               |

1. In May 2025, AIB Group plc completed a directed share buyback from the Minister for Finance. This buyback resulted in the repurchase of 191,671,857 ordinary shares with a nominal value of €0.625 each for a total consideration of €1,200m. Following repurchase, these shares were cancelled and €120m, which represents the nominal value of the acquired shares, was transferred from share capital to capital redemption reserves.

#### Warrants

In 2017, warrants were issued to the Minister for Finance to subscribe for 271,166,685 ordinary shares of AIB Group plc. On 30 October 2025, the Group entered into a Warrant Cancellation Deed with the Minister to cancel the warrants in consideration for a cash payment of €390 million. The Group also incurred costs of €3 million in relation to this transaction.

#### Structure of the Company's share capital

The following table shows the structure of the Company's share capital:

|                        | 31 December 2025              |                           | 31 December 2024              |                           |
|------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
|                        | Authorised share capital<br>% | Issued share capital<br>% | Authorised share capital<br>% | Issued share capital<br>% |
| <b>Class of share</b>  |                               |                           |                               |                           |
| Ordinary share capital | 100                           | 100                       | 100                           | 100                       |

## 34 Share capital continued

### Capital resources

The following table shows the Group's capital resources:

|                                | 31 December   |             |
|--------------------------------|---------------|-------------|
|                                | 2025<br>€ m   | 2024<br>€ m |
| Equity <sup>1</sup>            | 14,691        | 15,427      |
| Dated capital notes (note 32)  | 2,626         | 1,627       |
| <b>Total capital resources</b> | <b>17,317</b> | 17,054      |

1. Includes other equity interests of €1,314m (2024: €1,239m); for further information see note 35.

The objectives of the Group's capital management policy are to at all times comply with regulatory capital requirements and to ensure that the Group has sufficient capital to cover the current and future risk inherent in its business and to support its future development

### Earnings per share

The calculation of basic earnings per ordinary shares is based on the profit attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue, excluding own shares held. The ordinary shares are included in the weighted average number of shares on a time apportioned basis.

The diluted earnings per share is based on the profit attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue, excluding own shares held, adjusted for the effect of dilutive potential ordinary shares.

There was no material difference in the weighted average number of shares used for basic and diluted earnings per share for 2025 and 2024. Warrants issued to the Minister of Finance were not included in calculating the diluted earnings per share as they were antidilutive in 2025 (up to the date of cancellation) and in 2024. Share options issued under the Group's SAYE scheme in 2025 were dilutive, however they did not materially impact the weighted average number of shares used for the diluted earnings per share calculation for 2025.

The following table shows the profit attributable to ordinary shareholders of the parent:

|                                                                   | 2025<br>€ m  | 2024<br>€ m |
|-------------------------------------------------------------------|--------------|-------------|
| <b>Profit attributable to ordinary shareholders of the parent</b> |              |             |
| Profit attributable to equity holders of the parent               | 2,141        | 2,354       |
| Distributions on other equity interests (note 35)                 | (85)         | (80)        |
| Profit attributable to ordinary shareholders of the parent        | <b>2,056</b> | 2,274       |

The following table shows the basic and diluted earnings per share:

|                   | 31 December 2025 |                                    |                              | 31 December 2024 |                                    |                              |
|-------------------|------------------|------------------------------------|------------------------------|------------------|------------------------------------|------------------------------|
|                   | Profit<br>€ m    | Number of shares <sup>1</sup><br>m | Earnings per share<br>€ cent | Profit<br>€ m    | Number of shares <sup>1</sup><br>m | Earnings per share<br>€ cent |
| Basic and diluted | 2,056            | 2,202.9                            | 93.3                         | 2,274            | 2,459.4                            | 92.5                         |

1. Weighted average number of ordinary shares in issue during the year.



## Notes to the Consolidated Financial Statements *continued*

### 35 Other equity interests

|                                                                                           |     | 2025<br>€ m  | 2024<br>€ m  |
|-------------------------------------------------------------------------------------------|-----|--------------|--------------|
| <b>Issued by AIB Group plc</b>                                                            |     |              |              |
| €625m Additional Tier 1 Perpetual Contingent Temporary Write-Down Securities <sup>1</sup> | (a) | —            | 619          |
| €625m Additional Tier 1 Perpetual Contingent Temporary Write-Down Securities <sup>2</sup> | (b) | 620          | 620          |
| €700m Additional Tier 1 Perpetual Contingent Temporary Write-Down Securities <sup>2</sup> | (c) | 694          | —            |
| <b>Total other equity interests</b>                                                       |     | <b>1,314</b> | <b>1,239</b> |

1. Included in the Group's capital base in 2024, subsequently redeemed in 2025.

2. Included in the Group's capital base.

The following table shows the securities issued by the Group at 31 December 2025 and 2024:

|     | Nominal amount | Issue date   | Optional redemption date | Interest rate <sup>1</sup> | Interest rate reset date | Interest reset                                       |
|-----|----------------|--------------|--------------------------|----------------------------|--------------------------|------------------------------------------------------|
| (a) | €625m          | June 2020    | June 2025 <sup>2</sup>   | 6.250% Fixed Rate          | December 2025            | Relevant 5 year fixed rate plus a margin of 662.9bps |
| (b) | €625m          | April 2024   | October 2029             | 7.125% Fixed Rate          | April 2030               | Relevant 5 year fixed rate plus a margin of 438.7bps |
| (c) | €700m          | January 2025 | July 2031                | 6% Fixed Rate              | January 2032             | Relevant 5 year fixed rate plus a margin of 370.5bps |

1. Interest is payable semi-annually in arrears. The interest payment is fully discretionary and non-cumulative and conditional upon the Company being solvent at the time of payment, having sufficient distributable reserves and not being required by the regulatory authorities to cancel an interest payment.

2. The Group exercised a call option to redeem this security on 23 June 2025.

The securities are perpetual securities with no fixed redemption date. The Company may, in its sole and full discretion, subject to regulatory approval, redeem all (but not some only) of the securities on any day falling in the period commencing on (and including) the optional redemption date and ending on (and including) the first reset date or on any interest payment date thereafter at the prevailing principal amount together with accrued but unpaid interest. In addition, the securities are redeemable at the option of the Company for certain regulatory or tax reasons, subject to regulatory approval.

The securities, which do not carry voting rights, rank pari passu with holders of other Tier 1 instruments (excluding the Company's ordinary shares). They rank ahead of the holders of ordinary share capital of the Company but junior to the claims of senior creditors and to Tier 2 capital of the Company.

Under the EU (Bank Recovery and Resolution) Regulations 2015, these securities are loss absorbing at the point of non-viability.

Furthermore, if the CET1 ratio of the Group at any time falls below 7%, subject to certain conditions, the Company shall write down the securities by the write-down amount and irrevocably cancel any accrued and unpaid interest up to (but excluding) the write-down date. To the extent permitted, in order to comply with regulatory capital and other requirements, the Company may reinstate any previously written down amount.

#### Distributions

Distributions amounting to €85 million (2024: €80 million) were paid on these instruments by the Group.

### 36 Capital reserves, merger reserve and capital redemption reserves

|                              | 2025                                 |                               |              | 2024                                 |                               |              |
|------------------------------|--------------------------------------|-------------------------------|--------------|--------------------------------------|-------------------------------|--------------|
|                              | Capital contribution reserves<br>€ m | Other capital reserves<br>€ m | Total<br>€ m | Capital contribution reserves<br>€ m | Other capital reserves<br>€ m | Total<br>€ m |
| <b>Capital reserves</b>      |                                      |                               |              |                                      |                               |              |
| At beginning and end of year | 955 <sup>1</sup>                     | 178 <sup>2</sup>              | 1,133        | 955 <sup>1</sup>                     | 178 <sup>2</sup>              | 1,133        |

1. Relates to the acquisition of EBS d.a.c.

2. Other capital reserves represent transfers from retained earnings in accordance with relevant legislation.

For details regarding the capital contribution reserves, refer to accounting policy (w) in note 1.

|                              | 2025<br>€ m | 2024<br>€ m |
|------------------------------|-------------|-------------|
| <b>Merger reserve</b>        |             |             |
| At beginning and end of year | (3,622)     | (3,622)     |

The following table shows the movement on capital redemption reserves:

|                                                | 2025<br>€ m | 2024<br>€ m |
|------------------------------------------------|-------------|-------------|
| <b>Capital redemption reserves</b>             |             |             |
| <b>At 1 January</b>                            | <b>255</b>  | <b>73</b>   |
| Transfer from ordinary share capital (note 34) | 120         | 182         |
| <b>At 31 December</b>                          | <b>375</b>  | <b>255</b>  |

## 37 Offsetting financial assets and financial liabilities

The disclosures set out in the following tables include financial assets and financial liabilities that:

- Are offset in the Group's statement of financial position; or
- Are subject to enforceable master netting arrangements or similar agreements that cover similar financial instruments, irrespective of whether they are offset in the statement of financial position.

The similar agreements include derivative clearing agreements, global master repurchase agreements and global master securities lending agreements. Similar financial instruments include derivatives, sales and repurchase agreements, reverse sale and repurchase agreements, and securities borrowing and lending agreements. Financial instruments such as loans and advances and deposits and advances from customers are not included in the following tables unless they are offset in the statement of financial position.

The Group has a number of ISDA Master Agreements (netting agreements) in place which allow it to net the termination values of derivative contracts upon the occurrence of an event of default with respect to its counterparties. Additionally, the Group has agreements in place which may allow it to net the termination values of cross currency swaps upon the occurrence of an event of default. The enforcement of netting agreements would potentially reduce the statement of financial position carrying amount of derivative assets and liabilities by €1,173 million at 31 December 2025 (2024: €1,385 million).

The Group's sale and repurchase and reverse sale-and-repurchase transactions and securities borrowing and lending are covered by netting agreements with terms similar to those of ISDA Master Agreements. The ISDA Master Agreements and similar master netting arrangements do not meet the criteria for offsetting in the statement of financial position where a right of set-off of recognised amounts becomes enforceable only following an event of default, insolvency or bankruptcy of the Group or the counterparties. Offsetting in the statement of financial position is applied where the Group has a legally enforceable right to set-off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Group provides and accepts collateral in the form of cash and marketable securities in respect of the following transactions:

- Derivatives;
- Sale and repurchase agreements;
- Reverse sale and repurchase agreements; and
- Securities lending and borrowing.

Collateral is subject to the standard industry terms of Credit Support Annexes (CSAs), which enable the Group to pledge or sell securities received during the term of the transaction. The collateral must be returned on the maturity of the transaction. The terms also give each counterparty the right to terminate the related transactions where the counterparty fails to post collateral. The CSAs in place provide financial collateral for derivative contracts, which refers to cash and non-cash collateral obtained. At 31 December 2025, €111 million (2024: €698 million) of cash collateral is included within financial assets and €497 million (2024: €814 million) of cash collateral is included within financial liabilities relating to CSAs.

The following table shows financial assets and financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements and those amounts not subject to offsetting at 31 December 2025 and 2024. The effects of over-collateralisation have not been taken into account in the following table.

## Notes to the Consolidated Financial Statements *continued*

### 37 Offsetting financial assets and financial liabilities *continued*

| Amounts subject to enforceable netting arrangements |      |                                                     |                                                                                                        |                                                                                         |                                                                   |                                          |                   |                                                                | 2025                                                                                     |
|-----------------------------------------------------|------|-----------------------------------------------------|--------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|-------------------------------------------------------------------|------------------------------------------|-------------------|----------------------------------------------------------------|------------------------------------------------------------------------------------------|
| Financial assets                                    | Note | Gross amounts of recognised financial assets<br>€ m | Gross amounts of recognised financial liabilities offset in the statement of financial position<br>€ m | Net amounts of financial assets presented in the statement of financial position<br>€ m | Related amounts not offset in the statement of financial position |                                          | Net amount<br>€ m | Amounts not subject to enforceable netting arrangements<br>€ m | Total amount of financial assets presented in the statement of financial position<br>€ m |
|                                                     |      |                                                     |                                                                                                        |                                                                                         | Financial instruments<br>€ m                                      | Financial collateral <sup>1</sup><br>€ m |                   |                                                                |                                                                                          |
| Derivative financial instruments                    | 15   | 1,634                                               | —                                                                                                      | 1,634                                                                                   | (1,173)                                                           | (406)                                    | 55                | 7                                                              | 1,641                                                                                    |
| Securities financing                                |      |                                                     |                                                                                                        |                                                                                         |                                                                   |                                          |                   |                                                                |                                                                                          |
| Reverse repurchase agreements                       | 18   | 6,024                                               | (1,572)                                                                                                | 4,452                                                                                   | (4,407)                                                           | (45)                                     | —                 | —                                                              | 4,452                                                                                    |
| Securities borrowings                               | 18   | 2,887                                               | —                                                                                                      | 2,887                                                                                   | (2,887)                                                           | —                                        | —                 | —                                                              | 2,887                                                                                    |
| <b>Total</b>                                        |      | <b>10,545</b>                                       | <b>(1,572)</b>                                                                                         | <b>8,973</b>                                                                            | <b>(8,467)</b>                                                    | <b>(451)</b>                             | <b>55</b>         | <b>7</b>                                                       | <b>8,980</b>                                                                             |

| Amounts subject to enforceable netting arrangements |      |                                                          |                                                                                                   |                                                                                              |                                                                   |                                          |                   |                                                                | 2025                                                                                          |
|-----------------------------------------------------|------|----------------------------------------------------------|---------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|-------------------------------------------------------------------|------------------------------------------|-------------------|----------------------------------------------------------------|-----------------------------------------------------------------------------------------------|
| Financial liabilities                               | Note | Gross amounts of recognised financial liabilities<br>€ m | Gross amounts of recognised financial assets offset in the statement of financial position<br>€ m | Net amounts of financial liabilities presented in the statement of financial position<br>€ m | Related amounts not offset in the statement of financial position |                                          | Net amount<br>€ m | Amounts not subject to enforceable netting arrangements<br>€ m | Total amount of financial liabilities presented in the statement of financial position<br>€ m |
|                                                     |      |                                                          |                                                                                                   |                                                                                              | Financial instruments<br>€ m                                      | Financial collateral <sup>1</sup><br>€ m |                   |                                                                |                                                                                               |
| Derivative financial instruments                    | 15   | 1,397                                                    | —                                                                                                 | 1,397                                                                                        | (1,173)                                                           | (224)                                    | —                 | 11                                                             | 1,408                                                                                         |
| Securities financing                                |      |                                                          |                                                                                                   |                                                                                              |                                                                   |                                          |                   |                                                                |                                                                                               |
| Securities sold under agreements to repurchase      | 18   | 2,254                                                    | (1,572)                                                                                           | 682                                                                                          | (674)                                                             | (8)                                      | —                 | —                                                              | 682                                                                                           |
| <b>Total</b>                                        |      | <b>3,651</b>                                             | <b>(1,572)</b>                                                                                    | <b>2,079</b>                                                                                 | <b>(1,847)</b>                                                    | <b>(232)</b>                             | <b>—</b>          | <b>11</b>                                                      | <b>2,090</b>                                                                                  |

| Amounts subject to enforceable netting arrangements |      |                                                     |                                                                                                        |                                                                                         |                                                                   |                                          |                   |                                                                | 2024                                                                                     |
|-----------------------------------------------------|------|-----------------------------------------------------|--------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|-------------------------------------------------------------------|------------------------------------------|-------------------|----------------------------------------------------------------|------------------------------------------------------------------------------------------|
| Financial assets                                    | Note | Gross amounts of recognised financial assets<br>€ m | Gross amounts of recognised financial liabilities offset in the statement of financial position<br>€ m | Net amounts of financial assets presented in the statement of financial position<br>€ m | Related amounts not offset in the statement of financial position |                                          | Net amount<br>€ m | Amounts not subject to enforceable netting arrangements<br>€ m | Total amount of financial assets presented in the statement of financial position<br>€ m |
|                                                     |      |                                                     |                                                                                                        |                                                                                         | Financial instruments<br>€ m                                      | Financial collateral <sup>1</sup><br>€ m |                   |                                                                |                                                                                          |
| Derivative financial instruments                    | 15   | 2,134                                               | —                                                                                                      | 2,134                                                                                   | (1,385)                                                           | (251)                                    | 498               | 10                                                             | 2,144                                                                                    |
| Securities financing                                |      |                                                     |                                                                                                        |                                                                                         |                                                                   |                                          |                   |                                                                |                                                                                          |
| Reverse repurchase agreements                       | 18   | 5,215                                               | (1,660)                                                                                                | 3,555                                                                                   | (3,538)                                                           | (17)                                     | —                 | —                                                              | 3,555                                                                                    |
| Securities borrowings                               | 18   | 3,088                                               | —                                                                                                      | 3,088                                                                                   | (3,088)                                                           | —                                        | —                 | —                                                              | 3,088                                                                                    |
| <b>Total</b>                                        |      | <b>10,437</b>                                       | <b>(1,660)</b>                                                                                         | <b>8,777</b>                                                                            | <b>(8,011)</b>                                                    | <b>(268)</b>                             | <b>498</b>        | <b>10</b>                                                      | <b>8,787</b>                                                                             |

| Amounts subject to enforceable netting arrangements |      |                                                          |                                                                                                   |                                                                                              |                                                                   |                                          |                   |                                                                | 2024                                                                                          |
|-----------------------------------------------------|------|----------------------------------------------------------|---------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|-------------------------------------------------------------------|------------------------------------------|-------------------|----------------------------------------------------------------|-----------------------------------------------------------------------------------------------|
| Financial liabilities                               | Note | Gross amounts of recognised financial liabilities<br>€ m | Gross amounts of recognised financial assets offset in the statement of financial position<br>€ m | Net amounts of financial liabilities presented in the statement of financial position<br>€ m | Related amounts not offset in the statement of financial position |                                          | Net amount<br>€ m | Amounts not subject to enforceable netting arrangements<br>€ m | Total amount of financial liabilities presented in the statement of financial position<br>€ m |
|                                                     |      |                                                          |                                                                                                   |                                                                                              | Financial instruments<br>€ m                                      | Financial collateral <sup>1</sup><br>€ m |                   |                                                                |                                                                                               |
| Derivative financial instruments                    | 15   | 1,779                                                    | —                                                                                                 | 1,779                                                                                        | (1,385)                                                           | (135)                                    | 259               | 28                                                             | 1,807                                                                                         |
| Securities financing                                |      |                                                          |                                                                                                   |                                                                                              |                                                                   |                                          |                   |                                                                |                                                                                               |
| Securities sold under agreements to repurchase      | 18   | 1,856                                                    | (1,660)                                                                                           | 196                                                                                          | (187)                                                             | (9)                                      | —                 | —                                                              | 196                                                                                           |
| <b>Total</b>                                        |      | <b>3,635</b>                                             | <b>(1,660)</b>                                                                                    | <b>1,975</b>                                                                                 | <b>(1,572)</b>                                                    | <b>(144)</b>                             | <b>259</b>        | <b>28</b>                                                      | <b>2,003</b>                                                                                  |

1. Financial collateral of €406m (2024: €251m) was received in respect of derivative assets, all of which was cash collateral. Financial collateral of €224m (2024: €135m) was placed in respect of derivative liabilities, including €20m (2024: €135m) of cash collateral and €204m (2024: Nil) of non-cash collateral.

## 38 Contingent liabilities and commitments

The following table gives the nominal or contract amounts of contingent liabilities and commitments:

|                                                                                | Contract amount |        |
|--------------------------------------------------------------------------------|-----------------|--------|
|                                                                                | 2025            | 2024   |
|                                                                                | € m             | € m    |
| <b>Contingent liabilities<sup>1</sup> – credit related</b>                     |                 |        |
| Guarantees and assets pledged as collateral security:                          |                 |        |
| Guarantees and irrevocable letters of credit                                   | 1,182           | 952    |
| Other contingent liabilities                                                   | 24              | 24     |
|                                                                                | <b>1,206</b>    | 976    |
| <b>Commitments<sup>2</sup></b>                                                 |                 |        |
| Documentary credits and short term trade-related transactions                  | 167             | 276    |
| Undrawn formal standby facilities, credit lines and other commitments to lend: |                 |        |
| Less than 1 year                                                               | 10,474          | 10,443 |
| 1 year and over                                                                | 6,392           | 6,104  |
|                                                                                | <b>17,033</b>   | 16,823 |
| <b>Total contingent liabilities and commitments</b>                            | <b>18,239</b>   | 17,799 |

1. Contingent liabilities are off-balance sheet products and include guarantees, irrevocable letters of credit and other contingent liability products.

2. A commitment is an off-balance sheet product where there is an agreement to provide an undrawn credit facility.

For details of the geographic concentration of contingent liabilities and commitments and internal credit ratings, see pages 199 and 208 in the Risk Management section of this report. Provisions for ECLs on loan commitments and financial guarantee contracts are set out in note 33.

### Legal proceedings

The Group, in the course of its business, is frequently involved in litigation cases. However, it is not, nor has been, involved in, nor are there, so far as the Group is aware, pending or threatened by or against the Group, any legal or arbitration proceedings, including governmental proceedings, which may have, or have had during the previous twelve months, a material effect on the financial position, profitability or cash flows of the Group.

### TARGET-Ireland – Gross Settlement System

TARGET-Ireland is a real-time gross settlement system for large volume interbank payments in euro. As part of its participation in TARGET-Ireland, on 16 March 2023 Allied Irish Banks, p.l.c. (AIB) granted a first floating charge in favour of the Central Bank of Ireland (CBI), giving over all present and future credit balances in AIB's TARGET-Ireland accounts, securing AIB's liabilities to the CBI. AIB also has access to intra-day credit in TARGET2-Ireland (now TARGET-Ireland) in relation to Eurosystem Operations. To support this, on 7 April 2014, AIB granted the CBI a fixed charge over eligible assets held in a designated collateral account, and a floating charge over other eligible assets.

Without the CBI's prior written consent, AIB may not create encumbrances over, or dispose of, the charged assets other than in the ordinary course of business. Financial assets pledged under the first fixed charge are disclosed in note 27.

## Notes to the Consolidated Financial Statements *continued*

### 39 Subsidiaries and structured entities

The material Group subsidiary companies at 31 December 2025 and 2024 are:

| Name of company                                                                                           | Principal activity                                                                                                                                                                                                         | Place of incorporation | Registered Office                        |
|-----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------------------------|
| Allied Irish Banks, p.l.c.                                                                                | A direct subsidiary of AIB Group plc and the principal operating company of the Group and holds the majority of the subsidiaries within the Group. Its activities include banking and financial services – a licensed bank | Ireland                | 10 Molesworth Street, Dublin 2, Ireland. |
| AIB Mortgage Bank Unlimited Company                                                                       | Issue of Irish residential mortgages and mortgage covered securities – a licensed bank                                                                                                                                     | Ireland                | 10 Molesworth Street, Dublin 2, Ireland. |
| EBS d.a.c.                                                                                                | Mortgages and savings – a licensed bank                                                                                                                                                                                    | Ireland                | 10 Molesworth Street, Dublin 2, Ireland. |
| AIB Group (UK) p.l.c. trading as Allied Irish Bank (GB) in Great Britain and AIB (NI) in Northern Ireland | Banking and financial services – a licensed bank                                                                                                                                                                           | Northern Ireland       | 92 Ann Street, Belfast BT1 3HH.          |

The proportion of ownership interest and voting power held by AIB Group plc in Allied Irish Banks, p.l.c. is 100% of the ordinary share capital. All subsidiaries of Allied Irish Banks, p.l.c., being the immediate subsidiary of AIB Group plc, are wholly owned apart from Augmentum Limited (Augmentum), in which there are non-controlling interests. Practically all subsidiaries in the Group are involved in the provision of financial services or ancillary services.

#### Significant restrictions

Each of the licensed banks listed above are required by its respective financial regulator to maintain capital ratios above a certain minimum level. These minimum ratios restrict the payment of dividend by the subsidiary and, where the ratios fall below the minimum requirement, will require the parent company to inject capital to make up the shortfall.

#### Consolidated structured entities

The Group considers itself a sponsor of a structured entity when it facilitates the establishment of the structured entity. A structured entity is consolidated in the financial statements when the substance of the relationship between the Group and the structured entity indicates that the structured entity is controlled by the entity and meets the criteria set out in IFRS 10.

##### (i) Consolidated structured entities used for funding activities

The Group is a sponsor for a number of structured entities which were established in order to generate funding for the Group's lending activities. The following structured entities, which are used for this activity, are consolidated by the Group:

##### *Burlington Mortgages No. 1 DAC*

In 2020, the Group securitised €4 billion of its residential mortgage portfolio held in two of its subsidiaries, EBS d.a.c. and Haven Mortgages Limited. These mortgages were transferred to a securitisation vehicle, Burlington Mortgages No. 1 DAC (Burlington 1). In order to fund the acquired mortgages, Burlington 1 issued eleven classes of notes to EBS d.a.c. and Haven in the same proportion as the mortgages securitised. The transferred mortgages have not been derecognised as the Group retains substantially all the risks and rewards of ownership and continue to be reported in the Group's financial statements. Burlington 1 is consolidated into the Group's financial statements with all the notes being eliminated on consolidation. At 31 December 2025, the carrying amount of the transferred financial assets which the Group continues to recognise is €1.9 billion (2024: €2.2 billion) (fair value €2.0 billion (2024: €2.2 billion)) and the carrying amount of the associated liabilities is Nil (2024: Nil).

##### *Burlington Mortgages No. 2 DAC*

In 2023, the Group securitised c. €5 billion of its residential mortgage portfolio held in two of its subsidiaries, EBS d.a.c. and Haven Mortgages Limited. These mortgages were transferred to a securitisation vehicle, Burlington Mortgages No. 2 DAC (Burlington 2). In order to fund the acquired mortgages, Burlington 2 issued seven classes of notes to EBS d.a.c. and Haven in the same proportion as the securitised mortgages. The transferred mortgages have not been derecognised as the Group retains substantially all the risks and rewards of ownership and continue to be reported in the Group's financial statements. Burlington 2 is consolidated into the Group's financial statements with all the notes being eliminated on consolidation. At 31 December 2025, the carrying amount of the transferred financial assets which the Group continues to recognise is €4.5 billion (fair value €4.7 billion) (2024: €5.0 billion (fair value €4.9 billion)) and the carrying amount of the associated liabilities is Nil (2024: Nil).

##### (ii) Consolidated structured entity used for funding of the deficit in the UK pension scheme

The Group is a sponsor for AIB PFP Scottish Limited Partnership (SLP) which was established to fund future deficit payments of the UK scheme. The general partner in the partnership, AIB PFP (General Partner) Limited, which is an indirect subsidiary of Allied Irish Banks, p.l.c., has controlling power over the partnership. In addition, the pension scheme has a priority right to cash flows from the partnership, up to the SLP's maximum potential liability limit, and any risks and rewards thereafter are expected to be borne by the Group.



## 39 Subsidiaries and structured entities *continued*

### (iii) Consolidated structured entity used for credit risk transfer transactions

The Group has entered into transactions to transfer a portion of credit risk on a reference portfolio of financial assets. The funded protection in respect of these transactions is held with Setanta Finance 2024 Designated Activity Company (Setanta). No assets or liabilities were transferred to Setanta under the terms of these transactions. The transactions have cash collateralised on the exposures through the issue of credit linked notes to third party investors. Further details on these transactions are set out in note 29 and page 185 in the Risk Management section of this report.

There are no contractual arrangements that could require AIB Group plc or its subsidiaries to provide financial support to the consolidated structured entities listed above. During the year, neither AIB Group plc nor any of its subsidiaries provided financial support to a consolidated structured entity and there is no current intention to provide financial support.

### Unconsolidated structured entities

The Group acts as a fund or investment manager for a number of unconsolidated structured entities for which it receives investment or fund management fees. The Group acts as sponsor of these entities. The Group has no units within these funds. Therefore the carrying amount of assets and liabilities in relation to these entities in the Group's statement of financial position is Nil (2024: Nil).

The Group's maximum exposure to loss is equal to the value of outstanding fees owed from these entities of €1 million at 31 December 2025 (2024: Nil). These entities are financed by investors in the entities. During the year the Group has not provided any non-contractual financial or other support to these entities and has no current intention of providing any financial or other support.

### Non-controlling interests in subsidiary undertaking

On 31 October 2019, Augmentum of which 75% is owned by the Group and 25% by a non-controlling interest, First Data Global Services Limited (part of First Data Corporation which is owned by Fiserv Inc.), acquired 97.93% of the equity share capital and voting rights of Semeral Limited (Semeral), the holding company for Payzone Ireland Limited (Payzone). Semeral/Payzone place of business is based in 4 Heather Road, Sandyford Industrial Estate, Dublin 18.

## 40 Off-balance sheet arrangements and transferred financial assets

### Securitisations

The Group utilises securitisations primarily to support the following business objectives:

- As an investor, the Group has primarily invested in securitisations issued by other credit institutions as part of the management of its interest rate and liquidity risks and has also invested in securitisations to pursue transactions that offer appropriate risk-adjusted return opportunities.
- As an originator, to support the funding and credit risk management activities of the Group.

The Group controls certain structured entities which were set up to support its funding and credit risk management activities as well as the funding of certain Group pension schemes. Details of these structured entities are set out in note 39.

### Transfer of financial assets

The Group enters into transactions in the normal course of business in which it transfers previously recognised financial assets. Transferred financial assets may, in accordance with IFRS 9:

- (i) Continue to be recognised in their entirety; or
- (ii) Be derecognised in their entirety but the Group retains some continuing involvement.

The most common transactions where the transferred assets are not derecognised in their entirety are securities sold under an agreement to repurchase and the issuance of covered bonds.

### (i) Transferred financial assets not derecognised in their entirety

#### Securities sold under agreements to repurchase and securities lending

The Group enters into transactions where it sells a financial asset to another party, with an obligation to repurchase it at a fixed price on a certain later date. The Group continues to recognise the financial assets in full in the statement of financial position as it retains substantially all the risks and rewards of ownership. The Group's sale and repurchase agreements are with banks and customers. The obligation to pay the repurchase price is recognised within securities financing (note 18). As the Group sells the contractual rights to the cash flows of the financial assets, it does not have the ability to use or pledge the transferred assets during the term of the sale and repurchase agreement. The Group remains exposed to credit risk and interest rate risk on the financial assets sold. The obligation arising as a result of sale and repurchase agreements together with the carrying value of the financial assets pledged are set out in the following table.

The Group enters into securities lending in the form of collateral swap agreements with other parties. The Group continues to recognise the financial assets in full in the statement of financial position as it retains substantially all the risks and rewards of ownership. As a result of these transactions, the Group is unable to use, sell or pledge the transferred assets for the duration of the transaction. A fee is generated for the Group under this transaction.

## Notes to the Consolidated Financial Statements *continued*

### 40 Off-balance sheet arrangements and transferred financial assets *continued*

#### Issuance of covered bonds

Covered bonds, which the Group issues, are debt securities backed by cash flows from mortgages for the purpose of financing loans secured on residential property through its wholly owned subsidiary, AIB Mortgage Bank Unlimited Company. The Group retains all the risks and rewards of these mortgage loans, including credit risk and interest rate risk, and therefore, the loans continue to be recognised on the Group's statement of financial position with the related covered bonds held by external investors included within debt securities in issue (note 29). As the Group segregates the assets which back these debt securities into 'cover asset pools' it does not have the ability to otherwise use such segregated financial assets during the term of these debt securities. However, of the total debt securities of this type issued amounting to €12.07 billion (2024: €10.6 billion), AIB Group companies hold €12.05 billion (2024: €10.58 billion) which are eliminated on consolidation.

The following table summarises as at 31 December 2025 and 2024, the carrying value and fair value of financial assets which did not qualify for derecognition together with their associated financial liabilities.

|                                                                 | 2025                                         |                                                  |                                         |                                             |                                |
|-----------------------------------------------------------------|----------------------------------------------|--------------------------------------------------|-----------------------------------------|---------------------------------------------|--------------------------------|
|                                                                 | Carrying amount of transferred assets<br>€ m | Carrying amount of associated liabilities<br>€ m | Fair value of transferred assets<br>€ m | Fair value of associated liabilities<br>€ m | Net fair value position<br>€ m |
| Securities sold under agreements to repurchase/similar products | 3,672 <sup>2</sup>                           | 682 <sup>1</sup>                                 | 3,675                                   | 682                                         | 2,993                          |
| Covered bond programmes                                         |                                              |                                                  |                                         |                                             |                                |
| Residential mortgage backed                                     | 33 <sup>3</sup>                              | 26 <sup>4</sup>                                  | 34                                      | 27                                          | 7                              |
|                                                                 |                                              |                                                  |                                         |                                             |                                |
|                                                                 | 2024                                         |                                                  |                                         |                                             |                                |
|                                                                 | Carrying amount of transferred assets<br>€ m | Carrying amount of associated liabilities<br>€ m | Fair value of transferred assets<br>€ m | Fair value of associated liabilities<br>€ m | Net fair value position<br>€ m |
| Securities sold under agreements to repurchase/similar products | 2,822 <sup>1,2</sup>                         | 196 <sup>1</sup>                                 | 2,821                                   | 196                                         | 2,625                          |
| Covered bond programmes                                         |                                              |                                                  |                                         |                                             |                                |
| Residential mortgage backed                                     | 36 <sup>3</sup>                              | 27 <sup>4</sup>                                  | 35                                      | 28                                          | 7                              |

1. See note 18.

2. Includes €2,995m of assets pledged in relation to securities lending arrangements (2024: €2,630m).

3. The asset pools of €16bn (2024: €15bn) in the covered bond programme have been apportioned on a pro-rata basis in relation to the value of bonds held by external investors and those held by the Group companies. The €33m (2024: €36m) above refers to those assets apportioned to external investors.

4. Included in bonds and other medium term notes issued by subsidiaries (note 29).

#### (ii) Transferred financial assets derecognised in their entirety but the Group retains some continuing involvement

The Group has no material continuing involvement in transferred financial assets where it retains any of the risks and rewards of ownership of the transferred financial assets.

## 41 Classification and measurement of financial assets and financial liabilities

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The accounting policy for financial assets in note 1 (j) and financial liabilities in note 1 (k), describes how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised. The following table analyses the carrying amounts of the financial assets and financial liabilities by measurement category and by statement of financial position heading at 31 December 2025 and 2024.

|                                                               | 2025                                 |                                                  |                     |                     |
|---------------------------------------------------------------|--------------------------------------|--------------------------------------------------|---------------------|---------------------|
|                                                               | At fair value through profit or loss | At fair value through other comprehensive income |                     | At amortised cost   |
|                                                               | Mandatorily                          | Debt investments                                 | Hedging derivatives | Total               |
|                                                               | € m                                  | € m                                              | € m                 | € m                 |
| <b>Financial assets</b>                                       |                                      |                                                  |                     |                     |
| Cash and balances at central banks                            | —                                    | —                                                | —                   | 40,571 <sup>1</sup> |
| Trading portfolio financial assets                            | 286                                  | —                                                | —                   | 286                 |
| Derivative financial instruments                              | 1,257 <sup>2</sup>                   | —                                                | 384                 | 1,641               |
| Loans and advances to banks                                   | —                                    | —                                                | —                   | 601                 |
| Loans and advances to customers                               | 84                                   | —                                                | —                   | 71,116              |
| Securities financing                                          | —                                    | —                                                | —                   | 7,339               |
| Investment securities                                         | 304                                  | 16,201                                           | —                   | 5,043               |
| Other financial assets                                        | 26                                   | —                                                | —                   | 1,012               |
| <b>Total</b>                                                  | <b>1,957</b>                         | <b>16,201</b>                                    | <b>384</b>          | <b>125,682</b>      |
| <b>Financial liabilities<sup>3</sup></b>                      |                                      |                                                  |                     |                     |
| Deposits and advances from banks                              | —                                    | —                                                | —                   | 156                 |
| Deposits and advances from customers                          | —                                    | —                                                | —                   | 117,671             |
| Securities financing                                          | —                                    | —                                                | —                   | 682                 |
| Trading portfolio financial liabilities                       | 525                                  | —                                                | —                   | 525                 |
| Derivative financial instruments                              | 658 <sup>4</sup>                     | —                                                | 750                 | —                   |
| Debt securities in issue                                      | —                                    | —                                                | —                   | 8,183               |
| Tier 2 subordinated liabilities and other capital instruments | —                                    | —                                                | —                   | 2,626               |
| Other financial liabilities <sup>5</sup>                      | —                                    | —                                                | —                   | 1,661               |
| <b>Total</b>                                                  | <b>1,183</b>                         | <b>—</b>                                         | <b>750</b>          | <b>130,979</b>      |
| 2024                                                          |                                      |                                                  |                     |                     |
|                                                               | At fair value through profit or loss | At fair value through other comprehensive income |                     | At amortised cost   |
|                                                               | Mandatorily                          | Debt investments                                 | Hedging derivatives | Total               |
|                                                               | € m                                  | € m                                              | € m                 | € m                 |
| <b>Financial assets</b>                                       |                                      |                                                  |                     |                     |
| Cash and balances at central banks                            | —                                    | —                                                | —                   | 37,315 <sup>1</sup> |
| Trading portfolio financial assets                            | 136                                  | —                                                | —                   | —                   |
| Derivative financial instruments                              | 1,480 <sup>2</sup>                   | —                                                | 664                 | —                   |
| Loans and advances to banks                                   | —                                    | —                                                | —                   | 1,321               |
| Loans and advances to customers                               | 64                                   | —                                                | —                   | 69,825              |
| Securities financing                                          | —                                    | —                                                | —                   | 6,643               |
| Investment securities                                         | 297                                  | 13,568                                           | —                   | 4,803               |
| Other financial assets                                        | —                                    | —                                                | —                   | 894                 |
| <b>Total</b>                                                  | <b>1,977</b>                         | <b>13,568</b>                                    | <b>664</b>          | <b>120,801</b>      |
| <b>Financial liabilities<sup>3</sup></b>                      |                                      |                                                  |                     |                     |
| Deposits and advances from banks                              | —                                    | —                                                | —                   | 836                 |
| Deposits and advances from customers                          | —                                    | —                                                | —                   | 109,883             |
| Securities financing                                          | —                                    | —                                                | —                   | 196                 |
| Trading portfolio financial liabilities                       | 262                                  | —                                                | —                   | —                   |
| Derivative financial instruments                              | 824 <sup>4</sup>                     | —                                                | 983                 | —                   |
| Debt securities in issue                                      | —                                    | —                                                | —                   | 8,832               |
| Tier 2 subordinated liabilities and other capital instruments | —                                    | —                                                | —                   | 1,627               |
| Other financial liabilities <sup>5</sup>                      | —                                    | —                                                | —                   | 1,792               |
| <b>Total</b>                                                  | <b>1,086</b>                         | <b>—</b>                                         | <b>983</b>          | <b>123,166</b>      |

1. Includes cash on hand €651m (2024: €664m).

2. Held for trading €348m and fair value hedges €909m (2024: €425m and €1,055m).

3. At 31 December 2025, the Group has also recognised an ECL allowance of €48m (2024: €57m) relating to financial guarantees and loan commitments which is reported within provisions for liabilities and commitments.

4. Held for trading €319m and fair value hedges €339m (2024: €461m and €363m).

5. Includes a debit of €175m (2024: credit of €64m) of fair value changes of hedged items in portfolio hedges of interest rate risk.

## Notes to the Consolidated Financial Statements *continued*

### 42 Fair value of financial instruments

The Group's accounting policy for the 'determination of the fair value of financial instruments' is set out in note 1 accounting policy (m).

All valuations are carried out within the Finance function and valuation methodologies are validated by the independent Risk function within the Group. Readers of these financial statements are advised to use caution when using the data in the following tables to evaluate the Group's financial position or to make comparisons with other institutions. Fair value information is not provided for items that do not meet the definition of a financial instrument.

#### Methodologies used for the calculation of fair value

The methods used for calculation of fair value are as follows:

#### Financial instruments measured at fair value in the financial statements

##### (i) Trading portfolio financial instruments

The fair value of trading debt securities, together with quoted equity shares, is based on quoted prices or bid/offer quotations sourced from external securities dealers, where these are available on an active market. Where securities and equities are traded on an exchange, the fair value is based on prices from the exchange.

##### (ii) Derivative financial instruments

Where derivatives are traded on an exchange, the fair value is based on prices from the exchange. The fair value of over-the-counter derivative financial instruments is estimated based on standard market discounting and valuation methodologies which use reliable observable inputs including yield curves and market rates. Where there is uncertainty around the inputs to a derivative's valuation model, the fair value is estimated using inputs which provide the Group's view of the most likely outcome in a disposal transaction between willing counterparties in a functioning market. Where an unobservable input is material to the outcome of the valuation, a range of potential outcomes from favourable to unfavourable is estimated.

Counterparty valuation adjustment (CVA) and Funding valuation adjustment (FVA) are applied to all uncollateralised over-the-counter derivatives. The combination of CVA and FVA is referred to as XVA. Where XVA valuation adjustments have been applied to a derivative instrument, the instrument is classified as Level 3 in the fair value hierarchy where 10% of the instrument's valuation (including the interest accrual) is represented by XVA.

CVA is calculated as: Expected positive exposure (EPE) multiplied by probability of default (PD) multiplied by loss given default (LGD). EPE profiles are generated at a counterparty netting set through simulation. PDs are derived from market based credit default swaps (CDS) information. As most counterparties do not have a quoted CDS, PDs are derived by mapping each counterparty to an index CDS credit grade. LGDs are based on the specific circumstances of the counterparty and take into account valuation of offsetting security, where applicable. For smaller exposures where security valuations are not individually assessed, an LGD of 60% is applied (2024: 60%).

FVA is calculated as: Expected exposure (EE) multiplied by funding spread (FS) multiplied by counterparty survival probability (1-PD). EE profiles (net of expected positive and negative exposures) are generated at a counterparty netting set through simulation. Funding spreads used are an average implied by CDSs for the Group's most active external derivative counterparties. The rationale in applying these spreads is to best estimate the FVA which a counterparty would apply in a transaction to close out the Group's existing positions.

Within the range of estimates and fair value sensitivity measurements, a favourable and an adverse scenario have been selected for PDs and LGDs for CVA. The favourable/adverse scenario for customer PDs are (i) a single rating upgrade and (ii) a single rating downgrade, respectively. Customer LGDs are shifted according to estimates of improvement in value of security compared with potential derivatives market values. Within the combination of LGD and PD, both are shifted together yielding positive and negative valuations which are disclosed as potential alternative valuations. See 'Significant unobservable inputs' within this note. For FVA, an adverse scenario is the use of the bond yields of the Group's most active derivative counterparties while a favourable scenario is an upgrade in the CDS of the reference entities used to derive funding spreads.

##### (iii) Virtual corporate power purchase agreement

The Group has entered into a virtual corporate power purchase agreement (VPPA) associated with the sourcing of solar electricity for the Group from two farms in Co. Wexford. The VPPA hedges the volatility in electricity prices guaranteeing a forward electricity price which is subject to inflation changes only. This VPPA meets the definition of a derivative. The fair value of the virtual corporate power purchase agreement is estimated using discounted cash flows applying market rates when available and rates offered by other data providers, in particular for unobservable forward Irish electricity solar pricing curves.

##### (iv) Loans and advances to customers

The Group provides lending facilities of varying rates and maturities to corporate and personal customers. Valuation techniques are used in estimating the fair value of loans, primarily using discounted cash flows and applying market rates where practicable and taking into account market risk and the changes in credit quality of its borrowers.

The majority of loans and advances to customers are held at amortised cost, however the Group has a small number of loans and advances which are required to be measured at FVTPL having failed the SPPI test. The valuation techniques used apply equally to those held at FVTPL and those held at amortised cost. A key assumption for determining the fair value of loans and advances is that the carrying amount of variable rate loans (excluding mortgage products) approximates to market value. For fixed rate loans, the fair value is calculated by discounting expected cash flows using discount rates that reflect the interest rate risk in that portfolio.

The fair value of mortgage products, including tracker mortgages, is calculated by discounting expected cash flows using discount rates that reflect the interest rate/credit risk in the portfolio.

## 42 Fair value of financial instruments *continued*

### Financial instruments measured at fair value in the financial statements *continued*

#### (v) Investment securities

The fair value of investment securities has been estimated based on expected sale proceeds. The expected sale proceeds are based on bid prices which have been analysed and compared across multiple sources for reliability. Where bid prices are unavailable, fair values are estimated by valuation techniques using observable market data for similar instruments. Where there is no market data for a directly comparable instrument, management judgement on an appropriate credit spread to similar or related instruments with market data available is used within the valuation technique. This is supported by cross referencing other similar or related instruments.

#### (vi) Other financial assets

The fair value of the deferred contingent consideration receivable arising from the disposal of AIB Merchant Services is calculated using an expected discounted cashflow approach. The amount of consideration receivable is dependent on the number of referrals that the Group makes to AIB Merchant Services over a ten-year period. The referral rates are unobservable and have been estimated based on historical referral rates.

### Financial instruments not measured at fair value but with fair value information presented separately in the notes to the financial statements

#### (i) Loans and advances to banks

The fair value of loans and advances to banks is estimated using discounted cash flows applying either market rates, where practicable, or rates currently offered by other financial institutions for placings with similar characteristics.

#### (ii) Loans and advances to customers at amortised cost

See methodology above under the heading (iv) Loans and advances to customers.

#### (iii) Securities financing

The fair value of securities financing assets and liabilities approximate their carrying amount as these balances are generally short-dated and fully collateralised.

#### (iv) Deposits and advances from banks and deposits and advances from customers

The fair value of current accounts and deposit liabilities which are repayable on demand, or which re-price frequently, approximates to their book value. The fair value of all other deposits and other borrowings is estimated using discounted cash flows and applying applicable market rates as appropriate.

#### (v) Debt securities in issue and tier 2 subordinated liabilities and other capital instruments

The estimated fair value of debt securities in issue and tier 2 subordinated liabilities and other capital instruments, is based on quoted prices where available, or where these are unavailable, are estimated using valuation techniques using observable market data for similar instruments. Where there is no market data for a directly comparable instrument, management judgement, on an appropriate credit spread to similar or related instruments with market data available, is used within the valuation technique. This is supported by cross-referencing other similar or related instruments.

#### (vi) Other financial assets and other financial liabilities

This caption includes accrued interest receivable and payable and other receivables (including amounts awaiting settlement and accounts payable). The carrying amount is considered representative of fair value.

#### (vii) Commitments pertaining to credit-related instruments

Details of the various credit-related commitments and other off-balance sheet financial guarantees entered into by the Group are included in note 38. The ECL is considered a reasonable approximation of fair value of these credit-related financial instruments.



## Notes to the Consolidated Financial Statements *continued*

### 42 Fair value of financial instruments *continued*

The table below sets out the carrying amount and fair value of financial instruments across the three levels of the fair value hierarchy at 31 December 2025 and 2024:

|                                                               | 2025            |                      |         |         |         | 2024            |                      |         |         |         |
|---------------------------------------------------------------|-----------------|----------------------|---------|---------|---------|-----------------|----------------------|---------|---------|---------|
|                                                               | Carrying amount | Fair Value           |         |         |         | Carrying amount | Fair Value           |         |         |         |
|                                                               |                 | Fair value hierarchy |         |         |         |                 | Fair value hierarchy |         |         |         |
|                                                               |                 | Level 1              | Level 2 | Level 3 | Total   |                 | Level 1              | Level 2 | Level 3 | Total   |
|                                                               | € m             | € m                  | € m     | € m     | € m     | € m             | € m                  | € m     | € m     | € m     |
| Financial assets measured at fair value                       |                 |                      |         |         |         |                 |                      |         |         |         |
| Trading portfolio financial assets                            | 286             | 286                  | —       | —       | 286     | 136             | 136                  | —       | —       | 136     |
| Derivative financial instruments:                             |                 |                      |         |         |         |                 |                      |         |         |         |
| Interest rate derivatives                                     | 1,582           | —                    | 1,564   | 18      | 1,582   | 2,109           | —                    | 2,020   | 89      | 2,109   |
| Exchange rate derivatives                                     | 59              | —                    | 59      | —       | 59      | 35              | —                    | 35      | —       | 35      |
| Loans and advances to customers at FVTPL                      | 84              | —                    | —       | 84      | 84      | 64              | —                    | —       | 64      | 64      |
| Investment debt securities at FVOCI                           | 16,201          | 16,094               | 107     | —       | 16,201  | 13,568          | 13,468               | 100     | —       | 13,568  |
| Equity investments at FVTPL                                   | 304             | 1                    | —       | 303     | 304     | 297             | 1                    | —       | 296     | 297     |
| Other financial assets                                        | 26              | —                    | —       | 26      | 26      | —               | —                    | —       | —       | —       |
|                                                               | 18,542          | 16,381               | 1,730   | 431     | 18,542  | 16,209          | 13,605               | 2,155   | 449     | 16,209  |
| Financial assets not measured at fair value                   |                 |                      |         |         |         |                 |                      |         |         |         |
| Cash and balances at central banks <sup>1</sup>               | 40,571          | 651                  | 39,920  | —       | 40,571  | 37,315          | 664                  | 36,651  | —       | 37,315  |
| Loans and advances to banks                                   | 601             | —                    | 229     | 372     | 601     | 1,321           | —                    | 241     | 1,080   | 1,321   |
| Loans and advances to customers:                              |                 |                      |         |         |         |                 |                      |         |         |         |
| Mortgages <sup>2,3</sup>                                      | 37,372          | —                    | —       | 38,614  | 38,614  | 36,722          | —                    | —       | 35,832  | 35,832  |
| Non-mortgages <sup>3</sup>                                    | 33,653          | —                    | —       | 33,612  | 33,612  | 33,053          | —                    | —       | 32,993  | 32,993  |
| Cash collateral advanced to customers <sup>3</sup>            | 91              | —                    | —       | 91      | 91      | 50              | —                    | —       | 50      | 50      |
| Securities financing                                          | 7,339           | —                    | —       | 7,339   | 7,339   | 6,643           | —                    | —       | 6,643   | 6,643   |
| Investment debt securities measured at amortised cost         | 5,043           | 2,675                | —       | 2,382   | 5,057   | 4,803           | 2,633                | —       | 2,168   | 4,801   |
| Other financial assets                                        | 1,012           | —                    | —       | 1,012   | 1,012   | 894             | —                    | —       | 894     | 894     |
|                                                               | 125,682         | 3,326                | 40,149  | 83,422  | 126,897 | 120,801         | 3,297                | 36,892  | 79,660  | 119,849 |
| Financial liabilities measured at fair value                  |                 |                      |         |         |         |                 |                      |         |         |         |
| Trading portfolio financial liabilities                       | 525             | 525                  | —       | —       | 525     | 262             | 262                  | —       | —       | 262     |
| Derivative financial instruments:                             |                 |                      |         |         |         |                 |                      |         |         |         |
| Interest rate derivatives                                     | 1,366           | 1                    | 1,347   | 18      | 1,366   | 1,689           | —                    | 1,391   | 298     | 1,689   |
| Exchange rate derivatives                                     | 38              | —                    | 38      | —       | 38      | 112             | —                    | 112     | —       | 112     |
| Equity derivatives                                            | 1               | —                    | 1       | —       | 1       | —               | —                    | —       | —       | —       |
| Credit derivatives                                            | 1               | —                    | 1       | —       | 1       | 3               | —                    | 3       | —       | 3       |
| Virtual corporate power purchase agreement                    | 2               | —                    | —       | 2       | 2       | 3               | —                    | —       | 3       | 3       |
|                                                               | 1,933           | 526                  | 1,387   | 20      | 1,933   | 2,069           | 262                  | 1,506   | 301     | 2,069   |
| Financial liabilities not measured at fair value              |                 |                      |         |         |         |                 |                      |         |         |         |
| Deposits and advances from banks                              | 156             | —                    | —       | 156     | 156     | 836             | —                    | 6       | 830     | 836     |
| Deposits and advances from customers:                         |                 |                      |         |         |         |                 |                      |         |         |         |
| Current accounts <sup>3</sup>                                 | 64,871          | —                    | —       | 64,871  | 64,871  | 62,657          | —                    | —       | 62,657  | 62,657  |
| Demand deposits <sup>3</sup>                                  | 32,392          | —                    | —       | 32,392  | 32,392  | 31,126          | —                    | —       | 31,126  | 31,126  |
| Time deposits <sup>3</sup>                                    | 19,976          | —                    | —       | 20,000  | 20,000  | 16,033          | —                    | —       | 16,083  | 16,083  |
| Cash collateral advanced from customers <sup>3</sup>          | 432             | —                    | —       | 432     | 432     | 67              | —                    | —       | 67      | 67      |
| Securities financing                                          | 682             | —                    | —       | 682     | 682     | 196             | —                    | —       | 196     | 196     |
| Debt securities in issue                                      | 8,183           | 7,394                | —       | 1,011   | 8,405   | 8,832           | 8,074                | —       | 957     | 9,031   |
| Tier 2 subordinated liabilities and other capital instruments | 2,626           | 2,661                | —       | —       | 2,661   | 1,627           | 1,662                | —       | —       | 1,662   |
| Other financial liabilities <sup>4</sup>                      | 1,661           | —                    | —       | 1,661   | 1,661   | 1,792           | —                    | —       | 1,792   | 1,792   |
| Loan commitments and other credit related commitments         | 38              | —                    | —       | 38      | 38      | 44              | —                    | —       | 44      | 44      |
| Financial guarantees                                          | 10              | —                    | —       | 10      | 10      | 13              | —                    | —       | 13      | 13      |
|                                                               | 131,027         | 10,055               | —       | 121,253 | 131,308 | 123,223         | 9,736                | 6       | 113,765 | 123,507 |

1. Includes cash on hand of €651m (2024: €664m).

2. Includes residential and commercial mortgages..

3. Refer to note 1 (c) for further information about the change in presentation to the financial statements.

4. Includes a debit of €175m (2024: credit of €64m) of fair value changes of hedged items in portfolio hedges of interest rate risk.

## 42 Fair value of financial instruments *continued*

### Significant transfers between Level 1 and Level 2 of the fair value hierarchy

There were no significant transfers between Level 1 and Level 2 of the fair value hierarchy for the years ended 31 December 2025 and 2024.

### Reconciliation of balances in Level 3 of the fair value hierarchy

The following table shows (i) a reconciliation from the opening balances to the closing balances for fair value measurements in Level 3 of the fair value hierarchy and (ii) total unrealised gains or losses included in profit or loss that is attributable to the assets and liabilities categorised as Level 3 in the fair value hierarchy at the end of the year.

|                                                                                                                                              | 2025             |                             |                   |                        |       |                       |       |
|----------------------------------------------------------------------------------------------------------------------------------------------|------------------|-----------------------------|-------------------|------------------------|-------|-----------------------|-------|
|                                                                                                                                              | Financial assets |                             |                   |                        |       | Financial liabilities |       |
|                                                                                                                                              | Derivative       | Loans and advances at FVTPL | Equities at FVTPL | Other financial assets | Total | Derivatives           | Total |
|                                                                                                                                              | € m              | € m                         | € m               | € m                    | € m   | € m                   | € m   |
| <b>Movement in Level 3 assets and liabilities</b>                                                                                            |                  |                             |                   |                        |       |                       |       |
| <b>At 1 January 2025</b>                                                                                                                     | 89               | 64                          | 296               | —                      | 449   | 301                   | 301   |
| Transfers into/(out of) Level 3 <sup>1,2</sup>                                                                                               | (27)             | —                           | —                 | —                      | (27)  | (244)                 | (244) |
| <b>Total gains or (losses) in:</b>                                                                                                           |                  |                             |                   |                        |       |                       |       |
| Profit or loss:                                                                                                                              |                  |                             |                   |                        |       |                       |       |
| Net trading income – losses                                                                                                                  | (44)             | —                           | —                 | —                      | (44)  | (37)                  | (37)  |
| Net change in FVTPL                                                                                                                          | —                | 11                          | 32                | 3                      | 46    | —                     | —     |
|                                                                                                                                              | (44)             | 11                          | 32                | 3                      | 2     | (37)                  | (37)  |
| Purchases/additions                                                                                                                          | —                | 22                          | 45                | 23                     | 90    | —                     | —     |
| Sales/disposals/redemptions                                                                                                                  | —                | —                           | (70)              | —                      | (70)  | —                     | —     |
| Cash received: Principal                                                                                                                     | —                | (13)                        | —                 | —                      | (13)  | —                     | —     |
| <b>At 31 December 2025</b>                                                                                                                   | 18               | 84                          | 303               | 26                     | 431   | 20                    | 20    |
| <b>Total unrealised gains or (losses) included in profit or loss for assets and liabilities classified as Level 3 at the end of the year</b> |                  |                             |                   |                        |       |                       |       |
| Net trading income – (losses)/income                                                                                                         | (5)              | —                           | —                 | —                      | (5)   | 4                     | 4     |
| Gains on equity investments at FVTPL                                                                                                         | —                | —                           | 19                | —                      | 19    | —                     | —     |
| (Losses)/gains on financial assets at FVTPL                                                                                                  | —                | (3)                         | —                 | 3                      | —     | —                     | —     |
|                                                                                                                                              | (5)              | (3)                         | 19                | 3                      | 14    | 4                     | 4     |

|                                                                                                                                              | 2024             |                             |                   |                        |       |                       |       |
|----------------------------------------------------------------------------------------------------------------------------------------------|------------------|-----------------------------|-------------------|------------------------|-------|-----------------------|-------|
|                                                                                                                                              | Financial assets |                             |                   |                        |       | Financial liabilities |       |
|                                                                                                                                              | Derivatives      | Loans and advances at FVTPL | Equities at FVTPL | Other financial assets | Total | Derivatives           | Total |
|                                                                                                                                              | € m              | € m                         | € m               | € m                    | € m   | € m                   | € m   |
| <b>Movement in Level 3 assets and liabilities</b>                                                                                            |                  |                             |                   |                        |       |                       |       |
| <b>At 1 January 2024</b>                                                                                                                     | 129              | 42                          | 340               | —                      | 511   | 307                   | 307   |
| Transfers into/(out of) Level 3 <sup>1</sup>                                                                                                 | —                | —                           | —                 | —                      | —     | —                     | —     |
| <b>Total gains or (losses) in:</b>                                                                                                           |                  |                             |                   |                        |       |                       |       |
| Profit or loss:                                                                                                                              |                  |                             |                   |                        |       |                       |       |
| Net trading income – losses                                                                                                                  | (40)             | —                           | —                 | —                      | (40)  | (6)                   | (6)   |
| Net change in FVTPL                                                                                                                          | —                | 11                          | 76                | —                      | 87    | —                     | —     |
|                                                                                                                                              | (40)             | 11                          | 76                | —                      | 47    | (6)                   | (6)   |
| Purchases/additions                                                                                                                          | —                | 26                          | 46                | —                      | 72    | —                     | —     |
| Sales/disposals                                                                                                                              | —                | —                           | (166)             | —                      | (166) | —                     | —     |
| Cash received: Principal                                                                                                                     | —                | (15)                        | —                 | —                      | (15)  | —                     | —     |
| <b>At 31 December 2024</b>                                                                                                                   | 89               | 64                          | 296               | —                      | 449   | 301                   | 301   |
| <b>Total unrealised gains or (losses) included in profit or loss for assets and liabilities classified as Level 3 at the end of the year</b> |                  |                             |                   |                        |       |                       |       |
| Net trading income – losses                                                                                                                  | (15)             | —                           | —                 | —                      | (15)  | (35)                  | (35)  |
| Gains on equity investments at FVTPL                                                                                                         | —                | —                           | 35                | —                      | 35    | —                     | —     |
| Losses on loans and advances at FVTPL                                                                                                        | —                | (3)                         | —                 | —                      | (3)   | —                     | —     |
|                                                                                                                                              | (15)             | (3)                         | 35                | —                      | 17    | (35)                  | (35)  |

1. Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

2. In 2025, €27m derivative assets and €244m derivative liabilities were reclassified to Level 2 following a reassessment of the threshold for determining whether an unobservable input is significant to the classification of a fair value measurement within the hierarchy.

## Notes to the Consolidated Financial Statements *continued*

### 42 Fair value of financial instruments *continued*

#### Significant unobservable inputs

The following table sets out information about significant unobservable inputs used in measuring financial instruments categorised as Level 3 in the fair value hierarchy:

|                                            |           | Fair value  |             |                                                                  | Range of estimates                        |                       |                     |
|--------------------------------------------|-----------|-------------|-------------|------------------------------------------------------------------|-------------------------------------------|-----------------------|---------------------|
| Financial instrument                       |           | 2025<br>€ m | 2024<br>€ m | Valuation<br>technique                                           | Significant<br>unobservable input         | 31 December<br>2025   | 31 December<br>2024 |
| <b>Derivative financial instruments</b>    |           |             |             |                                                                  |                                           |                       |                     |
| Interest rate derivatives                  | Asset     | 18          | 89          | CVA                                                              | LGD                                       | 35% – 51%             | 38% – 56%           |
|                                            | Liability | 18          | 298         |                                                                  |                                           | (Base 41%)            | (Base 46%)          |
|                                            |           |             |             |                                                                  | PD                                        | 0.3% – 2.2%           | 0.4% – 1.8%         |
|                                            |           |             |             |                                                                  | (Base 0.7% 1-year PD)                     | (Base 0.8% 1-year PD) |                     |
|                                            |           |             | FVA         | Funding spreads                                                  | (0.1%) – 0.2%                             | (0.2%) – 0.3%         |                     |
| Virtual corporate power purchase agreement | Liability | 2           | 3           | Discounted Expected<br>Future Cash flows                         | Irish electricity solar<br>capture prices | (20%) – 10%           | (10%) – 20%         |
| <b>Equity investments at FVTPL</b>         |           |             |             |                                                                  |                                           |                       |                     |
| Visa Inc. Series B Preferred Stock         | Asset     | 14          | 16          | Quoted market price<br>(to which a discount<br>has been applied) | Final conversion<br>rate                  | 0% – 90%              | 0% – 90%            |
| <b>Other financial assets</b>              |           |             |             |                                                                  |                                           |                       |                     |
| Deferred consideration                     | Asset     | 26          | —           | Discounted Expected<br>Future Cash flows                         | Referral rate                             | 70% – 90%             | —                   |

#### Derivative financial instruments

##### Interest rate derivatives

Derivatives (assets and liabilities) include negative XVA valuation adjustments amounting to net €1 million (2024: €8 million). The sensitivity to unobservable inputs for this XVA valuation adjustment at 31 December 2025 ranges from (i) negative €1 million to Nil for CVA (2024: negative €5 million to positive €3 million) and (ii) Nil for FVA (2024: negative €1 million to positive €1 million).

##### Virtual corporate power purchase agreement

The fair value sensitivity to unobservable forward Irish electricity solar capture prices ranges from negative €5 million to positive €2 million (2024: negative €4 million to positive €2 million).

#### Equity investments at FVTPL

##### Visa Inc. Series B Preferred Stock

The Group received Series B Preferred Stock in Visa Inc. as part consideration for its holding of shares in Visa Europe. The preferred stock will be convertible into Class A Common Stock of Visa Inc. over time. The remaining conversion is subject to certain Visa Europe litigation risks that may affect the ultimate conversion rate which is unobservable. In addition, the stock, being denominated in US Dollars, is subject to foreign exchange risk.

These instruments are valued at the quoted market price of Visa Inc. Class A Common Stock to which a discount has been applied for the illiquidity and the conversion rate variability of the preferred stock of Visa Inc. 43% haircut (2024: 62%). This was converted at the year end exchange rate.

The fair value measurement sensitivity to unobservable discount rates ranges from negative €14 million to positive €8 million at 31 December 2025 (2024: negative €16 million to positive of €21 million).

##### Other equity investments

Sensitivity information has not been provided for other equity investments as the portfolio comprises several investments, none of which is individually material.

#### Other financial assets

##### Deferred consideration

The fair value sensitivity to unobservable referral rates ranges from negative €3 million to positive €3 million at 31 December 2025.

#### Loans and advances to customers at FVTPL

For loans and advances to customers measured at FVTPL of €84 million (2024: €64 million), the Group does not believe that a reasonably possible change to alternative assumptions would change fair value significantly and therefore has not disclosed those amounts in the table above or provided the related disclosures.

Fair value is also applied in respect of secondary facilities arising on restructured loans subject to forbearance measures, on the likelihood that additional cash flows, in excess of their primary facilities, will be received from customers. Given the significant uncertainty with regard to such cash flows, the Group does not attribute a fair value unless it is reasonably certain that this value will be realised.

#### Day 1 gain or loss

No difference existed between the fair value at initial recognition of financial instruments and the amount that was determined at that date using a valuation technique incorporating significant unobservable data.

### 43 Cash and balances at central banks

Cash and balances at central banks (net of ECL allowance of Nil) comprises:

|                                                 | 2025<br>€ m   | 2024<br>€ m   |
|-------------------------------------------------|---------------|---------------|
| Central Bank of Ireland                         | 35,824        | 31,526        |
| Bank of England                                 | 3,801         | 4,931         |
| Federal Reserve Bank of New York                | 295           | 194           |
| Other (cash on hand)                            | 651           | 664           |
| <b>Total cash and balances at central banks</b> | <b>40,571</b> | <b>37,315</b> |

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following balances with less than three months maturity from the date of origination:

|                                                                             | 2025<br>€ m   | 2024<br>€ m   |
|-----------------------------------------------------------------------------|---------------|---------------|
| Cash and balances at central banks                                          | 40,571        | 37,315        |
| Loans and advances to banks <sup>1</sup>                                    | 306           | 1,012         |
| <b>Total cash and cash equivalents</b>                                      | <b>40,877</b> | <b>38,327</b> |
| <i>of which comprises restricted cash balances</i>                          | <b>241</b>    | 219           |
| <i>of which comprises cash held in trust in respect of certain payables</i> | <b>7</b>      | 6             |

1. Included in loans and advances to banks total of €601m (2024: €1,321m) set out in note 16.

There are certain regulatory restrictions on the ability of subsidiaries to transfer funds to the parent company in the form of cash dividends, loans or advances. The impact of such restrictions is not expected to have a material effect on the Group's ability to meet its cash obligations.

## Notes to the Consolidated Financial Statements *continued*

### 44 Statement of cash flows

#### Non-cash and other items included in profit before taxation

|                                                                                                   | 2025<br>€ m | 2024<br>€ m  |
|---------------------------------------------------------------------------------------------------|-------------|--------------|
| <b>Non-cash items</b>                                                                             |             |              |
| Loss on disposal of business                                                                      | —           | 2            |
| Net gain on derecognition of financial assets measured at amortised cost                          | (8)         | (2)          |
| Dividend income from equity accounted investments                                                 | —           | (1)          |
| Investments accounted for using the equity method                                                 | (174)       | (26)         |
| Net remeasurement of ECL allowance                                                                | 198         | 87           |
| Change in other provisions                                                                        | (2)         | 56           |
| Retirement benefits – defined benefit expense                                                     | 7           | 3            |
| Depreciation, amortisation and impairment                                                         | 291         | 301          |
| Interest on Tier 2 subordinated liabilities and other capital instruments                         | 62          | 55           |
| Interest on debt securities <sup>1</sup>                                                          | 343         | 352          |
| Interest on other debt securities                                                                 | 61          | 22           |
| Loss on disposal of investment securities                                                         | 76          | 77           |
| Gain on termination of hedging swaps                                                              | (76)        | (41)         |
| Amortisation of premiums and discounts                                                            | 11          | 22           |
| Net gain on equity investments at FVTPL                                                           | (32)        | (70)         |
| Net loss on loans and advances to customers at FVTPL                                              | —           | 3            |
| Change in prepayments and accrued income                                                          | (65)        | 23           |
| Change in accruals and deferred income                                                            | 18          | 101          |
| Effect of exchange translation and other adjustments <sup>2</sup>                                 | (59)        | 82           |
| <b>Total non-cash items</b>                                                                       | <b>651</b>  | <b>1,046</b> |
| Contributions to defined benefit pension schemes                                                  | (19)        | (24)         |
| Dividends received on equity investments                                                          | —           | 1            |
| <b>Total other items</b>                                                                          | <b>(19)</b> | <b>(23)</b>  |
| <b>Non-cash and other items included in profit before taxation for the year ended 31 December</b> | <b>632</b>  | <b>1,023</b> |

|                                                | 2025<br>€ m    | 2024<br>€ m    |
|------------------------------------------------|----------------|----------------|
| <b>Change in operating assets<sup>2</sup></b>  |                |                |
| Change in trading portfolio financial assets   | (150)          | (43)           |
| Change in net derivative financial instruments | (10)           | 49             |
| Change in loans and advances to banks          | (1)            | 12             |
| Change in loans and advances to customers      | (2,503)        | (4,034)        |
| Change in securities financing                 | (773)          | (137)          |
| Change in other assets                         | 53             | (23)           |
|                                                | <b>(3,384)</b> | <b>(4,176)</b> |

|                                                    | 2025<br>€ m  | 2024<br>€ m  |
|----------------------------------------------------|--------------|--------------|
| <b>Change in operating liabilities<sup>2</sup></b> |              |              |
| Change in deposits and advances from banks         | (679)        | (988)        |
| Change in deposits and advances from customers     | 8,459        | 4,558        |
| Change in securities financing                     | 494          | (406)        |
| Change in trading portfolio liabilities            | 263          | 123          |
| Change in debt securities in issue                 | 115          | 777          |
| Change in notes in circulation                     | (3)          | (1)          |
| Change in other liabilities                        | 332          | (125)        |
|                                                    | <b>8,981</b> | <b>3,938</b> |

1. Relates to debt securities classified at origination as MREL.

2. The impact of foreign exchange translation for each line of the statement of financial position is removed in order to show the underlying cash impact.



## 45 Related party transactions

Related parties in the Group include the parent company and controlling party (AIB Group plc), subsidiary undertakings, associated undertakings, joint arrangements, post-employment benefits, Key Management Personnel and connected parties. The registered office of AIB Group plc is at 10 Molesworth Street, Dublin 2.

### **(a) Transactions with subsidiary undertakings**

AIB Group plc is the ultimate parent company of the Group. Banking transactions between the parent company and its subsidiaries and between subsidiaries are entered into in the normal course of business. These include loans, deposits, provision of derivative contracts, foreign currency contracts and the provision of guarantees on an 'arm's length basis'. Furthermore, pricing arrangements between Allied Irish Banks, p.l.c. and certain Irish subsidiaries, and between certain Irish subsidiaries reflect revised OECD guidelines on transfer pricing, which are the internationally accepted principles in this area, and take account of the functions, risks and assets involved. Transactions between the parent company and its subsidiaries and between subsidiaries have been eliminated on consolidation.

### **(b) Associated undertakings and joint venture**

From time to time, the Group provides certain banking and financial services for associated undertakings. These transactions are made in the ordinary course of business on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other persons and do not involve more than the normal risk of collectability or present other unfavourable features. Details of loans to associates and joint venture are set out in notes 17 and 28 to the consolidated financial statements.

### **(c) Provision of banking and related services and funding to Group pension schemes**

The Group provides certain banking and financial services including money transmission services for the AIB Group pension schemes and a UK pension funding partnership, AIB PFP Scottish Limited Partnership (SLP). Such services are provided in the ordinary course of business, on substantially the same terms, including interest rates, as those prevailing at the time for comparable transactions with other persons.

## Notes to the Consolidated Financial Statements *continued*

### 45 Related party transactions *continued*

#### (d) Companies Act 2014 disclosures

##### (i) Loans to Directors

The following information is presented in accordance with the Companies Act 2014. For the purposes of the Companies Act disclosures, any Director means a current member of the Board of Directors and individual who was a Director during the relevant period.

Where no amount is shown in the tables below, this indicates either a credit balance, a balance of Nil, or a balance of less than €500. Balances and repayments include principal and interest.

Details of transactions with Directors for the year ended 31 December 2025 and 2024 are as follows:

|                                                    | 2025                                     |                                                |                                              |                                            | 2024                                     |                                                |                                              |                                            |
|----------------------------------------------------|------------------------------------------|------------------------------------------------|----------------------------------------------|--------------------------------------------|------------------------------------------|------------------------------------------------|----------------------------------------------|--------------------------------------------|
|                                                    | Balance at<br>1 January<br>2025<br>€ 000 | Amounts<br>advanced<br>during<br>2025<br>€ 000 | Amounts<br>repaid<br>during<br>2025<br>€ 000 | Balance at<br>31 December<br>2025<br>€ 000 | Balance at<br>1 January<br>2024<br>€ 000 | Amounts<br>advanced<br>during<br>2024<br>€ 000 | Amounts<br>repaid<br>during<br>2024<br>€ 000 | Balance at<br>31 December<br>2024<br>€ 000 |
| <b>Tanya Horgan</b>                                |                                          |                                                |                                              |                                            |                                          |                                                |                                              |                                            |
| Loans                                              | 41                                       | —                                              | (7)                                          | 34                                         | 43                                       | —                                              | (2)                                          | 41                                         |
| Overdraft/credit card <sup>1</sup>                 | —                                        | —                                              | —                                            | —                                          | —                                        | —                                              | —                                            | —                                          |
| <b>Total</b>                                       | <b>41</b>                                | <b>—</b>                                       | <b>(7)</b>                                   | <b>34</b>                                  | <b>43</b>                                | <b>—</b>                                       | <b>(2)</b>                                   | <b>41</b>                                  |
| Interest charged during the year                   |                                          |                                                |                                              | <b>2</b>                                   |                                          |                                                |                                              | 3                                          |
| Maximum debit balance during the year <sup>2</sup> |                                          |                                                |                                              | <b>41</b>                                  |                                          |                                                |                                              | 43                                         |
| <b>Colin Hunt</b>                                  |                                          |                                                |                                              |                                            |                                          |                                                |                                              |                                            |
| Loans                                              | 550                                      | —                                              | (48)                                         | 502                                        | 597                                      | —                                              | (47)                                         | 550                                        |
| Overdraft/credit card <sup>1</sup>                 | 16                                       | —                                              | —                                            | 7                                          | 15                                       | —                                              | —                                            | 16                                         |
| <b>Total</b>                                       | <b>566</b>                               | <b>—</b>                                       | <b>(48)</b>                                  | <b>509</b>                                 | <b>612</b>                               | <b>—</b>                                       | <b>(47)</b>                                  | <b>566</b>                                 |
| Interest charged during the year                   |                                          |                                                |                                              | <b>14</b>                                  |                                          |                                                |                                              | 15                                         |
| Maximum debit balance during the year <sup>2</sup> |                                          |                                                |                                              | <b>576</b>                                 |                                          |                                                |                                              | 620                                        |
| <b>Ann O'Brien</b>                                 |                                          |                                                |                                              |                                            |                                          |                                                |                                              |                                            |
| Loans                                              | —                                        | —                                              | —                                            | —                                          | —                                        | —                                              | —                                            | —                                          |
| Overdraft/credit card <sup>1</sup>                 | 1                                        | —                                              | —                                            | —                                          | —                                        | —                                              | —                                            | 1                                          |
| <b>Total</b>                                       | <b>1</b>                                 | <b>—</b>                                       | <b>—</b>                                     | <b>—</b>                                   | <b>—</b>                                 | <b>—</b>                                       | <b>—</b>                                     | <b>1</b>                                   |
| Interest charged during the year                   |                                          |                                                |                                              | <b>—</b>                                   |                                          |                                                |                                              | —                                          |
| Maximum debit balance during the year <sup>2</sup> |                                          |                                                |                                              | <b>1</b>                                   |                                          |                                                |                                              | 2                                          |
| <b>Helen Normoyle</b>                              |                                          |                                                |                                              |                                            |                                          |                                                |                                              |                                            |
| Loans                                              | —                                        | —                                              | —                                            | —                                          | —                                        | 264                                            | (264)                                        | —                                          |
| Overdraft/credit card <sup>1</sup>                 | —                                        | —                                              | —                                            | —                                          | —                                        | —                                              | —                                            | —                                          |
| <b>Total</b>                                       | <b>—</b>                                 | <b>—</b>                                       | <b>—</b>                                     | <b>—</b>                                   | <b>—</b>                                 | <b>264</b>                                     | <b>(264)</b>                                 | <b>—</b>                                   |
| Interest charged during the year                   |                                          |                                                |                                              | <b>—</b>                                   |                                          |                                                |                                              | 2                                          |
| Maximum debit balance during the year <sup>2</sup> |                                          |                                                |                                              | <b>—</b>                                   |                                          |                                                |                                              | 267                                        |
| <b>Basil Geoghegan</b>                             |                                          |                                                |                                              |                                            |                                          |                                                |                                              |                                            |
| Loans                                              | 627                                      | —                                              | (627)                                        | —                                          | —                                        | 663                                            | (37)                                         | 627                                        |
| Overdraft/credit card <sup>1</sup>                 | —                                        | —                                              | —                                            | —                                          | —                                        | —                                              | —                                            | —                                          |
| <b>Total</b>                                       | <b>627</b>                               | <b>—</b>                                       | <b>(627)</b>                                 | <b>—</b>                                   | <b>—</b>                                 | <b>663</b>                                     | <b>(37)</b>                                  | <b>627</b>                                 |
| Interest charged during the year                   |                                          |                                                |                                              | <b>15</b>                                  |                                          |                                                |                                              | 13                                         |
| Maximum debit balance during the year <sup>2</sup> |                                          |                                                |                                              | <b>627</b>                                 |                                          |                                                |                                              | 669                                        |

1. Amounts advanced and repaid are not shown for overdraft/credit card facilities as these are revolving in nature (i.e. they may be drawn, repaid and redrawn up to their limit over the course of the year).

2. The maximum debit balance is calculated by aggregating the maximum debit balance drawn on each facility during the year.

## 45 Related party transactions continued

### (d) Companies Act 2014 disclosures continued

#### (i) Loans to Directors continued

Anik Chaumartin, Donal Galvin, Sandy Kinney Pritchard, Andy Maguire, Elaine MacLean, Brendan McDonagh, Jim Pettigrew, Jan Sijbrand, Fergal O'Dwyer, Raj Singh and Anne Sheehan had no credit facilities with the Group in 2025.

All loans to Directors and their connected persons are made in the ordinary course of business on substantially the same terms, including interest rates and collateral, as those prevailing at the time for similar transactions with other persons unconnected with the Group and of similar financial standing and do not involve more than normal risk of collectability. All facilities are performing to their terms and conditions.

An expected credit loss allowance is held for all loans and advances. A total expected credit loss allowance of less than €500 was held on the facilities disclosed in the preceding table at 31 December 2025 (2024: less than €500).

#### (ii) Connected persons

The aggregate of loans to connected persons of Directors in office during the year ended 31 December 2025 and 2024 are set out in the table below. Loans to connected persons of Directors in office during the year have not been disclosed if their balance did not exceed €7,500 in the year.

|                             | 2025                                       |                                                                 |                                                |                                                       | 2024                                       |                                                                 |                                                |                                                       |
|-----------------------------|--------------------------------------------|-----------------------------------------------------------------|------------------------------------------------|-------------------------------------------------------|--------------------------------------------|-----------------------------------------------------------------|------------------------------------------------|-------------------------------------------------------|
|                             | Balance at<br>31 December<br>2025<br>€ 000 | Maximum<br>amount<br>outstanding<br>during the<br>year<br>€ 000 | Number of<br>persons at<br>31 December<br>2025 | Maximum<br>number of<br>persons<br>during the<br>year | Balance at<br>31 December<br>2024<br>€ 000 | Maximum<br>amount<br>outstanding<br>during the<br>year<br>€ 000 | Number of<br>persons at<br>31 December<br>2024 | Maximum<br>number of<br>persons<br>during the<br>year |
| Tanya Horgan                | 391                                        | 410                                                             | 4                                              | 4                                                     | 407                                        | 428                                                             | 2                                              | 4                                                     |
| Brendan McDonagh            | 9                                          | 9                                                               | 1                                              | 1                                                     | 9                                          | 11                                                              | 1                                              | 1                                                     |
| Helen Normoyle              | 50                                         | 56                                                              | 3                                              | 3                                                     | 48                                         | 53                                                              | 2                                              | 3                                                     |
| Ann O'Brien                 | 29                                         | 68                                                              | 1                                              | 1                                                     | 68                                         | 73                                                              | 1                                              | 1                                                     |
| Fergal O'Dwyer <sup>1</sup> | —                                          | —                                                               | —                                              | —                                                     | 1                                          | 27                                                              | 1                                              | 3                                                     |
| Basil Geoghegan             | —                                          | —                                                               | —                                              | —                                                     | 1                                          | 9                                                               | 2                                              | 2                                                     |
| Andy Maguire                | 20                                         | 23                                                              | 1                                              | 1                                                     | 23                                         | 25                                                              | 1                                              | 1                                                     |
| Donal Galvin                | 127                                        | 145                                                             | 1                                              | 1                                                     | 140                                        | 165                                                             | 1                                              | 1                                                     |

1. As at 31 December 2025, a guarantee entered into by a connected person of Fergal O'Dwyer in favour of the Group amounted to €20,000. No amounts were paid or liability incurred in fulfilling the guarantee.

An expected credit loss allowance is held for all loans and advances. A total expected credit loss allowance of less than €3,000 was held on the facilities disclosed in the table above at 31 December 2025 (2024: less than €20,000).

The value of arrangements at the beginning and end of the financial year as stated above in accordance with Section 307 of the Companies Act 2014, expressed as a percentage of the net assets of the Group at the beginning and end of the financial year, is less than 1%.

### (e) IAS 24 Related Party Disclosures

The following disclosures are made in accordance with the provisions of IAS 24 *Related Party Disclosures*. Under IAS 24, Key Management Personnel (KMP) are defined as comprising Executive and Non-Executive Directors together with Senior Executive Officers, namely, the members of the Executive Committee. As at 31 December 2025, the Group had 23 KMP (2024: 27 KMP).

#### (i) Transactions with Key Management Personnel

Loans to KMP and their close family members (CFM) are made in the ordinary course of business on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other persons of similar standing not connected with the Group, and do not involve more than the normal risk of collectability or present other unfavourable features. Loans to Directors and Senior Executive Officers are made on terms available to other employees in the Group generally, in accordance with established policy, within limits set on a case by case basis.

|          | 2025                                     |                                                         |                                                                |                                                                               | 2024                                     |                                            |                                                                |                                                                  |
|----------|------------------------------------------|---------------------------------------------------------|----------------------------------------------------------------|-------------------------------------------------------------------------------|------------------------------------------|--------------------------------------------|----------------------------------------------------------------|------------------------------------------------------------------|
|          | Balance at<br>1 January<br>2025<br>€ 000 | Balance at<br>31 December<br>2025 <sup>1</sup><br>€ 000 | Total number<br>of relevant<br>KMP/CFM at<br>1 January<br>2025 | Total number<br>of relevant<br>KMP/CFM at<br>31 December<br>2025 <sup>1</sup> | Balance at<br>1 January<br>2024<br>€ 000 | Balance at<br>31 December<br>2024<br>€ 000 | Total number<br>of relevant<br>KMP/CFM at<br>1 January<br>2024 | Total number<br>of relevant<br>KMP/CFM at<br>31 December<br>2024 |
| Loans    | 2,281                                    | 1,373                                                   | 15                                                             | 15                                                                            | 1,975                                    | 2,281                                      | 13                                                             | 15                                                               |
| Deposits | 2,211                                    | 1,581                                                   | 33                                                             | 32                                                                            | 2,084                                    | 2,211                                      | 29                                                             | 33                                                               |

1. Excludes the KMP not in role, and their CFM, as at 31 December 2025.

Total commitments outstanding refers to the total of any undrawn amounts on credit cards and/or overdraft facilities provided to KMP and their CFM. Total commitments outstanding as at 31 December 2025 were €0.08 million (2024: €0.09 million). An expected credit loss allowance is held for all loans and advances. A total expected credit loss allowance of less than €500 was held on the facilities disclosed in the table above at 31 December 2025 (2024: €1,000).

## Notes to the Consolidated Financial Statements *continued*

### 45 Related party transactions *continued*

#### (e) IAS 24 Related Party Disclosures *continued*

#### (ii) Compensation of Key Management Personnel

Details of compensation paid to KMP are provided below. The figures shown include the figures separately reported in respect of Directors' remuneration on pages 161 and 162.

|                                                                    | 2025<br>€ m | 2024<br>€ m |
|--------------------------------------------------------------------|-------------|-------------|
| Short term benefits (salaries, fees and other short-term benefits) | 8.2         | 8.4         |
| Post-employment benefits <sup>1</sup>                              | 1.1         | 1.1         |
| Termination benefits                                               | 0.6         | —           |
| <b>Total compensation of key management personnel</b>              | <b>9.9</b>  | <b>9.5</b>  |

1. Comprises payments to defined contribution pension schemes, in accordance with actuarial advice, to provide post-retirement pensions.

#### (f) Transactions with the Irish Government

The Irish Government ceased to be a related party in July 2025 following the reduction of its shareholding to zero and the execution of a deed of release. This deed released the Group from the undertakings, covenants, and commitments contained in certain agreements, including the Relationship Framework. The Group is required to disclose related party transactions occurring during 2025 up to the date on which the Irish Government was no longer a related party, as well as any outstanding balances as at 31 December 2024. These disclosures are presented under the following headings:

##### – Directed share buyback

The Group has disclosed details of the directed share buyback in note 34.

##### – Guarantee schemes

##### *European Communities (Deposit Guarantee Scheme) Regulations 2015*

Eligible deposits (including credit balances in current accounts, demand deposit accounts and term deposit accounts) of up to €100,000 per depositor per credit institution are covered under this scheme. The scheme is administered by the CBI and is funded by the credit institutions covered by the scheme.

##### *Strategic Banking Corporation of Ireland Scheme*

The Group through its participation in the Strategic Banking Corporation of Ireland (SBCI) Support loan Schemes (the Schemes) benefited from a government guarantee against losses on qualifying finance agreements on amounts advanced under the Schemes during the period when the Irish Government was a related party. At 31 December 2024, €481 million was outstanding across individual schemes of which the Future Growth Loan Scheme, Brexit/COVID-19 Working Capital Loan Schemes, Growth & Sustainability Loan Schemes, Covid-19 and Ukraine Credit Guarantee Scheme benefited from up to 80% Government guarantee.

##### *Credit Institutions (Eligible Liabilities Guarantee) Scheme 2009*

The Credit Institutions (Eligible Liabilities Guarantee) Scheme 2009 was one of various stabilisation measures implemented by the State to support the Irish banking system including the Group. The Group no longer has any guaranteed liabilities under the scheme, however certain of the covenants in the scheme continue to apply to the Group including reporting covenants, until the scheme is terminated by the Minister for Finance.

##### – NAMA

The General Scheme of the Conclusion of IBRC Special Liquidation and Dissolution of NAMA Bill 2024 (the Bill) was approved by Government on 2 July 2024 and has not been enacted to date. Its purpose is to effect the conclusion of the IBRC Special Liquidation and the dissolution of NAMA. It also makes provision for the implementation of appropriate arrangements to manage any remaining residual activity of IBRC and NAMA following the conclusion of their work mandates, including through the creation of a new Resolution Unit within the National Treasury Management Agency (NTMA) to manage any remaining residual activity. As of December 2025, NAMA had substantially completed its wind-down. The final, formal dissolution is subject to and contingent upon the enactment of the Bill.

##### – Irish bank levy

The bank levy was calculated based on each financial institution's deposits at December 2022 which were either covered under the Deposit Guarantee Scheme or were not so covered but had preferential status under Article 108 of the BRRD. The annual levy paid by the Group for 2025 and reflected in operating expenses (note 10) in the income statement amounted to €94 million (2024: €94 million).

##### – Other transactions with the Irish Government and entities under its control

In addition to the above matters, the Group also entered into other normal banking transactions with the Irish Government, while it was a related party, its agencies and entities under its control. This included transactions with (i) Irish Government and related entities, (ii) local government and commercial semi-state bodies and (iii) financial institutions under Irish Government control/significant influence. Other transactions included the payment of taxes, pay related social insurance, local authority rates, and the payment of regulatory fees, as appropriate.

## 45 Related party transactions *continued*

### (f) Transactions with the Irish Government *continued*

#### (i) Irish Government and related entities

Related entities include departments of the Irish Government located in the State and embassies, consulates and other institutions of the Irish Government located outside the State. The Post Office Savings Bank (POSB) and the National Treasury Management Agency (NTMA) are also included. The following table outlines the amounts outstanding at 31 December 2024 with the Irish Government and related entities which are considered individually significant (excluding accrued interest). As the Irish Government is no longer a related party, the outstanding balances at 31 December 2025 are not disclosed:

|                                                 | 2024<br>€ m |
|-------------------------------------------------|-------------|
| <b>Assets</b>                                   |             |
| Cash and balances at central banks <sup>1</sup> | 31,525      |
| Trading portfolio financial assets              | 71          |
| Investment securities <sup>2</sup>              | 4,088       |
| <b>Liabilities</b>                              |             |
| Trading portfolio financial liabilities         | 257         |
| Deposits and advances from customers            | 402         |

1. Cash and balances at central banks represent the placements which the Group holds with the Central Bank.

2. Investment securities comprise €4,088m in Irish Government securities held in the normal course of business.

#### (ii) Local government<sup>1</sup> and Commercial semi-state bodies<sup>2</sup>

During 2025, while the Irish Government was a related party, and 2024, the Group entered into banking transactions in the normal course of business with local government bodies and semi-state bodies. These transactions include the granting of loans and the acceptance of deposits, as well as derivative and clearing transactions.

1. This category includes county councils, city councils, non-commercial public sector entities, public voluntary hospitals and schools.

2. Semi-state bodies is the name given to organisations within the public sector operating with some autonomy. They include commercial organisations or companies in which the State is the sole or main shareholder.

#### (iii) Financial institutions under Irish Government control/significant influence

The Irish Government has a controlling interest in Permanent tsb plc. The Minister for Finance (on behalf of the Irish Government) is the shareholder of Irish Bank Resolution Corporation Limited and has statutory powers of direction under the Irish Bank Resolution Corporation Act 2013 but operational control rests with the Special Liquidators. While the Irish Government was a related party, balances between these financial institutions and the Group were considered related party transactions in accordance with IAS 24. The transactions with these institutions included the short-term placing and acceptance of deposits, derivative transactions, investment debt securities and repurchase agreements.

The following balances were outstanding in total to these financial institutions at 31 December 2024. As the Irish Government is no longer a related party, the outstanding balances at 31 December 2025 are not disclosed.

|                                    | 2024<br>€ m |
|------------------------------------|-------------|
| <b>Assets</b>                      |             |
| Trading portfolio financial assets | 5           |

#### (g) Indemnities

The Group has indemnified the Directors of Allied Irish Banks Pensions Limited and AIB DC Pensions (Ireland) Limited, the trustees of the Group's Ireland defined benefit pension scheme and defined contribution pension scheme, respectively, against any actions, claims or demands arising out of their actions as Directors of the trustee companies, other than by reason of wilful default.



## Notes to the Consolidated Financial Statements *continued*

### 46 Employees

The following table shows the geographical analysis of the average number of employees for 2025 and 2024:

| Average number of staff (Full time equivalents) | 2025          | 2024   |
|-------------------------------------------------|---------------|--------|
| Ireland                                         | 9,591         | 9,902  |
| United Kingdom                                  | 720           | 718    |
| United States of America                        | 36            | 35     |
| <b>Total</b>                                    | <b>10,347</b> | 10,655 |

The following table shows the segmental analysis of the average number of employees for 2025 and 2024:

|                                  | 2025          | 2024   |
|----------------------------------|---------------|--------|
| Retail Banking                   | 4,104         | 4,084  |
| Capital Markets                  | 1,348         | 1,676  |
| Climate & Infrastructure Capital | 107           | 76     |
| AIB UK                           | 618           | 625    |
| Group                            | 4,170         | 4,194  |
| <b>Total<sup>1</sup></b>         | <b>10,347</b> | 10,655 |

1. The average number of employees excludes employees on career breaks and other unpaid long-term leaves.

Actual full time equivalent numbers at 31 December 2025 were 10,207 (2024: 10,469).

### 47 Regulatory compliance

The Group's policy is that the Group and its regulated subsidiaries must comply at all times with their externally imposed capital ratios.

### 48 Financial and other information

| Rates of exchange | 2025   | 2024   |
|-------------------|--------|--------|
| €/€*              |        |        |
| Closing           | 1.1750 | 1.0389 |
| Average           | 1.1305 | 1.0823 |
| €/£*              |        |        |
| Closing           | 0.8726 | 0.8292 |
| Average           | 0.8569 | 0.8466 |

\*Throughout this report, US Dollar is denoted by \$ and Pound Sterling is denoted by £.

### 49 Dividends

A final dividend for the year ended 31 December 2024 of 36.984 cent per ordinary share, amounting to €861 million (for the year ended 31 December 2023: €696 million), was approved at the Annual General Meeting on 1 May 2025 and subsequently paid on 9 May 2025. An interim dividend of 12.328 cent per ordinary share, equivalent to €263 million was paid on 11 November 2025. Final dividends are not accounted for until they have been approved at the Annual General Meeting of shareholders.

### 50 Non-adjusting events after the reporting period

No significant non-adjusting events have taken place since 31 December 2025.

### 51 Approval of the Financial Statements

The financial statements were approved by the Board of Directors on 3 March 2026.

# AIB Group plc Company Statement of Financial Position

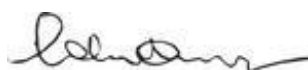
## as at 31 December 2025

|                                                               | Note | 2025<br>€ m   | 2024<br>€ m |
|---------------------------------------------------------------|------|---------------|-------------|
| <b>Assets</b>                                                 |      |               |             |
| Loans and advances to banks – subsidiary                      | c    | 9,797         | 9,554       |
| Investment in subsidiary undertaking                          | d    | 13,958        | 13,883      |
| Prepayments and accrued income                                |      | 186           | 186         |
| <b>Total assets</b>                                           |      | <b>23,941</b> | 23,623      |
| <b>Liabilities</b>                                            |      |               |             |
| Debt securities in issue                                      | e    | 7,135         | 7,894       |
| Tier 2 subordinated liabilities and other capital instruments | f    | 2,650         | 1,650       |
| Accruals and deferred income                                  |      | 175           | 178         |
| <b>Total liabilities</b>                                      |      | <b>9,960</b>  | 9,722       |
| <b>Equity</b>                                                 |      |               |             |
| Share capital                                                 | g    | 1,335         | 1,455       |
| Merger reserve                                                |      | 6,235         | 6,234       |
| Reserves                                                      |      | 5,086         | 4,962       |
| <b>Total shareholders' equity</b>                             |      | <b>12,656</b> | 12,651      |
| Other equity interests                                        | h    | 1,325         | 1,250       |
| <b>Total equity</b>                                           |      | <b>13,981</b> | 13,901      |
| <b>Total liabilities and equity</b>                           |      | <b>23,941</b> | 23,623      |

The Company recorded a profit after taxation of €2,807 million for the year ended 31 December 2025 (2024: profit of €2,283 million).



**Jim Pettigrew**  
Chair



**Colin Hunt**  
Chief Executive Officer



**Donal Galvin**  
Chief Financial Officer



**Conor Gouldson**  
Group Company Secretary

## AIB Group plc Company Statement of Changes in Equity for the financial year ended 31 December 2025

|                                                              |      |               |                        |                |                  |                             | 2025                                         |
|--------------------------------------------------------------|------|---------------|------------------------|----------------|------------------|-----------------------------|----------------------------------------------|
|                                                              |      |               |                        |                |                  |                             | Attributable to equity holders of the parent |
|                                                              |      | Share capital | Other equity interests | Merger reserve | Revenue reserves | Capital redemption reserves | Total                                        |
|                                                              | Note | € m           | € m                    | € m            | € m              | € m                         | € m                                          |
| <b>At 1 January 2025</b>                                     |      | <b>1,455</b>  | <b>1,250</b>           | <b>6,234</b>   | <b>4,721</b>     | <b>241</b>                  | <b>13,901</b>                                |
| <b>Total comprehensive income for the year</b>               |      |               |                        |                |                  |                             |                                              |
| Profit after tax                                             |      | —             | —                      | —              | 2,807            | —                           | 2,807                                        |
| Other comprehensive income                                   |      | —             | —                      | —              | —                | —                           | —                                            |
| <b>Total comprehensive income for the year</b>               |      | <b>—</b>      | <b>—</b>               | <b>—</b>       | <b>2,807</b>     | <b>—</b>                    | <b>2,807</b>                                 |
| <b>Transactions with owners, recorded directly in equity</b> |      |               |                        |                |                  |                             |                                              |
| Issuance of Additional Tier 1 securities                     | h    | —             | 700                    | —              | —                | —                           | 700                                          |
| Buyback of Additional Tier 1 securities                      | h    | —             | (625)                  | —              | —                | —                           | (625)                                        |
| Dividends paid on ordinary shares                            | i    | —             | —                      | —              | (1,124)          | —                           | (1,124)                                      |
| Distributions paid to other equity interests                 | h    | —             | —                      | —              | (85)             | —                           | (85)                                         |
| Buyback of ordinary shares                                   | g    | (120)         | —                      | —              | (1,200)          | 120                         | (1,200)                                      |
| Cancellation of warrants                                     | g    | —             | —                      | —              | (393)            | —                           | (393)                                        |
| Other movements                                              |      | —             | —                      | 1              | (1)              | —                           | —                                            |
| <b>Total contributions by and distribution to owners</b>     |      | <b>(120)</b>  | <b>75</b>              | <b>1</b>       | <b>(2,803)</b>   | <b>120</b>                  | <b>(2,727)</b>                               |
| <b>At 31 December 2025</b>                                   |      | <b>1,335</b>  | <b>1,325</b>           | <b>6,235</b>   | <b>4,725</b>     | <b>361</b>                  | <b>13,981</b>                                |

|                                                              |      |               |                        |                |                  |                             | 2024                                         |
|--------------------------------------------------------------|------|---------------|------------------------|----------------|------------------|-----------------------------|----------------------------------------------|
|                                                              |      |               |                        |                |                  |                             | Attributable to equity holders of the parent |
|                                                              |      | Share capital | Other equity interests | Merger reserve | Revenue reserves | Capital redemption reserves | Total                                        |
|                                                              | Note | € m           | € m                    | € m            | € m              | € m                         | € m                                          |
| <b>At 1 January 2024</b>                                     |      | <b>1,637</b>  | <b>1,125</b>           | <b>6,234</b>   | <b>4,716</b>     | <b>59</b>                   | <b>13,771</b>                                |
| <b>Total comprehensive income for the year</b>               |      |               |                        |                |                  |                             |                                              |
| Profit after tax                                             |      | —             | —                      | —              | 2,283            | —                           | 2,283                                        |
| Other comprehensive income                                   |      | —             | —                      | —              | —                | —                           | —                                            |
| <b>Total comprehensive income for the year</b>               |      | <b>—</b>      | <b>—</b>               | <b>—</b>       | <b>2,283</b>     | <b>—</b>                    | <b>2,283</b>                                 |
| <b>Transactions with owners, recorded directly in equity</b> |      |               |                        |                |                  |                             |                                              |
| Issuance of Additional Tier 1 securities                     |      | —             | 625                    | —              | —                | —                           | 625                                          |
| Buyback of Additional Tier 1 securities                      |      | —             | (500)                  | —              | —                | —                           | (500)                                        |
| Dividends paid on ordinary shares                            | i    | —             | —                      | —              | (696)            | —                           | (696)                                        |
| Distributions paid to other equity interests                 | h    | —             | —                      | —              | (80)             | —                           | (80)                                         |
| Buyback of ordinary shares                                   | g    | (182)         | —                      | —              | (1,502)          | 182                         | (1,502)                                      |
| Cancellation of warrants                                     | g    | —             | —                      | —              | —                | —                           | —                                            |
| Other movements                                              |      | —             | —                      | —              | —                | —                           | —                                            |
| <b>Total contributions by and distributions to owners</b>    |      | <b>(182)</b>  | <b>125</b>             | <b>—</b>       | <b>(2,278)</b>   | <b>182</b>                  | <b>(2,153)</b>                               |
| <b>At 31 December 2024</b>                                   |      | <b>1,455</b>  | <b>1,250</b>           | <b>6,234</b>   | <b>4,721</b>     | <b>241</b>                  | <b>13,901</b>                                |

# Notes to AIB Group plc Company Financial Statements

## Background

AIB Group plc ('the parent company' or 'the Company') is a company domiciled in Ireland with its registered office address at 10 Molesworth Street, Dublin 2, Ireland. AIB Group plc is registered under the Companies Act 2014 as a public limited company under the company number 594283 and is the holding company of the Group.

## a Accounting policies

### Statement of Compliance

The parent company financial statements and related notes have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and comply with those parts of the Companies Act 2014 and with the European Union (Credit Institutions: Financial Statements) Regulations 2015 applicable to companies reporting under FRS 101.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of IFRS as adopted by the EU, but makes amendments where necessary in order to comply with the Companies Act 2014 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A statement of cash flows and related notes;
- The effects of new but not yet effective IFRS; and
- Disclosures in respect of transactions with wholly owned subsidiaries of the Group.

### Material accounting policies

Where applicable, the accounting policies adopted by the Company are the same as those of the Group as set out in note 1 to the consolidated financial statements.

### Investment in subsidiary

The Company accounts for its investment in subsidiary at cost less provisions for impairment. The Company reviews its investment for impairment at the end of each reporting period if there are indications that impairment may have occurred.

The testing for possible impairment involves comparing the estimated recoverable amount of an investment with its carrying amount. Where the recoverable amount is less than the carrying amount, the difference is recognised as an impairment provision in the Company's financial statements. The recoverable amount is the higher of fair value less costs to sell and value-in-use (VIU).

Dividends from a subsidiary are recognised in the income statement when the Company's right to receive the dividend is established.

### Merger reserve

Impairment losses which arise from the Company's investment in Allied Irish Banks, p.l.c. will be charged to the profit or loss account and transferred to the merger reserve in so far as a credit balance remains in the merger reserve. Reversal of impairments will be credited to the profit or loss account and transferred to the merger reserve in so far as it does not exceed the impairment charged.

### Use of judgements and estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of certain assets, liabilities, revenues and expenses, and disclosures of contingent assets and liabilities. The estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Since management's judgement may involve making estimates concerning the likelihood of future events, the actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected. The Company did not have any significant judgements or material sources of estimation uncertainty which required separate disclosure under IFRS.

## Parent Company Income Statement

In accordance with Section 304(2) of the Companies Act 2014, the parent company is availing of the exemption to omit the income statement, statement of comprehensive income and related notes from its financial statements; from presenting them to the Annual General Meeting and from filing them with the Registrar of Companies. The Company's profit after taxation for the financial year is €2,807 million (2024: €2,283 million). The profit primarily arose due to the receipt of dividends from subsidiaries of the Company.

## b Auditor's remuneration

Section 322 of the Companies Act 2014 mandates disclosure of remuneration paid/payable to the Group Auditor only (PricewaterhouseCoopers) for services relating to the audit of the Group and relevant subsidiary financial statements. €5,000 was paid to the Group Auditor for services relating to the audit of the financial statements of AIB Group plc during the year to 31 December 2025 (2024: €5,000). No fees were paid/payable to overseas auditors (2024: Nil).

## Notes to AIB Group plc Company Financial Statements *continued*

### c Loans and advances to banks

|                                                          | 2025<br>€ m  | 2024<br>€ m  |
|----------------------------------------------------------|--------------|--------------|
| <b>At amortised cost</b>                                 |              |              |
| Funds placed with subsidiary, Allied Irish Banks, p.l.c. | 9,799        | 9,557        |
| ECL allowance                                            | (2)          | (3)          |
| <b>Total loans and advances to banks</b>                 | <b>9,797</b> | <b>9,554</b> |

#### Issuances

During 2025, AIB Group plc (Lender) entered into the following loan agreements with Allied Irish Banks, p.l.c. (Borrower) whereby the obligation was unsecured and subordinated.

| Issue date    | Nominal amount | Optional redemption date | Maturity date | Interest rate <sup>1</sup> |
|---------------|----------------|--------------------------|---------------|----------------------------|
| March 2025    | €500m          | March 2032               | March 2033    | 3.875% Fixed Rate          |
| March 2025    | €300m          | March 2035               | March 2036    | 4.125% Fixed Rate          |
| May 2025      | \$750m         | May 2030                 | May 2031      | 5.445% Fixed Rate          |
| December 2025 | €1bn           | December 2031            | December 2036 | 3.9% Fixed Rate            |

1. Interest is payable annually, or semi-annually in arrears.

#### Repurchases

| Repurchase | Nominal amount | Repurchased nominal | Maturity date | Interest rate     | Outstanding nominal |
|------------|----------------|---------------------|---------------|-------------------|---------------------|
| March 2025 | €750m          | €343m               | July 2026     | 3.75% Fixed Rate  | Nil <sup>1</sup>    |
| May 2025   | \$750m         | \$469m              | October 2026  | 7.708% Fixed Rate | Nil <sup>2</sup>    |

1. The outstanding nominal of €407m was redeemed in July on the call date.

2. The outstanding nominal of \$281m was redeemed in October on the call date.

#### Maturities

| Maturity date | Nominal amount | Interest rate     | Outstanding nominal |
|---------------|----------------|-------------------|---------------------|
| July 2025     | €500m          | 2.375% Fixed Rate | Nil                 |

### d Investment in subsidiary undertaking

|                                                                                                | 2025<br>€ m   | 2024<br>€ m   |
|------------------------------------------------------------------------------------------------|---------------|---------------|
| <b>At 1 January</b>                                                                            | <b>13,883</b> | <b>13,758</b> |
| Additions – Additional Tier 1 Securities                                                       | 700           | 625           |
| Redemption – Additional Tier 1 Securities                                                      | (625)         | (500)         |
| <b>At 31 December</b>                                                                          | <b>13,958</b> | <b>13,883</b> |
| <i>of which comprises the ordinary share capital of Allied Irish Banks, p.l.c.</i>             | <b>12,633</b> | <b>12,633</b> |
| <i>of which comprises the Additional Tier 1 Securities (AT1) of Allied Irish Banks, p.l.c.</i> | <b>1,325</b>  | <b>1,250</b>  |

#### Details of the Company's subsidiary

Allied Irish Banks, p.l.c. (the Subsidiary) is a financial services company incorporated and registered in Ireland with a registered office at 10 Molesworth Street, Dublin 2. It is the parent company of a number of subsidiaries, both credit institutions and others, all of which are 100% owned apart from Augmentum Limited in which there are non-controlling interests. It operates predominantly in Ireland, providing a comprehensive range of services to retail customers, as well as business and corporate customers. Allied Irish Banks, p.l.c. and its subsidiaries offer a full suite of products for retail customers, including mortgages, personal loans, credit cards, current accounts, insurance, pensions, financial planning, investments, savings and deposits. Its products for business and corporate customers include finance and loans, business current accounts, deposits, foreign exchange and interest rate risk management products, trade finance products, invoice discounting, leasing, credit cards, merchant services, payments and corporate finance.

Allied Irish Banks, p.l.c. together with its principal subsidiaries in Ireland, AIB Mortgage Bank Unlimited Company and EBS d.a.c., are regulated by the Central Bank of Ireland/Single Supervisory Mechanism. Its principal subsidiary outside the Republic of Ireland, AIB Group (UK) p.l.c., is regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

#### Impairment of investment in subsidiary

The Company reviews its investment in the Subsidiary for impairment at the end of each reporting period if there are indications that impairment may have occurred. The testing for possible impairment involves comparing the estimated recoverable amount of the investment with its carrying amount. Where the recoverable amount is less than the carrying amount, the difference is recognised as an impairment loss in the Company's financial statements. The recoverable amount is the higher of fair value less costs to sell and value in use (VIU). The Subsidiary's fair value is calculated as the market capitalisation of AIB Group less the Company's net assets (excluding the investment in subsidiary).

At 31 December 2025, AIB Group plc's market capitalisation less the Company's net assets, excluding its investment in subsidiary, was €19.7 billion (2024: €12.4 billion). This was above the carrying value of its investment of €13.9 billion and therefore there is no indicator of impairment at 31 December 2025 and there is no requirement to estimate the VIU.



## e Debt securities in issue

|                                       | 2025<br>€ m  | 2024<br>€ m  |
|---------------------------------------|--------------|--------------|
| Euro Medium Term Note Programme       | 4,800        | 5,250        |
| Global Medium Term Note Programme     | 2,335        | 2,644        |
| <b>Total debt securities in issue</b> | <b>7,135</b> | <b>7,894</b> |

For details of debt securities issued and repurchased by the Company during 2025, refer to note 29 of the consolidated financial statements. The instruments issued by AIB Group plc were issued for the purpose of meeting the Group MREL requirements.

## f Tier 2 subordinated liabilities and other capital instruments

|                                                                            | 2025<br>€ m  | 2024<br>€ m  |
|----------------------------------------------------------------------------|--------------|--------------|
| <b>Dated loan capital – European Medium Term Note Programme:</b>           |              |              |
| €1bn Subordinated Tier 2 Notes                                             | 1,000        | 1,000        |
| €650m Subordinated Tier 2 Notes                                            | 650          | 650          |
| €1bn Subordinated Tier 2 Notes                                             | 1,000        | —            |
| <b>Total Tier 2 subordinated liabilities and other capital instruments</b> | <b>2,650</b> | <b>1,650</b> |

For details of Tier 2 subordinated liabilities issued by the Company, refer to note 32 of the consolidated financial statements.

## g Share capital

For details of the ordinary share capital of the Company, refer to note 34 of the consolidated financial statements.

## h Other equity interests

|                                                                                          | 2025<br>€ m  | 2024<br>€ m  |
|------------------------------------------------------------------------------------------|--------------|--------------|
| <b>Issued by AIB Group plc</b>                                                           |              |              |
| €625m Additional Tier 1 Perpetual Contingent Temporary Write-Down Securities issued 2020 | —            | 625          |
| €625m Additional Tier 1 Perpetual Contingent Temporary Write-Down Securities issued 2024 | 625          | 625          |
| €700m Additional Tier 1 Perpetual Contingent Temporary Write-Down Securities issued 2025 | 700          | —            |
| <b>Total other equity interests</b>                                                      | <b>1,325</b> | <b>1,250</b> |

For details of other equity interests issued by the Company, refer to note 35 of the consolidated financial statements.

## i Dividends

The dividends of AIB Group plc are detailed in note 49 of the consolidated financial statements.

## Notes to AIB Group plc Company Financial Statements *continued*

### j Credit risk information

The following table sets out the maximum exposure to credit risk for financial assets all of which are carried at amortised cost<sup>1</sup> at 31 December 2025 and 2024:

|                             | 2025<br>€ m  | 2024<br>€ m  |
|-----------------------------|--------------|--------------|
| Loans and advances to banks | 9,797        | 9,554        |
| Included elsewhere:         |              |              |
| Accrued interest            | 186          | 186          |
| <b>Total</b>                | <b>9,983</b> | <b>9,740</b> |

1. All amortised cost items are loans and advances which are in a 'held to collect' business model.

### k Liquidity and funding risk

#### Financial assets and financial liabilities by contractual residual maturity

The following table analyses financial assets and financial liabilities by contractual residual maturity at 31 December 2025 and 2024:

|                                                               | 2025      |                             |                    |           |              |       |
|---------------------------------------------------------------|-----------|-----------------------------|--------------------|-----------|--------------|-------|
|                                                               | On demand | <3 months but not on demand | 3 months to 1 year | 1–5 years | Over 5 years | Total |
|                                                               | € m       | € m                         | € m                | € m       | € m          | € m   |
| <b>Financial assets</b>                                       |           |                             |                    |           |              |       |
| Loans and advances to banks <sup>1</sup>                      | 8         | —                           | —                  | 4,101     | 5,690        | 9,799 |
| Other financial assets                                        | —         | 186                         | —                  | —         | —            | 186   |
|                                                               | 8         | 186                         | —                  | 4,101     | 5,690        | 9,985 |
| <b>Financial liabilities</b>                                  |           |                             |                    |           |              |       |
| Debt securities in issue <sup>2</sup>                         | —         | —                           | —                  | 4,101     | 3,040        | 7,141 |
| Tier 2 subordinated liabilities and other capital instruments | —         | —                           | —                  | —         | 2,650        | 2,650 |
| Other financial liabilities                                   | 175       | —                           | —                  | —         | —            | 175   |
|                                                               | 175       | —                           | —                  | 4,101     | 5,690        | 9,966 |
|                                                               |           |                             |                    |           |              | 2024  |
|                                                               | On demand | <3 months but not on demand | 3 months to 1 year | 1–5 years | Over 5 years | Total |
|                                                               | € m       | € m                         | € m                | € m       | € m          | € m   |
| <b>Financial assets</b>                                       |           |                             |                    |           |              |       |
| Loans and advances to banks <sup>1</sup>                      | 10        | —                           | 500                | 5,684     | 3,363        | 9,557 |
| Other financial assets                                        | —         | 186                         | —                  | —         | —            | 186   |
|                                                               | 10        | 186                         | 500                | 5,684     | 3,363        | 9,743 |
| <b>Financial liabilities</b>                                  |           |                             |                    |           |              |       |
| Debt securities in issue <sup>2</sup>                         | —         | —                           | 500                | 5,684     | 1,713        | 7,897 |
| Tier 2 subordinated liabilities and other capital instruments | —         | —                           | —                  | —         | 1,650        | 1,650 |
| Other financial liabilities                                   | 178       | —                           | —                  | —         | —            | 178   |
|                                                               | 178       | —                           | 500                | 5,684     | 3,363        | 9,725 |

1. Shown gross of expected credit losses.

2. Shown gross of transaction costs.

# Country by Country Report

**In this section**

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# Country by Country Report

## Basis of preparation

The disclosures contained in this report have been prepared in accordance with Country by Country Reporting (CBCR) requirements under the Capital Requirements Directive (CRD IV) which were transposed into Irish legislation as Regulation 77 of Statutory Instrument 158 of 2014 (Regulation 77).

The disclosures required under Regulation 77 are presented on a consolidated basis for AIB Group plc and its subsidiaries. In 2024, CBCR disclosures were presented for Allied Irish Banks, p.l.c and its subsidiaries, as Allied Irish Banks, p.l.c. prepared consolidated statutory financial statements for that year whereas in 2025 it availed of an exemption provided under the Companies Act 2014 from preparing consolidated statutory financial statements. Prior year information has been re-presented for comparative purposes.

AIB Group plc is the listed holding company of the Group and the parent company of Allied Irish Banks, p.l.c. For purposes of this report, AIB Group plc and its subsidiaries are collectively referred to as the 'Group'. CBCR disclosures are prepared under International Financial Reporting Standards (collectively IFRSs) as adopted by the European Union (EU) except in relation to the scope of consolidation which is prepared on a prudential basis. The principal differences between the consolidated statutory financial statements of AIB Group plc and the prudential scope of consolidation are as follows:

- The Group's subsidiary Semeral Ltd, a holding company for Payzone Ireland, is fully consolidated in the statutory financial statements but treated as an investment under the prudential scope of consolidation; and
- The Group's securitisation special purpose vehicles are excluded from the prudential scope of consolidation.

Regulation 77 requires each institution to disclose annually, specifying, by Member State and by third country in which it has an establishment, the following information on a consolidated basis for the financial year.

### (a) Name(s), nature of activities and geographical location

This information is provided based on the locations of operations of AIB Group plc and its subsidiary companies.

### (b) Turnover

Turnover is reported for each country and comprises all items included within total operating income as disclosed in the consolidated income statement of the Group.

The geographical distribution of turnover is based primarily on the location of the office recording the transaction. In deriving turnover by country, inter-company turnover arising within a country is eliminated, but inter-company turnover between countries is reported.

### (c) Number of employees on a full-time equivalent basis

The number of employees on a full-time equivalent (FTE) basis is reported as an average number of employees, analysed by geography.

### (d) Profit or loss before tax

Profit before tax is reported for each country.

### (e) Tax on profit or loss

Tax on profit or loss, for the purposes of country by country reporting, is interpreted as the corporation tax paid/refunded in each geographical jurisdiction in the year.

### (f) Public subsidies received

The definition of 'public subsidies' has been interpreted as direct support by the Government. It does not include central bank operations that are designed for financial stability purposes or operations that aim to facilitate the functioning of the monetary policy transmission. No public subsidies were received by the Group during the year ended 31 December 2025.

## Parent company

| Country             | Parent company | Nature of activities                                                                       |
|---------------------|----------------|--------------------------------------------------------------------------------------------|
| Republic of Ireland | AIB Group plc  | The holding company of the Group, quoted on the Euronext Dublin and London Stock Exchange. |

## Material subsidiaries<sup>1</sup>

| Country             | Principal subsidiary or branch                                                                            | Nature of activities                                                                                                                                                                                                       |
|---------------------|-----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Republic of Ireland | Allied Irish Banks, p.l.c.                                                                                | A direct subsidiary of AIB Group plc and the principal operating company of the Group and holds the majority of the subsidiaries within the Group. Its activities include banking and financial services – a licensed bank |
| Republic of Ireland | AIB Mortgage Bank Unlimited Company                                                                       | Issue of Irish residential mortgages and mortgage covered securities – a licensed bank                                                                                                                                     |
| Republic of Ireland | EBS d.a.c.                                                                                                | Mortgages and savings – a licensed bank                                                                                                                                                                                    |
| United Kingdom      | AIB Group (UK) p.l.c. trading as Allied Irish Bank (GB) in Great Britain and AIB (NI) in Northern Ireland | Banking and financial services – a licensed bank                                                                                                                                                                           |

1. The material subsidiaries which are included in the prudential basis of consolidation are in line with those set out in the consolidated financial statements of AIB Group plc at 31 December 2025.

## Turnover, Profit before taxation, Taxation and Employees

### Group<sup>1</sup>

| Country                        | For the year ended 31 December 2025 |                                |               |               | For the year ended 31 December 2024 |                                       |               |               |
|--------------------------------|-------------------------------------|--------------------------------|---------------|---------------|-------------------------------------|---------------------------------------|---------------|---------------|
|                                | Turnover                            | Profit before tax <sup>2</sup> | Taxation paid | Average FTEs  | Turnover                            | Profit/(loss) before tax <sup>2</sup> | Taxation paid | Average FTEs  |
|                                | € m                                 | € m                            | € m           |               | € m                                 | € m                                   | € m           |               |
| Republic of Ireland            | 4,020                               | 2,122                          | 4             | 9,484         | 4,411                               | 2,451                                 | 7             | 9,790         |
| United Kingdom                 | 446                                 | 271                            | 20            | 719           | 514                                 | 273                                   | 53            | 718           |
| Rest of the World <sup>3</sup> | 26                                  | 4                              | —             | 36            | (17)                                | (24)                                  | —             | 35            |
| <b>Total</b>                   | <b>4,492</b>                        | <b>2,397</b>                   | <b>24</b>     | <b>10,239</b> | <b>4,908</b>                        | <b>2,700</b>                          | <b>60</b>     | <b>10,543</b> |

1. AIB Group plc and its subsidiaries on a group consolidated basis. Any differences with items reported in this table and those reported in AIB Group plc consolidated financial statements are due to the scope of consolidation noted in the basis of preparation.

2. The amount of accrued current tax expense recorded on taxable profits in 2025 was €51m (€7m ROI, €44m UK) (2024: €59m (€7m ROI, €52m UK)).

3. The turnover is derived from the operations of smaller branches and entities of AIB Group plc primarily in North America. In 2024, the Group recognised a net total operating loss of €17m.



## Country by Country Report continued

### Independent auditors' report to the Directors of AIB Group plc Report on the audit of the Country-by-Country Reporting Schedule

#### Opinion

In our opinion, AIB Group plc and its subsidiaries (the 'Group') Country-by-Country Reporting Schedule for the year ended 31 December 2025 has been properly prepared, in all material respects, in accordance with the Basis of Preparation set out on page 338.

We have audited the Country-by-Country Reporting Schedule for the year ended 31 December 2025 which comprises the Country by Country reporting for the year ended 31 December 2025 and the Basis of Preparation.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ('ISAs (Ireland)'), including ISA (Ireland) 800 and ISA (Ireland) 805, and applicable law. Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the Country-by-Country Reporting Schedule section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the Country-by-Country Reporting Schedule in Ireland, which includes IAASA's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### Emphasis of matter – Basis of preparation

In forming our opinion on the Country-by-Country Reporting Schedule, which is not modified, we draw attention to the Basis of Preparation. The Country-by-Country Reporting Schedule is prepared by the directors for the purpose of meeting the requirements of Regulation 77 of Statutory Instrument 158 of 2014. The Country-by-Country Reporting Schedule has therefore been prepared in accordance with a special purpose framework and, as a result, the Country-by-Country Reporting Schedule may not be suitable for another purpose.

#### Conclusions relating to going concern

Our evaluation of the directors' assessment of the Group's ability to continue to adopt the going concern basis of accounting included:

- Obtaining management's going concern assessment;
- Performing a risk assessment to identify factors that could impact the going concern assessment;
- Considering the Group's Financial Plan approved by the Board in December 2025. In evaluating management's base case forecasts and alternative stress scenarios we considered the Group's financial position, historic performance, its past record of achieving strategic objectives and management's assessment of the likely impact on financial performance, capital and liquidity for a period of 12 months from the date on which the Country-by-Country Reporting Schedule is authorised for issue;
- Considering whether the assumptions underlying the base cases were consistent with related assumptions used in other areas of the Group's business activities, for example, in testing for non-financial asset impairment; and
- Reading relevant correspondence from the Central Bank of Ireland and the ECB Joint Supervisory Team with regards to regulatory capital and liquidity requirements of the Group.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern for a period of at least twelve months from the date on which the Country-by-Country Reporting Schedule is authorised for issue.

In auditing the Country-by-Country Reporting Schedule, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the Country-by-Country Reporting Schedule is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Group's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### Responsibilities for the Country-by-Country Reporting Schedule and the audit

##### Responsibilities of the directors for the Country-by-Country Reporting Schedule

The directors are responsible for the preparation of the Country-by-Country Reporting Schedule and for the appropriateness of the basis of preparation. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of a country-by-country reporting schedule that is free from material misstatement, whether due to fraud or error.

In preparing the Country-by-Country Reporting Schedule, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

##### Auditors' responsibilities for the audit of the country-by-country reporting schedule

It is our responsibility to report on whether the Country-by-Country Reporting Schedule has been properly prepared in accordance with the Basis of Preparation.

Our objectives are to obtain reasonable assurance about whether the Country-by-Country Reporting Schedule as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Country-by-Country Reporting Schedule.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

## Independent auditors' report to the Directors of AIB Group plc Report on the audit of the Country-by-Country Reporting Schedule *continued*

### Auditors' responsibilities for the audit of the country-by-country reporting schedule *continued*

Based on our understanding of the Group and its industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of banking laws and regulations, and we considered the extent to which non-compliance might have a material effect on the Country-by-Country Reporting Schedule. We also considered those laws and regulations that have a direct impact on the preparation of the Country-by-Country Reporting Schedule such as the Companies Act 2014. We evaluated management's incentives and opportunities for fraudulent manipulation of the Country-by-Country Reporting Schedule (including the risk of override of controls), and determined that the principal risks were related to the potential for management bias through judgement and assumptions in significant accounting estimates and manual journal entries being recorded in order to affect performance.

Audit procedures performed by the engagement team included:

- Discussions with the Board Audit Committee, management and Group Legal including consideration of known or suspected instances of non-compliance with laws and regulations or fraud;
- Reading the meeting minutes of the Board of Directors, Board Audit Committee, Board Risk Committee, Board Remuneration Committee and the Board Nomination & Corporate Governance Committee;
- Consideration of the results of reporting from the component audit team in the UK relating to compliance with applicable laws and regulations and procedures performed to address assessed fraud risk;
- Discussions with Group Internal Audit and consideration of internal audit reports in so far as they related to the financial statements;
- Evaluating whether there was evidence of management bias that represents a risk of material misstatement due to fraud;
- Inspection of relevant regulatory correspondence from the Central Bank of Ireland and the ECB Joint Supervisory Team;
- Challenging assumptions and judgements made by management in their accounting estimates;
- Applying risk-based criteria to journal entries posted in the audit period to determine journal entries for testing purposes; and
- Designing audit procedures to incorporate elements of unpredictability around the nature and extent of audit procedures performed.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the Country-by-Country Reporting Schedule. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the Country-by-Country Reporting Schedule is located on IAASA's website at: [https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf). This description forms part of our auditors' report.

### Use of this report

This report, including the opinion, has been prepared for and only for the Group's directors. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, save where expressly agreed by our prior consent in writing.



### Ronan Doyle

For and on behalf of  
PricewaterhouseCoopers  
Chartered Accountants and Statutory Auditors  
Dublin  
3 March 2026



# General Information

## In this section

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1. The pages from 344 to 380 are subject to limited assurance, other than the tables with a disclosure reference date of 31 December 2024.



## 0. Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation

(Pages 344 – 380 are subject to limited assurance)

|                 | Total environmentally sustainable assets (€m) | KPI <sup>1</sup> | KPI <sup>2</sup> | % coverage (over total assets) <sup>3</sup> | % of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V) | % of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V) |
|-----------------|-----------------------------------------------|------------------|------------------|---------------------------------------------|---------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| <b>Main KPI</b> | <b>Green asset ratio (GAR) stock</b>          | 4,390            | 4.45 %           | 4.51 %                                      | 66.02 %                                                                                                 | 22.55 %                                                                                          |
|                 |                                               |                  |                  |                                             |                                                                                                         | 33.98 %                                                                                          |

|                        | Total environmentally sustainable activities   | KPI | KPI    | % coverage (over total assets) | % of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V) | % of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V) |
|------------------------|------------------------------------------------|-----|--------|--------------------------------|---------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| <b>Additional KPIs</b> | <b>GAR (flow)</b>                              | 601 | 2.88 % | 3.16 %                         | 88.24 %                                                                                                 | 34.73 %                                                                                          |
|                        | <b>Trading book<sup>4</sup></b>                |     |        |                                |                                                                                                         | 11.76 %                                                                                          |
|                        | <b>Financial guarantees</b>                    | —   | — %    | — %                            |                                                                                                         |                                                                                                  |
|                        | <b>Assets under management</b>                 | —   | — %    | — %                            |                                                                                                         |                                                                                                  |
|                        | <b>Fees and commissions income<sup>4</sup></b> |     |        |                                |                                                                                                         |                                                                                                  |

1. Based on the Turnover KPI that the underlying counterparty has disclosed for each environmental objective in accordance with this Regulation.

2. Based on the CapEx KPI that the underlying counterparty has disclosed for each environmental objective in accordance with this Regulation.

3. % of assets covered by the KPI over banks' total assets.

4. For the 2025 financial year, AIB has applied the transitional option permitted under Article 4, third subparagraph, of Commission Delegated Regulation (EU) 2026/73 (Omnibus Delegated Act), thereby continuing to report in accordance with the Disclosure Delegated Act as it applied until 31 December 2025. In line with Article 10(5) of the Disclosures Delegated Act, as amended by Article 1(8) of the Omnibus Delegated Act, AIB will not report the Trading Book KPI or the Fees and Commission KPI (Sections 1.2.3 and 1.2.4 of Annex V) until their revised application date of 1 January 2028.

5. Due to rounding, numbers presented in template 1 may not add up precisely to the totals provided.

6. Certain EU Taxonomy templates retain references to undertakings subject to the NFRD. For FY25 reporting, AIB has applied the CSRD scope and included only counterparties that reported under CSRD in their latest Annual Financial Report, consistent with the legislative framework.

7. Flow exposures in template 4 are calculated in accordance with the clarification in the Third Commission Notice (C/2024/6691) and reflect only newly incurred exposures on a gross basis.



## 1. Assets for the calculation of GAR (revenue)

### Disclosure reference date 31 December 2025

| Key         | Total<br>[gross]<br>carrying<br>amount                                                          | Climate Change Mitigation (CCM)                                |        |       |       |    | Climate Change Adaptation (CCA)                                |   |   |   |   | Water and marine resources (WTR)                               |   |   |   | Circular economy (CE)                                          |   |    |    | Pollution (PPC)                                                |   |    |    | Biodiversity and Ecosystems (BIO)                              |   |     |        | TOTAL (CCM + CCA + WTR + CE + PPC + BIO)                       |       |    |   |   |  |  |  |
|-------------|-------------------------------------------------------------------------------------------------|----------------------------------------------------------------|--------|-------|-------|----|----------------------------------------------------------------|---|---|---|---|----------------------------------------------------------------|---|---|---|----------------------------------------------------------------|---|----|----|----------------------------------------------------------------|---|----|----|----------------------------------------------------------------|---|-----|--------|----------------------------------------------------------------|-------|----|---|---|--|--|--|
|             |                                                                                                 | Of which towards taxonomy relevant sectors (Taxonomy-eligible) |        |       |       |    | Of which towards taxonomy relevant sectors (Taxonomy-eligible) |   |   |   |   | Of which towards taxonomy relevant sectors (Taxonomy-eligible) |   |   |   | Of which towards taxonomy relevant sectors (Taxonomy-eligible) |   |    |    | Of which towards taxonomy relevant sectors (Taxonomy-eligible) |   |    |    | Of which towards taxonomy relevant sectors (Taxonomy-eligible) |   |     |        | Of which towards taxonomy relevant sectors (Taxonomy-eligible) |       |    |   |   |  |  |  |
|             |                                                                                                 | Of which environmentally sustainable (Taxonomy-aligned)        |        |       |       |    | Of which environmentally sustainable (Taxonomy-aligned)        |   |   |   |   | Of which environmentally sustainable (Taxonomy-aligned)        |   |   |   | Of which environmentally sustainable (Taxonomy-aligned)        |   |    |    | Of which environmentally sustainable (Taxonomy-aligned)        |   |    |    | Of which environmentally sustainable (Taxonomy-aligned)        |   |     |        | Of which environmentally sustainable (Taxonomy-aligned)        |       |    |   |   |  |  |  |
| Million EUR |                                                                                                 |                                                                |        |       |       |    |                                                                |   |   |   |   |                                                                |   |   |   |                                                                |   |    |    |                                                                |   |    |    |                                                                |   |     |        |                                                                |       |    |   |   |  |  |  |
|             | GAR – Covered assets in both numerator and denominator                                          |                                                                |        |       |       |    |                                                                |   |   |   |   |                                                                |   |   |   |                                                                |   |    |    |                                                                |   |    |    |                                                                |   |     |        |                                                                |       |    |   |   |  |  |  |
| 1           | Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation | 64,961                                                         | 38,532 | 4,390 | 4,361 | 24 | 0                                                              | 2 | 0 |   |   |                                                                |   |   | 3 |                                                                |   |    | 21 |                                                                |   |    | 49 |                                                                |   |     | 38,606 | 4,390                                                          | 4,361 | 24 | 0 |   |  |  |  |
| 2           | Financial undertakings                                                                          | 21,516                                                         |        |       |       |    |                                                                |   |   |   |   |                                                                |   |   |   |                                                                |   |    |    |                                                                |   |    |    |                                                                |   |     |        |                                                                |       |    |   |   |  |  |  |
| 3           | Credit institutions                                                                             | 13,557                                                         |        |       |       |    |                                                                |   |   |   |   |                                                                |   |   |   |                                                                |   |    |    |                                                                |   |    |    |                                                                |   |     |        |                                                                |       |    |   |   |  |  |  |
| 4           | Loans and advances                                                                              | 5,616                                                          |        |       |       |    |                                                                |   |   |   |   |                                                                |   |   |   |                                                                |   |    |    |                                                                |   |    |    |                                                                |   |     |        |                                                                |       |    |   |   |  |  |  |
| 5           | Debt securities, including UoP                                                                  | 7,941                                                          |        |       |       |    |                                                                |   |   |   |   |                                                                |   |   |   |                                                                |   |    |    |                                                                |   |    |    |                                                                |   |     |        |                                                                |       |    |   |   |  |  |  |
| 6           | Equity instruments                                                                              | —                                                              |        |       |       |    |                                                                |   |   |   |   |                                                                |   |   |   |                                                                |   |    |    |                                                                |   |    |    |                                                                |   |     |        |                                                                |       |    |   |   |  |  |  |
| 7           | Other financial corporations                                                                    | 7,959                                                          |        |       |       |    |                                                                |   |   |   |   |                                                                |   |   |   |                                                                |   |    |    |                                                                |   |    |    |                                                                |   |     |        |                                                                |       |    |   |   |  |  |  |
| 8           | of which investment firms                                                                       | 478                                                            |        |       |       |    |                                                                |   |   |   |   |                                                                |   |   |   |                                                                |   |    |    |                                                                |   |    |    |                                                                |   |     |        |                                                                |       |    |   |   |  |  |  |
| 9           | Loans and advances                                                                              | 478                                                            |        |       |       |    |                                                                |   |   |   |   |                                                                |   |   |   |                                                                |   |    |    |                                                                |   |    |    |                                                                |   |     |        |                                                                |       |    |   |   |  |  |  |
| 10          | Debt securities, including UoP                                                                  | —                                                              |        |       |       |    |                                                                |   |   |   |   |                                                                |   |   |   |                                                                |   |    |    |                                                                |   |    |    |                                                                |   |     |        |                                                                |       |    |   |   |  |  |  |
| 11          | Equity instruments                                                                              | —                                                              |        |       |       |    |                                                                |   |   |   |   |                                                                |   |   |   |                                                                |   |    |    |                                                                |   |    |    |                                                                |   |     |        |                                                                |       |    |   |   |  |  |  |
| 12          | of which management companies                                                                   | 0                                                              |        |       |       |    |                                                                |   |   |   |   |                                                                |   |   |   |                                                                |   |    |    |                                                                |   |    |    |                                                                |   |     |        |                                                                |       |    |   |   |  |  |  |
| 13          | Loans and advances                                                                              | 0                                                              |        |       |       |    |                                                                |   |   |   |   |                                                                |   |   |   |                                                                |   |    |    |                                                                |   |    |    |                                                                |   |     |        |                                                                |       |    |   |   |  |  |  |
| 14          | Debt securities, including UoP                                                                  | —                                                              |        |       |       |    |                                                                |   |   |   |   |                                                                |   |   |   |                                                                |   |    |    |                                                                |   |    |    |                                                                |   |     |        |                                                                |       |    |   |   |  |  |  |
| 15          | Equity instruments                                                                              | —                                                              |        |       |       |    |                                                                |   |   |   |   |                                                                |   |   |   |                                                                |   |    |    |                                                                |   |    |    |                                                                |   |     |        |                                                                |       |    |   |   |  |  |  |
| 16          | of which insurance undertakings                                                                 | 20                                                             |        |       |       |    |                                                                |   |   |   |   |                                                                |   |   |   |                                                                |   |    |    |                                                                |   |    |    |                                                                |   |     |        |                                                                |       |    |   |   |  |  |  |
| 17          | Loans and advances                                                                              | 20                                                             |        |       |       |    |                                                                |   |   |   |   |                                                                |   |   |   |                                                                |   |    |    |                                                                |   |    |    |                                                                |   |     |        |                                                                |       |    |   |   |  |  |  |
| 18          | Debt securities, including UoP                                                                  | —                                                              |        |       |       |    |                                                                |   |   |   |   |                                                                |   |   |   |                                                                |   |    |    |                                                                |   |    |    |                                                                |   |     |        |                                                                |       |    |   |   |  |  |  |
| 19          | Equity instruments                                                                              | —                                                              |        |       |       |    |                                                                |   |   |   |   |                                                                |   |   |   |                                                                |   |    |    |                                                                |   |    |    |                                                                |   |     |        |                                                                |       |    |   |   |  |  |  |
| 20          | Non-financial undertakings                                                                      | 570                                                            | 192    | 29    | —     | 24 | 0                                                              | 2 | 0 | — | — | —                                                              | — | 3 | — | —                                                              | — | 21 | —  | —                                                              | — | 49 | —  | —                                                              | — | 266 | 29     | —                                                              | 24    | 0  | 0 | 0 |  |  |  |

## 1. Assets for the calculation of GAR (revenue)

### Disclosure reference date 31 December 2025 *continued*

| Key                      |  | Total<br>[gross]<br>carrying<br>amount | Climate Change Mitigation (CCM)                                |  |  |  |  |  | Climate Change Adaptation (CCA)                                |  |  |  |  |  | Water and marine resources (WTR)                               |  |  |  | Circular economy (CE)                                          |  |  |  | Pollution (PPC)                                                |  |  |  | Biodiversity and Ecosystems (BIO)                              |  |  |  | TOTAL (CCM + CCA + WTR + CE + PPC + BIO)                       |  |  |  |  |  |
|--------------------------|--|----------------------------------------|----------------------------------------------------------------|--|--|--|--|--|----------------------------------------------------------------|--|--|--|--|--|----------------------------------------------------------------|--|--|--|----------------------------------------------------------------|--|--|--|----------------------------------------------------------------|--|--|--|----------------------------------------------------------------|--|--|--|----------------------------------------------------------------|--|--|--|--|--|
|                          |  |                                        | Of which towards taxonomy relevant sectors (Taxonomy-eligible) |  |  |  |  |  | Of which towards taxonomy relevant sectors (Taxonomy-eligible) |  |  |  |  |  | Of which towards taxonomy relevant sectors (Taxonomy-eligible) |  |  |  | Of which towards taxonomy relevant sectors (Taxonomy-eligible) |  |  |  | Of which towards taxonomy relevant sectors (Taxonomy-eligible) |  |  |  | Of which towards taxonomy relevant sectors (Taxonomy-eligible) |  |  |  | Of which towards taxonomy relevant sectors (Taxonomy-eligible) |  |  |  |  |  |
| Of which use of proceeds |  | Million EUR                            | Of which environmentally sustainable (Taxonomy-aligned)        |  |  |  |  |  | Of which environmentally sustainable (Taxonomy-aligned)        |  |  |  |  |  | Of which environmentally sustainable (Taxonomy-aligned)        |  |  |  | Of which environmentally sustainable (Taxonomy-aligned)        |  |  |  | Of which environmentally sustainable (Taxonomy-aligned)        |  |  |  | Of which environmentally sustainable (Taxonomy-aligned)        |  |  |  | Of which environmentally sustainable (Taxonomy-aligned)        |  |  |  |  |  |
| Of which transitional    |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
| Of which enabling        |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |
|                          |  |                                        |                                                                |  |  |  |  |  |                                                                |  |  |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |                                                                |  |  |  |  |  |

[illegible]

## 1. Assets for the calculation of GAR (revenue)

### Disclosure reference date 31 December 2024

| Key         | Total<br>[gross]<br>carrying<br>amount                                                          | Climate Change Mitigation (CCM)                                |        |       |       |   |    | Climate Change Adaptation (CCA)                                |   |   |   | Water and marine resources (WTR)                               |   |   |   | Circular economy (CE)                                          |   |    |   | Pollution (PPC)                                                |   |   |   | Biodiversity and Ecosystems (BIO)                              |   |        |       | TOTAL (CCM + CCA + WTR + CE + PPC + BIO)                       |   |    |   |    |  |
|-------------|-------------------------------------------------------------------------------------------------|----------------------------------------------------------------|--------|-------|-------|---|----|----------------------------------------------------------------|---|---|---|----------------------------------------------------------------|---|---|---|----------------------------------------------------------------|---|----|---|----------------------------------------------------------------|---|---|---|----------------------------------------------------------------|---|--------|-------|----------------------------------------------------------------|---|----|---|----|--|
|             |                                                                                                 | Of which towards taxonomy relevant sectors (Taxonomy-eligible) |        |       |       |   |    | Of which towards taxonomy relevant sectors (Taxonomy-eligible) |   |   |   | Of which towards taxonomy relevant sectors (Taxonomy-eligible) |   |   |   | Of which towards taxonomy relevant sectors (Taxonomy-eligible) |   |    |   | Of which towards taxonomy relevant sectors (Taxonomy-eligible) |   |   |   | Of which towards taxonomy relevant sectors (Taxonomy-eligible) |   |        |       | Of which towards taxonomy relevant sectors (Taxonomy-eligible) |   |    |   |    |  |
|             |                                                                                                 | Of which environmentally sustainable (Taxonomy-aligned)        |        |       |       |   |    | Of which environmentally sustainable (Taxonomy-aligned)        |   |   |   | Of which environmentally sustainable (Taxonomy-aligned)        |   |   |   | Of which environmentally sustainable (Taxonomy-aligned)        |   |    |   | Of which environmentally sustainable (Taxonomy-aligned)        |   |   |   | Of which environmentally sustainable (Taxonomy-aligned)        |   |        |       | Of which environmentally sustainable (Taxonomy-aligned)        |   |    |   |    |  |
| Million EUR |                                                                                                 |                                                                |        |       |       |   |    |                                                                |   |   |   |                                                                |   |   |   |                                                                |   |    |   |                                                                |   |   |   |                                                                |   |        |       |                                                                |   |    |   |    |  |
|             | GAR – Covered assets in both numerator and denominator                                          |                                                                |        |       |       |   |    |                                                                |   |   |   |                                                                |   |   |   |                                                                |   |    |   |                                                                |   |   |   |                                                                |   |        |       |                                                                |   |    |   |    |  |
| 1           | Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation | 63,206                                                         | 39,280 | 4,150 | 4,132 | — | 18 | 6                                                              | — | — | — | —                                                              | — | 0 | — | —                                                              | — | 35 | — | —                                                              | — | 6 | — | —                                                              | — | 39,328 | 4,150 | 4,132                                                          | — | 18 |   |    |  |
| 2           | Financial undertakings                                                                          | 19,953                                                         | —      | —     | —     | — | —  | —                                                              | — | — | — | —                                                              | — | — | — | —                                                              | — | —  | — | —                                                              | — | — | — | —                                                              | — | —      | —     | —                                                              | — | —  | — | —  |  |
| 3           | Credit institutions                                                                             | 13,399                                                         | —      | —     | —     | — | —  | —                                                              | — | — | — | —                                                              | — | — | — | —                                                              | — | —  | — | —                                                              | — | — | — | —                                                              | — | —      | —     | —                                                              | — | —  | — | —  |  |
| 4           | Loans and advances                                                                              | 5,928                                                          | —      | —     | —     | — | —  | —                                                              | — | — | — | —                                                              | — | — | — | —                                                              | — | —  | — | —                                                              | — | — | — | —                                                              | — | —      | —     | —                                                              | — | —  | — | —  |  |
| 5           | Debt securities, including UoP                                                                  | 7,471                                                          | —      | —     | —     | — | —  | —                                                              | — | — | — | —                                                              | — | — | — | —                                                              | — | —  | — | —                                                              | — | — | — | —                                                              | — | —      | —     | —                                                              | — | —  | — | —  |  |
| 6           | Equity instruments                                                                              | —                                                              | —      | —     | —     | — | —  | —                                                              | — | — | — | —                                                              | — | — | — | —                                                              | — | —  | — | —                                                              | — | — | — | —                                                              | — | —      | —     | —                                                              | — | —  | — | —  |  |
| 7           | Other financial corporations                                                                    | 6,554                                                          | —      | —     | —     | — | —  | —                                                              | — | — | — | —                                                              | — | — | — | —                                                              | — | —  | — | —                                                              | — | — | — | —                                                              | — | —      | —     | —                                                              | — | —  | — | —  |  |
| 8           | of which investment firms                                                                       | 370                                                            | —      | —     | —     | — | —  | —                                                              | — | — | — | —                                                              | — | — | — | —                                                              | — | —  | — | —                                                              | — | — | — | —                                                              | — | —      | —     | —                                                              | — | —  | — | —  |  |
| 9           | Loans and advances                                                                              | 370                                                            | —      | —     | —     | — | —  | —                                                              | — | — | — | —                                                              | — | — | — | —                                                              | — | —  | — | —                                                              | — | — | — | —                                                              | — | —      | —     | —                                                              | — | —  | — | —  |  |
| 10          | Debt securities, including UoP                                                                  | —                                                              | —      | —     | —     | — | —  | —                                                              | — | — | — | —                                                              | — | — | — | —                                                              | — | —  | — | —                                                              | — | — | — | —                                                              | — | —      | —     | —                                                              | — | —  | — | —  |  |
| 11          | Equity instruments                                                                              | —                                                              | —      | —     | —     | — | —  | —                                                              | — | — | — | —                                                              | — | — | — | —                                                              | — | —  | — | —                                                              | — | — | — | —                                                              | — | —      | —     | —                                                              | — | —  | — | —  |  |
| 12          | of which management companies                                                                   | 0                                                              | —      | —     | —     | — | —  | —                                                              | — | — | — | —                                                              | — | — | — | —                                                              | — | —  | — | —                                                              | — | — | — | —                                                              | — | —      | —     | —                                                              | — | —  | — | —  |  |
| 13          | Loans and advances                                                                              | 0                                                              | —      | —     | —     | — | —  | —                                                              | — | — | — | —                                                              | — | — | — | —                                                              | — | —  | — | —                                                              | — | — | — | —                                                              | — | —      | —     | —                                                              | — | —  | — | —  |  |
| 14          | Debt securities, including UoP                                                                  | —                                                              | —      | —     | —     | — | —  | —                                                              | — | — | — | —                                                              | — | — | — | —                                                              | — | —  | — | —                                                              | — | — | — | —                                                              | — | —      | —     | —                                                              | — | —  | — | —  |  |
| 15          | Equity instruments                                                                              | —                                                              | —      | —     | —     | — | —  | —                                                              | — | — | — | —                                                              | — | — | — | —                                                              | — | —  | — | —                                                              | — | — | — | —                                                              | — | —      | —     | —                                                              | — | —  | — | —  |  |
| 16          | of which insurance undertakings                                                                 | 25                                                             | —      | —     | —     | — | —  | —                                                              | — | — | — | —                                                              | — | — | — | —                                                              | — | —  | — | —                                                              | — | — | — | —                                                              | — | —      | —     | —                                                              | — | —  | — | —  |  |
| 17          | Loans and advances                                                                              | 25                                                             | —      | —     | —     | — | —  | —                                                              | — | — | — | —                                                              | — | — | — | —                                                              | — | —  | — | —                                                              | — | — | — | —                                                              | — | —      | —     | —                                                              | — | —  | — | —  |  |
| 18          | Debt securities, including UoP                                                                  | —                                                              | —      | —     | —     | — | —  | —                                                              | — | — | — | —                                                              | — | — | — | —                                                              | — | —  | — | —                                                              | — | — | — | —                                                              | — | —      | —     | —                                                              | — | —  | — | —  |  |
| 19          | Equity instruments                                                                              | —                                                              | —      | —     | —     | — | —  | —                                                              | — | — | — | —                                                              | — | — | — | —                                                              | — | —  | — | —                                                              | — | — | — | —                                                              | — | —      | —     | —                                                              | — | —  | — | —  |  |
| 20          | Non-financial undertakings                                                                      | 882                                                            | 200    | 18    | —     | — | 18 | 6                                                              | — | — | — | —                                                              | — | 0 | — | —                                                              | — | 35 | — | —                                                              | — | 6 | — | —                                                              | — | 248    | 18    | —                                                              | — | —  | — | 18 |  |

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**Disclosure reference date 31 December 2024 continued**

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## 1. Assets for the calculation of GAR (capex)

Disclosure reference date 31 December 2025

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**Disclosure reference date 31 December 2025 continued**

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## 1. Assets for the calculation of GAR (capex)

Disclosure reference date 31 December 2025 *continued*

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## 1. Assets for the calculation of GAR (capex)

Disclosure reference date 31 December 2024

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## 1. Assets for the calculation of GAR (capex)

Disclosure reference date 31 December 2024 *continued*

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## 1. Assets for the calculation of GAR (capex)

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## 2. GAR sector information (revenue)

### Disclosure reference date 31 December 2025

|    | Breakdown by sector – NACE 4 digits level (code and label)                        | Climate Change Mitigation (CCM)            |                                            |                                        |                                            | Climate Change Adaptation (CCA)            |                                            |                                        |                                            |
|----|-----------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------|----------------------------------------|--------------------------------------------|--------------------------------------------|--------------------------------------------|----------------------------------------|--------------------------------------------|
|    |                                                                                   | Non-Financial corporates (Subject to NFRD) |                                            | SMEs and other NFC not subject to NFRD |                                            | Non-Financial corporates (Subject to NFRD) |                                            | SMEs and other NFC not subject to NFRD |                                            |
|    |                                                                                   | [Gross] carrying amount                    |                                            | [Gross] carrying amount                |                                            | [Gross] carrying amount                    |                                            | [Gross] carrying amount                |                                            |
|    |                                                                                   | Mn EUR                                     | Of which environmentally sustainable (CCM) | Mn EUR                                 | Of which environmentally sustainable (CCM) | Mn EUR                                     | Of which environmentally sustainable (CCA) | Mn EUR                                 | Of which environmentally sustainable (CCA) |
| 1  | C10.51 - Operation of dairies and cheese making                                   | 29.24                                      | —                                          |                                        |                                            | —                                          | —                                          |                                        |                                            |
| 2  | C10.89 - Manufacture of other food products n.e.c.                                | 4.87                                       | —                                          |                                        |                                            | —                                          | —                                          |                                        |                                            |
| 3  | C21.1 - Manufacture of basic pharmaceutical products                              | 36.20                                      | —                                          |                                        |                                            | —                                          | —                                          |                                        |                                            |
| 4  | C28.29 - Manufacture of other general-purpose machinery n.e.c.                    | 26.23                                      | —                                          |                                        |                                            | —                                          | —                                          |                                        |                                            |
| 5  | C32.99 - Other manufacturing n.e.c.                                               | 54.23                                      | —                                          |                                        |                                            | —                                          | —                                          |                                        |                                            |
| 6  | F41.2 - Construction of residential and non-residential buildings                 | 92.54                                      | —                                          |                                        |                                            | —                                          | —                                          |                                        |                                            |
| 7  | G45.31 - Wholesale trade of motor vehicle parts and accessories                   | 0.09                                       | —                                          |                                        |                                            | —                                          | —                                          |                                        |                                            |
| 8  | G46.9 - Non-specialised wholesale trade                                           | 135.71                                     | —                                          |                                        |                                            | —                                          | —                                          |                                        |                                            |
| 9  | H51.1 - Passenger air transport                                                   | 8.77                                       | —                                          |                                        |                                            | —                                          | —                                          |                                        |                                            |
| 10 | I55.1 - Hotels and similar accommodation                                          | 31.13                                      | —                                          |                                        |                                            | —                                          | —                                          |                                        |                                            |
| 11 | J61.9 - Other telecommunications activities                                       | 14.89                                      | 0.73                                       |                                        |                                            | 0.06                                       | 0.06                                       |                                        |                                            |
| 12 | K64.99 - Other financial service activities, except insurance and pension funding | 99.78                                      | 3.99                                       |                                        |                                            | —                                          | —                                          |                                        |                                            |
| 13 | N82.99 - Other business support service activities n.e.c.                         | 35.89                                      | 24.04                                      |                                        |                                            | —                                          | —                                          |                                        |                                            |
| 14 | Q86.9 - Other human health activities                                             | 0.06                                       | —                                          |                                        |                                            | —                                          | —                                          |                                        |                                            |

|    | Breakdown by sector – NACE 4 digits level (code and label)                        | Water and marine resources (WTR)           |                                            |                                        |                                            | Circular economy (CE)                      |                                           |                                        |                                           |
|----|-----------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------|----------------------------------------|--------------------------------------------|--------------------------------------------|-------------------------------------------|----------------------------------------|-------------------------------------------|
|    |                                                                                   | Non-Financial corporates (Subject to NFRD) |                                            | SMEs and other NFC not subject to NFRD |                                            | Non-Financial corporates (Subject to NFRD) |                                           | SMEs and other NFC not subject to NFRD |                                           |
|    |                                                                                   | [Gross] carrying amount                    |                                            | [Gross] carrying amount                |                                            | [Gross] carrying amount                    |                                           | [Gross] carrying amount                |                                           |
|    |                                                                                   | Mn EUR                                     | Of which environmentally sustainable (WTR) | Mn EUR                                 | Of which environmentally sustainable (WTR) | Mn EUR                                     | Of which environmentally sustainable (CE) | Mn EUR                                 | Of which environmentally sustainable (CE) |
| 1  | C10.51 - Operation of dairies and cheese making                                   | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |
| 2  | C10.89 - Manufacture of other food products n.e.c.                                | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |
| 3  | C21.1 - Manufacture of basic pharmaceutical products                              | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |
| 4  | C28.29 - Manufacture of other general-purpose machinery n.e.c.                    | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |
| 5  | C32.99 - Other manufacturing n.e.c.                                               | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |
| 6  | F41.2 - Construction of residential and non-residential buildings                 | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |
| 7  | G45.31 - Wholesale trade of motor vehicle parts and accessories                   | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |
| 8  | G46.9 - Non-specialised wholesale trade                                           | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |
| 9  | H51.1 - Passenger air transport                                                   | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |
| 10 | I55.1 - Hotels and similar accommodation                                          | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |
| 11 | J61.9 - Other telecommunications activities                                       | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |
| 12 | K64.99 - Other financial service activities, except insurance and pension funding | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |
| 13 | N82.99 - Other business support service activities n.e.c.                         | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |
| 14 | Q86.9 - Other human health activities                                             | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |



## 2. GAR sector information (revenue)

### Disclosure reference date 31 December 2025 *continued*

|    | Breakdown by sector – NACE 4 digits level (code and label)                               | Pollution (PPC)                            |                                            |                                        |                                            | Biodiversity and Ecosystems (BIO)          |                                            |                                        |                                            |
|----|------------------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------|----------------------------------------|--------------------------------------------|--------------------------------------------|--------------------------------------------|----------------------------------------|--------------------------------------------|
|    |                                                                                          | Non-Financial corporates (Subject to NFRD) |                                            | SMEs and other NFC not subject to NFRD |                                            | Non-Financial corporates (Subject to NFRD) |                                            | SMEs and other NFC not subject to NFRD |                                            |
|    |                                                                                          | [Gross] carrying amount                    |                                            | [Gross] carrying amount                |                                            | [Gross] carrying amount                    |                                            | [Gross] carrying amount                |                                            |
|    |                                                                                          | Mn EUR                                     | Of which environmentally sustainable (PPC) | Mn EUR                                 | Of which environmentally sustainable (PPC) | Mn EUR                                     | Of which environmentally sustainable (BIO) | Mn EUR                                 | Of which environmentally sustainable (BIO) |
| 1  | C10.51 - Operation of dairies and cheese making                                          | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |
| 2  | C10.89 - Manufacture of other food products n.e.c.                                       | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |
| 3  | C21.1 - Manufacture of basic pharmaceutical products                                     | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |
| 4  | C28.29 - Manufacture of other general-purpose machinery n.e.c.                           | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |
| 5  | C32.99 - Other manufacturing n.e.c.                                                      | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |
| 6  | F41.2 - Construction of residential and non-residential buildings                        | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |
| 7  | G45.31 - Wholesale trade of motor vehicle parts and accessories                          | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |
| 8  | G46.9 - Non-specialised wholesale trade                                                  | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |
| 9  | H51.1 - Passenger air transport                                                          | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |
| 10 | I55.1 - Hotels and similar accommodation                                                 | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |
| 11 | J61.9 - Other telecommunications activities                                              | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |
| 12 | K64.99 - Other financial service activities, except insurance and pension funding n.e.c. | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |
| 13 | N82.99 - Other business support service activities n.e.c.                                | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |
| 14 | Q86.9 - Other human health activities                                                    | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |

|    | Breakdown by sector – NACE 4 digits level (code and label)                               | TOTAL (CCM + CCA + WTR + CE + PPC + BIO)   |                                                                         |                                        |                                                                         |
|----|------------------------------------------------------------------------------------------|--------------------------------------------|-------------------------------------------------------------------------|----------------------------------------|-------------------------------------------------------------------------|
|    |                                                                                          | Non-Financial corporates (Subject to NFRD) |                                                                         | SMEs and other NFC not subject to NFRD |                                                                         |
|    |                                                                                          | [Gross] carrying amount                    |                                                                         | [Gross] carrying amount                |                                                                         |
|    |                                                                                          | Mn EUR                                     | Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO) | Mn EUR                                 | Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO) |
| 1  | C10.51 - Operation of dairies and cheese making                                          | 29.24                                      | —                                                                       | —                                      | —                                                                       |
| 2  | C10.89 - Manufacture of other food products n.e.c.                                       | 4.87                                       | —                                                                       | —                                      | —                                                                       |
| 3  | C21.1 - Manufacture of basic pharmaceutical products                                     | 36.20                                      | —                                                                       | —                                      | —                                                                       |
| 4  | C28.29 - Manufacture of other general-purpose machinery n.e.c.                           | 26.23                                      | —                                                                       | —                                      | —                                                                       |
| 5  | C32.99 - Other manufacturing n.e.c.                                                      | 54.23                                      | —                                                                       | —                                      | —                                                                       |
| 6  | F41.2 - Construction of residential and non-residential buildings                        | 92.54                                      | —                                                                       | —                                      | —                                                                       |
| 7  | G45.31 - Wholesale trade of motor vehicle parts and accessories                          | 0.09                                       | —                                                                       | —                                      | —                                                                       |
| 8  | G46.9 - Non-specialised wholesale trade                                                  | 135.71                                     | —                                                                       | —                                      | —                                                                       |
| 9  | H51.1 - Passenger air transport                                                          | 8.77                                       | —                                                                       | —                                      | —                                                                       |
| 10 | I55.1 - Hotels and similar accommodation                                                 | 31.13                                      | —                                                                       | —                                      | —                                                                       |
| 11 | J61.9 - Other telecommunications activities                                              | 14.95                                      | 0.79                                                                    | —                                      | —                                                                       |
| 12 | K64.99 - Other financial service activities, except insurance and pension funding n.e.c. | 99.78                                      | 3.99                                                                    | —                                      | —                                                                       |
| 13 | N82.99 - Other business support service activities n.e.c.                                | 35.89                                      | 24.04                                                                   | —                                      | —                                                                       |
| 14 | Q86.9 - Other human health activities                                                    | 0.06                                       | —                                                                       | —                                      | —                                                                       |

## 2. GAR sector information (capex)

### Disclosure reference date 31 December 2025

| Breakdown by sector – NACE 4 digits level (code and label)                           | Climate Change Mitigation (CCM)            |                                            |                                        |                                            | Climate Change Adaptation (CCA)            |                                            |                                        |                                            |
|--------------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------|----------------------------------------|--------------------------------------------|--------------------------------------------|--------------------------------------------|----------------------------------------|--------------------------------------------|
|                                                                                      | Non-Financial corporates (Subject to NFRD) |                                            | SMEs and other NFC not subject to NFRD |                                            | Non-Financial corporates (Subject to NFRD) |                                            | SMEs and other NFC not subject to NFRD |                                            |
|                                                                                      | [Gross] carrying amount                    |                                            | [Gross] carrying amount                |                                            | [Gross] carrying amount                    |                                            | [Gross] carrying amount                |                                            |
|                                                                                      | Mn EUR                                     | Of which environmentally sustainable (CCM) | Mn EUR                                 | Of which environmentally sustainable (CCM) | Mn EUR                                     | Of which environmentally sustainable (CCA) | Mn EUR                                 | Of which environmentally sustainable (CCA) |
| 1 C10.51 - Operation of dairies and cheese making                                    | 29.24                                      | 0.15                                       |                                        |                                            | —                                          | —                                          |                                        |                                            |
| 2 C10.89 - Manufacture of other food products n.e.c.                                 | 4.87                                       | 0.13                                       |                                        |                                            | —                                          | —                                          |                                        |                                            |
| 3 C21.1 - Manufacture of basic pharmaceutical products                               | 36.20                                      | —                                          |                                        |                                            | —                                          | —                                          |                                        |                                            |
| 4 C28.29 - Manufacture of other general-purpose machinery n.e.c.                     | 26.23                                      | —                                          |                                        |                                            | —                                          | —                                          |                                        |                                            |
| 5 C32.99 - Other manufacturing n.e.c.                                                | 54.23                                      | —                                          |                                        |                                            | —                                          | —                                          |                                        |                                            |
| 6 F41.2 - Construction of residential and non-residential buildings                  | 92.54                                      | 0.00                                       |                                        |                                            | —                                          | —                                          |                                        |                                            |
| 7 G45.31 - Wholesale trade of motor vehicle parts and accessories                    | 0.09                                       | —                                          |                                        |                                            | —                                          | —                                          |                                        |                                            |
| 8 G46.9 - Non-specialised wholesale trade                                            | 135.71                                     | —                                          |                                        |                                            | —                                          | —                                          |                                        |                                            |
| 9 H51.1 - Passenger air transport                                                    | 8.77                                       | —                                          |                                        |                                            | —                                          | —                                          |                                        |                                            |
| 10 I55.1 - Hotels and similar accommodation                                          | 31.13                                      | —                                          |                                        |                                            | —                                          | —                                          |                                        |                                            |
| 11 J61.9 - Other telecommunications activities                                       | 14.93                                      | 5.41                                       |                                        |                                            | 0.01                                       | 0.01                                       |                                        |                                            |
| 12 K64.99 - Other financial service activities, except insurance and pension funding | 99.78                                      | 62.96                                      |                                        |                                            | —                                          | —                                          |                                        |                                            |
| 13 N82.99 - Other business support service activities n.e.c.                         | 35.89                                      | 19.38                                      |                                        |                                            | —                                          | —                                          |                                        |                                            |
| 14 Q86.9 - Other human health activities                                             | 0.06                                       | —                                          |                                        |                                            | —                                          | —                                          |                                        |                                            |

| Breakdown by sector – NACE 4 digits level (code and label)                           | Water and marine resources (WTR)           |                                            |                                        |                                            | Circular economy (CE)                      |                                           |                                        |                                           |
|--------------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------|----------------------------------------|--------------------------------------------|--------------------------------------------|-------------------------------------------|----------------------------------------|-------------------------------------------|
|                                                                                      | Non-Financial corporates (Subject to NFRD) |                                            | SMEs and other NFC not subject to NFRD |                                            | Non-Financial corporates (Subject to NFRD) |                                           | SMEs and other NFC not subject to NFRD |                                           |
|                                                                                      | [Gross] carrying amount                    |                                            | [Gross] carrying amount                |                                            | [Gross] carrying amount                    |                                           | [Gross] carrying amount                |                                           |
|                                                                                      | Mn EUR                                     | Of which environmentally sustainable (WTR) | Mn EUR                                 | Of which environmentally sustainable (WTR) | Mn EUR                                     | Of which environmentally sustainable (CE) | Mn EUR                                 | Of which environmentally sustainable (CE) |
| 1 C10.51 - Operation of dairies and cheese making                                    | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |
| 2 C10.89 - Manufacture of other food products n.e.c.                                 | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |
| 3 C21.1 - Manufacture of basic pharmaceutical products                               | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |
| 4 C28.29 - Manufacture of other general-purpose machinery n.e.c.                     | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |
| 5 C32.99 - Other manufacturing n.e.c.                                                | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |
| 6 F41.2 - Construction of residential and non-residential buildings                  | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |
| 7 G45.31 - Wholesale trade of motor vehicle parts and accessories                    | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |
| 8 G46.9 - Non-specialised wholesale trade                                            | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |
| 9 H51.1 - Passenger air transport                                                    | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |
| 10 I55.1 - Hotels and similar accommodation                                          | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |
| 11 J61.9 - Other telecommunications activities                                       | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |
| 12 K64.99 - Other financial service activities, except insurance and pension funding | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |
| 13 N82.99 - Other business support service activities n.e.c.                         | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |
| 14 Q86.9 - Other human health activities                                             | —                                          | —                                          |                                        |                                            | —                                          | —                                         |                                        |                                           |

## 2. GAR sector information (capex)

### Disclosure reference date 31 December 2025 *continued*

|    | Breakdown by sector – NACE 4 digits level (code and label)                               | Pollution (PPC)                            |                                            |                                        |                                            | Biodiversity and Ecosystems (BIO)          |                                            |                                        |                                            |
|----|------------------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------|----------------------------------------|--------------------------------------------|--------------------------------------------|--------------------------------------------|----------------------------------------|--------------------------------------------|
|    |                                                                                          | Non-Financial corporates (Subject to NFRD) |                                            | SMEs and other NFC not subject to NFRD |                                            | Non-Financial corporates (Subject to NFRD) |                                            | SMEs and other NFC not subject to NFRD |                                            |
|    |                                                                                          | [Gross] carrying amount                    |                                            | [Gross] carrying amount                |                                            | [Gross] carrying amount                    |                                            | [Gross] carrying amount                |                                            |
|    |                                                                                          | Mn EUR                                     | Of which environmentally sustainable (PPC) | Mn EUR                                 | Of which environmentally sustainable (PPC) | Mn EUR                                     | Of which environmentally sustainable (BIO) | Mn EUR                                 | Of which environmentally sustainable (BIO) |
| 1  | C10.51 - Operation of dairies and cheese making                                          | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |
| 2  | C10.89 - Manufacture of other food products n.e.c.                                       | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |
| 3  | C21.1 - Manufacture of basic pharmaceutical products                                     | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |
| 4  | C28.29 - Manufacture of other general-purpose machinery n.e.c.                           | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |
| 5  | C32.99 - Other manufacturing n.e.c.                                                      | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |
| 6  | F41.2 - Construction of residential and non-residential buildings                        | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |
| 7  | G45.31 - Wholesale trade of motor vehicle parts and accessories                          | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |
| 8  | G46.9 - Non-specialised wholesale trade                                                  | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |
| 9  | H51.1 - Passenger air transport                                                          | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |
| 10 | I55.1 - Hotels and similar accommodation                                                 | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |
| 11 | J61.9 - Other telecommunications activities                                              | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |
| 12 | K64.99 - Other financial service activities, except insurance and pension funding n.e.c. | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |
| 13 | N82.99 - Other business support service activities n.e.c.                                | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |
| 14 | Q86.9 - Other human health activities                                                    | —                                          | —                                          | —                                      | —                                          | —                                          | —                                          | —                                      | —                                          |

|    | Breakdown by sector – NACE 4 digits level (code and label)                               | TOTAL (CCM + CCA + WTR + CE + PPC + BIO)   |                                                                         |                                        |                                                                         |
|----|------------------------------------------------------------------------------------------|--------------------------------------------|-------------------------------------------------------------------------|----------------------------------------|-------------------------------------------------------------------------|
|    |                                                                                          | Non-Financial corporates (Subject to NFRD) |                                                                         | SMEs and other NFC not subject to NFRD |                                                                         |
|    |                                                                                          | [Gross] carrying amount                    |                                                                         | [Gross] carrying amount                |                                                                         |
|    |                                                                                          | Mn EUR                                     | Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO) | Mn EUR                                 | Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO) |
| 1  | C10.51 - Operation of dairies and cheese making                                          | 29.24                                      | 0.15                                                                    | —                                      | —                                                                       |
| 2  | C10.89 - Manufacture of other food products n.e.c.                                       | 4.87                                       | 0.13                                                                    | —                                      | —                                                                       |
| 3  | C21.1 - Manufacture of basic pharmaceutical products                                     | 36.20                                      | 0.00                                                                    | —                                      | —                                                                       |
| 4  | C28.29 - Manufacture of other general-purpose machinery n.e.c.                           | 26.23                                      | —                                                                       | —                                      | —                                                                       |
| 5  | C32.99 - Other manufacturing n.e.c.                                                      | 54.23                                      | 0.00                                                                    | —                                      | —                                                                       |
| 6  | F41.2 - Construction of residential and non-residential buildings                        | 92.54                                      | 0.00                                                                    | —                                      | —                                                                       |
| 7  | G45.31 - Wholesale trade of motor vehicle parts and accessories                          | 0.09                                       | —                                                                       | —                                      | —                                                                       |
| 8  | G46.9 - Non-specialised wholesale trade                                                  | 135.71                                     | —                                                                       | —                                      | —                                                                       |
| 9  | H51.1 - Passenger air transport                                                          | 8.77                                       | —                                                                       | —                                      | —                                                                       |
| 10 | I55.1 - Hotels and similar accommodation                                                 | 31.13                                      | —                                                                       | —                                      | —                                                                       |
| 11 | J61.9 - Other telecommunications activities                                              | 14.95                                      | 5.43                                                                    | —                                      | —                                                                       |
| 12 | K64.99 - Other financial service activities, except insurance and pension funding n.e.c. | 99.78                                      | 62.96                                                                   | —                                      | —                                                                       |
| 13 | N82.99 - Other business support service activities n.e.c.                                | 35.89                                      | 19.38                                                                   | —                                      | —                                                                       |
| 14 | Q86.9 - Other human health activities                                                    | 0.06                                       | —                                                                       | —                                      | —                                                                       |

**Disclosure reference date 31 December 2025**

|                                                                               |                                                                                                 | Climate Change Mitigation (CCM)                                                          |     |     |     |     |     | Climate Change Adaptation (CCA)                                                          |     |     |     | Water and marine resources (WTR)                                                         |     |     |     | Circular economy (CE)                                                                    |     |     |     | Pollution (PPC)                                                                          |     |     |     | Biodiversity and Ecosystems (BIO)                                                        |     |     |     | TOTAL (CCM + CCA + WTR + CE + PPC + BIO)                                                 |     |     |      |     |     |     |      | Proportion of total assets covered |
|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|-----|-----|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|------|-----|-----|-----|------|------------------------------------|
| Key<br>Of which use of proceeds<br>Of which transitional<br>Of which enabling |                                                                                                 | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |      |     |     |     |      |                                    |
| % (compared to total covered assets in the denominator)                       |                                                                                                 | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |      |     |     |     |      |                                    |
|                                                                               | GAR - Covered assets in both numerator and denominator                                          |                                                                                          |     |     |     |     |     |                                                                                          |     |     |     |                                                                                          |     |     |     |                                                                                          |     |     |     |                                                                                          |     |     |     |                                                                                          |     |     |     |                                                                                          |     |     |      |     |     |     |      |                                    |
| 1                                                                             | Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation | 59 %                                                                                     | 7 % | 7 % | 0 % | 0 % | 0 % | 0 %                                                                                      | — % | — % | — % | — %                                                                                      | — % | 0 % | — % | — %                                                                                      | — % | 0 % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | 59 % | 7 % | 7 % | 0 % | 0 %  | 43 %                               |
| 2                                                                             | Financial undertakings                                                                          | — %                                                                                      | — % | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — %  | — % | — % | — % | 14 % |                                    |
| 3                                                                             | Credit institutions                                                                             | — %                                                                                      | — % | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — %  | — % | — % | — % | 9 %  |                                    |
| 4                                                                             | Loans and advances                                                                              | — %                                                                                      | — % | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — %  | — % | — % | — % | 4 %  |                                    |
| 5                                                                             | Debt securities, including UoP                                                                  | — %                                                                                      | — % | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — %  | — % | — % | — % | 5 %  |                                    |
| 6                                                                             | Equity instruments                                                                              | — %                                                                                      | — % |     | — % | — % | — % | — %                                                                                      |     | — % | — % |                                                                                          | — % | — % | — % |                                                                                          | — % | — % |     | — %                                                                                      | — % |     | — % | — %                                                                                      |     | — % | — % |                                                                                          | — % | — % |      | — % | — % | — % | — %  |                                    |
| 7                                                                             | Other financial corporations                                                                    | — %                                                                                      | — % | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — %  | — % | — % | — % | 5 %  |                                    |
| 8                                                                             | of which investment firms                                                                       | — %                                                                                      | — % | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — %  | — % | — % | — % | 0 %  |                                    |
| 9                                                                             | Loans and advances                                                                              | — %                                                                                      | — % | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — %  | — % | — % | — % | 0 %  |                                    |
| 10                                                                            | Debt securities, including UoP                                                                  | — %                                                                                      | — % | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — %  | — % | — % | — % | — %  |                                    |
| 11                                                                            | Equity instruments                                                                              | — %                                                                                      | — % |     | — % | — % | — % | — %                                                                                      |     | — % | — % |                                                                                          | — % | — % | — % |                                                                                          | — % | — % |     | — %                                                                                      | — % |     | — % | — %                                                                                      |     | — % | — % |                                                                                          | — % | — % |      | — % | — % | — % | — %  |                                    |
| 12                                                                            | of which management companies                                                                   | — %                                                                                      | — % | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — %  | — % | — % | — % | — %  |                                    |
| 13                                                                            | Loans and advances                                                                              | — %                                                                                      | — % | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — %  | — % | — % | — % | — %  |                                    |
| 14                                                                            | Debt securities, including UoP                                                                  | — %                                                                                      | — % | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — %  | — % | — % | — % | — %  |                                    |
| 15                                                                            | Equity instruments                                                                              | — %                                                                                      | — % |     | — % | — % | — % | — %                                                                                      |     | — % | — % |                                                                                          | — % | — % | — % |                                                                                          | — % | — % |     | — %                                                                                      | — % |     | — % | — %                                                                                      |     | — % | — % |                                                                                          | — % | — % |      | — % | — % | — % | — %  |                                    |
| 16                                                                            | of which insurance undertakings                                                                 | — %                                                                                      | — % | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — %  | — % | — % | — % | 0 %  |                                    |
| 17                                                                            | Loans and advances                                                                              | — %                                                                                      | — % | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — %  | — % | — % | — % | 0 %  |                                    |
| 18                                                                            | Debt securities, including UoP                                                                  | — %                                                                                      | — % | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — %  | — % | — % | — % | — %  |                                    |
| 19                                                                            | Equity instruments                                                                              | — %                                                                                      | — % |     | — % | — % | — % | — %                                                                                      |     | — % | — % |                                                                                          | — % | — % | — % |                                                                                          | — % | — % |     | — %                                                                                      | — % |     | — % | — %                                                                                      |     | — % | — % |                                                                                          | — % | — % |      | — % | — % | — % | — %  |                                    |

### 3. GAR KPI stock (revenue)

**Disclosure reference date 31 December 2025 continued**

| Key<br>■ Of which use<br>of proceeds<br>■ Of which<br>transitional<br>■ Of which enabling                         | Climate Change Mitigation (CCM)                                                                      |      |      |     |     | Climate Change Adaptation<br>(CCA)                                                                   |     |     |     | Water and marine resources<br>(WTR)                                                                  |     |     |     | Circular economy (CE)                                                                                |     |     |     | Pollution (PPC)                                                                                      |     |     |     | Biodiversity and Ecosystems<br>(BIO)                                                                 |     |     |       | TOTAL (CCM + CCA + WTR + CE + PPC +<br>BIO)                                                          |      |     |     |      |  | Proportion of total assets<br>covered |
|-------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|------|------|-----|-----|------------------------------------------------------------------------------------------------------|-----|-----|-----|------------------------------------------------------------------------------------------------------|-----|-----|-----|------------------------------------------------------------------------------------------------------|-----|-----|-----|------------------------------------------------------------------------------------------------------|-----|-----|-----|------------------------------------------------------------------------------------------------------|-----|-----|-------|------------------------------------------------------------------------------------------------------|------|-----|-----|------|--|---------------------------------------|
|                                                                                                                   | Proportion of total covered<br>assets funding taxonomy<br>relevant sectors (Taxonomy-<br>eligible)   |      |      |     |     | Proportion of total covered<br>assets funding taxonomy relevant<br>sectors (Taxonomy-eligible)       |     |     |     | Proportion of total covered<br>assets funding taxonomy relevant<br>sectors (Taxonomy-eligible)       |     |     |     | Proportion of total covered<br>assets funding taxonomy relevant<br>sectors (Taxonomy-eligible)       |     |     |     | Proportion of total covered<br>assets funding taxonomy relevant<br>sectors (Taxonomy-eligible)       |     |     |     | Proportion of total covered<br>assets funding taxonomy relevant<br>sectors (Taxonomy-eligible)       |     |     |       | Proportion of total covered<br>assets funding taxonomy<br>relevant sectors (Taxonomy-<br>eligible)   |      |     |     |      |  |                                       |
| % (compared to total<br>covered assets in the<br>denominator)                                                     | Proportion of total<br>covered assets funding taxonomy<br>relevant<br>sectors (Taxonomy-<br>aligned) |      |      |     |     | Proportion of total<br>covered assets funding<br>taxonomy relevant<br>sectors (Taxonomy-<br>aligned) |     |     |     | Proportion of total<br>covered assets funding<br>taxonomy relevant<br>sectors (Taxonomy-<br>aligned) |     |     |     | Proportion of total<br>covered assets funding<br>taxonomy relevant<br>sectors (Taxonomy-<br>aligned) |     |     |     | Proportion of total<br>covered assets funding<br>taxonomy relevant<br>sectors (Taxonomy-<br>aligned) |     |     |     | Proportion of total<br>covered assets funding<br>taxonomy relevant<br>sectors (Taxonomy-<br>aligned) |     |     |       | Proportion of total<br>covered assets funding taxonomy<br>relevant<br>sectors (Taxonomy-<br>aligned) |      |     |     |      |  |                                       |
|                                                                                                                   |                                                                                                      |      |      |     |     |                                                                                                      |     |     |     |                                                                                                      |     |     |     |                                                                                                      |     |     |     |                                                                                                      |     |     |     |                                                                                                      |     |     |       |                                                                                                      |      |     |     |      |  |                                       |
| 20 Non-financial<br>undertakings                                                                                  | 34 %                                                                                                 | 5 %  | — %  | 4 % | 0 % | 0 %                                                                                                  | 0 % | — % | — % | — %                                                                                                  | — % | — % | 0 % | — %                                                                                                  | — % | — % | 4 % | — %                                                                                                  | — % | — % | 9 % | — %                                                                                                  | — % | — % | 47 %  | 5 %                                                                                                  | — %  | 4 % | 0 % | 0 %  |  |                                       |
| 21 Loans and<br>advances                                                                                          | 34 %                                                                                                 | 5 %  | — %  | 4 % | 0 % | 0 %                                                                                                  | 0 % | — % | — % | — %                                                                                                  | — % | — % | 0 % | — %                                                                                                  | — % | — % | 4 % | — %                                                                                                  | — % | — % | 9 % | — %                                                                                                  | — % | — % | 47 %  | 5 %                                                                                                  | — %  | 4 % | 0 % | 0 %  |  |                                       |
| 22 Debt securities,<br>including UoP                                                                              | — %                                                                                                  | — %  | — %  | — % | — % | — %                                                                                                  | — % | — % | — % | — %                                                                                                  | — % | — % | — % | — %                                                                                                  | — % | — % | — % | — %                                                                                                  | — % | — % | — % | — %                                                                                                  | — % | — % | — %   | — %                                                                                                  | — %  | — % | — % | — %  |  |                                       |
| 23 Equity<br>instruments                                                                                          | — %                                                                                                  | — %  |      | — % | — % | — %                                                                                                  | — % |     | — % | — %                                                                                                  |     | — % | — % | — %                                                                                                  |     | — % | — % | — %                                                                                                  |     | — % | — % |                                                                                                      | — % | — % | — %   | — %                                                                                                  | — %  | — % | — % | — %  |  |                                       |
| 24 Households                                                                                                     | 89 %                                                                                                 | 10 % | 10 % | — % | — % | — %                                                                                                  | — % | — % | — % |                                                                                                      |     |     | — % | — %                                                                                                  | — % | — % |     |                                                                                                      |     |     |     |                                                                                                      |     |     | 89 %  | 10 %                                                                                                 | 10 % | — % | — % | 29 % |  |                                       |
| 25 of which loans<br>collateralised by<br>residential<br>immovable<br>property                                    | 100 %                                                                                                | 12 % | 12 % | — % | — % | — %                                                                                                  | — % | — % | — % |                                                                                                      |     |     | — % | — %                                                                                                  | — % | — % |     |                                                                                                      |     |     |     |                                                                                                      |     |     | 100 % | 12 %                                                                                                 | 12 % | — % | — % | 25 % |  |                                       |
| 26 of which building<br>renovation loans                                                                          | 100 %                                                                                                | — %  | — %  | — % | — % | — %                                                                                                  | — % | — % | — % |                                                                                                      |     |     | — % | — %                                                                                                  | — % | — % |     |                                                                                                      |     |     |     |                                                                                                      |     |     | 100 % | — %                                                                                                  | — %  | — % | — % | 0 %  |  |                                       |
| 27 of which motor<br>vehicle loans                                                                                | 100 %                                                                                                | — %  | — %  | — % | — % |                                                                                                      |     |     |     |                                                                                                      |     |     |     |                                                                                                      |     |     |     |                                                                                                      |     |     |     |                                                                                                      |     |     | 100 % | — %                                                                                                  | — %  | — % | — % | 1 %  |  |                                       |
| 28 Local<br>governments<br>financing                                                                              | — %                                                                                                  | — %  | — %  | — % | — % | — %                                                                                                  | — % | — % | — % | — %                                                                                                  | — % | — % | — % | — %                                                                                                  | — % | — % | — % | — %                                                                                                  | — % | — % | — % | — %                                                                                                  | — % | — % | — %   | — %                                                                                                  | — %  | — % | — % | 0 %  |  |                                       |
| 29 Housing financing                                                                                              | — %                                                                                                  | — %  | — %  | — % | — % | — %                                                                                                  | — % | — % | — % | — %                                                                                                  | — % | — % | — % | — %                                                                                                  | — % | — % | — % | — %                                                                                                  | — % | — % | — % | — %                                                                                                  | — % | — % | — %   | — %                                                                                                  | — %  | — % | — % | — %  |  |                                       |
| 30 Other local<br>government<br>financing                                                                         | — %                                                                                                  | — %  | — %  | — % | — % | — %                                                                                                  | — % | — % | — % | — %                                                                                                  | — % | — % | — % | — %                                                                                                  | — % | — % | — % | — %                                                                                                  | — % | — % | — % | — %                                                                                                  | — % | — % | — %   | — %                                                                                                  | — %  | — % | — % | 0 %  |  |                                       |
| 31 Collateral<br>obtained by<br>taking<br>possession:<br>residential and<br>commercial<br>immovable<br>properties | — %                                                                                                  | — %  | — %  | — % | — % | — %                                                                                                  | — % | — % | — % | — %                                                                                                  | — % | — % | — % | — %                                                                                                  | — % | — % | — % | — %                                                                                                  | — % | — % | — % | — %                                                                                                  | — % | — % | — %   | — %                                                                                                  | — %  | — % | — % | — %  |  |                                       |
| 32 Total GAR assets                                                                                               | 39 %                                                                                                 | 4 %  | 4 %  | 0 % | 0 % | 0 %                                                                                                  | 0 % | — % | — % | — %                                                                                                  | — % | — % | 0 % | — %                                                                                                  | — % | — % | 0 % | — %                                                                                                  | — % | — % | 0 % | — %                                                                                                  | — % | — % | 39 %  | 4 %                                                                                                  | 4 %  | 0 % | 0 % | 66 % |  |                                       |



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| <div>Key</div> <div><div>Of which use of proceeds</div><div>Of which transitional</div><div>Of which enabling</div></div> |                                                                                                 | Climate Change Mitigation (CCM)                                                          |     |     |     |     | Climate Change Adaptation (CCA)                                                          |     |     |     | Water and marine resources (WTR)                                                         |     |     |     | Circular economy (CE)                                                                    |     |     |     | Pollution (PPC)                                                                          |     |     |     | Biodiversity and Ecosystems (BIO)                                                        |     |      |     | TOTAL (CCM + CCA + WTR + CE + PPC + BIO)                                                 |     |      |      |  | Proportion of total assets covered |
|---------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|-----|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|------------------------------------------------------------------------------------------|-----|------|-----|------------------------------------------------------------------------------------------|-----|------|------|--|------------------------------------|
|                                                                                                                           |                                                                                                 | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |      |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |      |      |  |                                    |
| % (compared to total covered assets in the denominator)                                                                   |                                                                                                 | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |      |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |      |      |  |                                    |
|                                                                                                                           | GAR - Covered assets in both numerator and denominator                                          |                                                                                          |     |     |     |     |                                                                                          |     |     |     |                                                                                          |     |     |     |                                                                                          |     |     |     |                                                                                          |     |     |     |                                                                                          |     |      |     |                                                                                          |     |      |      |  |                                    |
| 1                                                                                                                         | Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation | 62 %                                                                                     | 7 % | 7 % | — % | 0 % | 0 %                                                                                      | — % | — % | — % | — %                                                                                      | — % | 0 % | — % | — %                                                                                      | — % | 0 % | — % | — %                                                                                      | — % | 0 % | — % | — %                                                                                      | — % | 62 % | 7 % | 7 %                                                                                      | — % | 0 %  | 44 % |  |                                    |
| 2                                                                                                                         | Financial undertakings                                                                          | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — %  | — % | — %                                                                                      | — % | 14 % |      |  |                                    |
| 3                                                                                                                         | Credit institutions                                                                             | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — %  | — % | — %                                                                                      | — % | 9 %  |      |  |                                    |
| 4                                                                                                                         | Loans and advances                                                                              | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — %  | — % | — %                                                                                      | — % | 4 %  |      |  |                                    |
| 5                                                                                                                         | Debt securities, including UoP                                                                  | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — %  | — % | — %                                                                                      | — % | 5 %  |      |  |                                    |
| 6                                                                                                                         | Equity instruments                                                                              | — %                                                                                      | — % |     | — % | — % | — %                                                                                      | — % |     | — % | — %                                                                                      |     | — % | — % |                                                                                          | — % | — % |     | — %                                                                                      | — % |     | — % | — %                                                                                      | — % | — %  | — % |                                                                                          | — % | — %  |      |  |                                    |
| 7                                                                                                                         | Other financial corporations                                                                    | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — %  | — % | — %                                                                                      | — % | 5 %  |      |  |                                    |
| 8                                                                                                                         | of which investment firms                                                                       | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — %  | — % | — %                                                                                      | — % | 0 %  |      |  |                                    |
| 9                                                                                                                         | Loans and advances                                                                              | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — %  | — % | — %                                                                                      | — % | 0 %  |      |  |                                    |
| 10                                                                                                                        | Debt securities, including UoP                                                                  | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — %  | — % | — %                                                                                      | — % | — %  |      |  |                                    |
| 11                                                                                                                        | Equity instruments                                                                              | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % |     | — % | — %                                                                                      |     | — % | — % |                                                                                          | — % | — % |     | — %                                                                                      | — % |     | — % | — %                                                                                      | — % | — %  | — % |                                                                                          | — % | — %  |      |  |                                    |
| 12                                                                                                                        | of which management companies                                                                   | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — %  | — % | — %                                                                                      | — % | — %  |      |  |                                    |
| 13                                                                                                                        | Loans and advances                                                                              | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — %  | — % | — %                                                                                      | — % | — %  |      |  |                                    |
| 14                                                                                                                        | Debt securities, including UoP                                                                  | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — %  | — % | — %                                                                                      | — % | — %  |      |  |                                    |
| 15                                                                                                                        | Equity instruments                                                                              | — %                                                                                      | — % |     | — % | — % | — %                                                                                      | — % |     | — % | — %                                                                                      |     | — % | — % |                                                                                          | — % | — % |     | — %                                                                                      | — % |     | — % | — %                                                                                      | — % | — %  | — % |                                                                                          | — % | — %  |      |  |                                    |
| 16                                                                                                                        | of which insurance undertakings                                                                 | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — %  | — % | — %                                                                                      | — % | 0 %  |      |  |                                    |
| 17                                                                                                                        | Loans and advances                                                                              | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — %  | — % | — %                                                                                      | — % | 0 %  |      |  |                                    |
| 18                                                                                                                        | Debt securities, including UoP                                                                  | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — %  | — % | — %                                                                                      | — % | — %  |      |  |                                    |
| 19                                                                                                                        | Equity instruments                                                                              | — %                                                                                      | — % |     | — % | — % | — %                                                                                      |     | — % | — % |                                                                                          | — % | — % |     | — %                                                                                      | — % |     | — % | — %                                                                                      |     | — % | — % | — %                                                                                      | — % | — %  | — % |                                                                                          | — % | — %  |      |  |                                    |

### 3. GAR KPI stock (revenue)

**Disclosure reference date 31 December 2024 continued**

| <div>Key</div> <div><div>Of which use of proceeds</div><div>Of which transitional</div><div>Of which enabling</div></div> |                                                                                           | Climate Change Mitigation (CCM)                                                          |      |      |  |     | Climate Change Adaptation (CCA)                                                          |  |  |  | Water and marine resources (WTR)                                                         |  |  |     | Circular economy (CE)                                                                    |  |  |  | Pollution (PPC)                                                                          |  |  |  | Biodiversity and Ecosystems (BIO)                                                        |  |  |  | TOTAL (CCM + CCA + WTR + CE + PPC + BIO)                                                 |       |      |      |  |     | Proportion of total assets covered |
|---------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|------|------|--|-----|------------------------------------------------------------------------------------------|--|--|--|------------------------------------------------------------------------------------------|--|--|-----|------------------------------------------------------------------------------------------|--|--|--|------------------------------------------------------------------------------------------|--|--|--|------------------------------------------------------------------------------------------|--|--|--|------------------------------------------------------------------------------------------|-------|------|------|--|-----|------------------------------------|
|                                                                                                                           |                                                                                           | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |      |      |  |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |  |  |  | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |  |  |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |  |  |  | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |  |  |  | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |  |  |  | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |       |      |      |  |     |                                    |
| % (compared to total covered assets in the denominator)                                                                   |                                                                                           | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |      |      |  |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |  |  |  | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |  |  |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |  |  |  | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |  |  |  | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |  |  |  | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |       |      |      |  |     |                                    |
|                                                                                                                           |                                                                                           |                                                                                          |      |      |  |     |                                                                                          |  |  |  |                                                                                          |  |  |     |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |       |      |      |  |     |                                    |
| 20                                                                                                                        | Non-financial undertakings                                                                | 23 %                                                                                     | 2 %  |      |  |     | 1 %                                                                                      |  |  |  |                                                                                          |  |  | 0 % |                                                                                          |  |  |  | 4 %                                                                                      |  |  |  | 1 %                                                                                      |  |  |  |                                                                                          | 28 %  | 2 %  |      |  |     | 1 %                                |
| 21                                                                                                                        | Loans and advances                                                                        | 23 %                                                                                     | 2 %  |      |  |     | 1 %                                                                                      |  |  |  |                                                                                          |  |  | 0 % |                                                                                          |  |  |  | 4 %                                                                                      |  |  |  | 1 %                                                                                      |  |  |  |                                                                                          | 28 %  | 2 %  |      |  |     | 1 %                                |
| 22                                                                                                                        | Debt securities, including UoP                                                            |                                                                                          |      |      |  |     |                                                                                          |  |  |  |                                                                                          |  |  |     |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |       |      |      |  |     |                                    |
| 23                                                                                                                        | Equity instruments                                                                        |                                                                                          |      |      |  |     |                                                                                          |  |  |  |                                                                                          |  |  |     |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |       |      |      |  |     |                                    |
| 24                                                                                                                        | Households                                                                                | 92 %                                                                                     | 10 % | 10 % |  |     |                                                                                          |  |  |  |                                                                                          |  |  |     |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          | 92 %  | 10 % | 10 % |  |     | 30 %                               |
| 25                                                                                                                        | of which loans collateralised by residential immovable property                           |                                                                                          |      |      |  |     |                                                                                          |  |  |  |                                                                                          |  |  |     |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |       |      |      |  |     |                                    |
| 26                                                                                                                        | of which building renovation loans                                                        | 100 %                                                                                    | 11 % | 11 % |  |     |                                                                                          |  |  |  |                                                                                          |  |  |     |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          | 100 % | 11 % | 11 % |  |     | 26 %                               |
| 27                                                                                                                        | of which motor vehicle loans                                                              | 100 %                                                                                    |      |      |  |     |                                                                                          |  |  |  |                                                                                          |  |  |     |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          | 100 % |      |      |  |     |                                    |
| 28                                                                                                                        | Local governments financing                                                               |                                                                                          |      |      |  |     |                                                                                          |  |  |  |                                                                                          |  |  |     |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |       |      |      |  | 0 % |                                    |
| 29                                                                                                                        | Housing financing                                                                         |                                                                                          |      |      |  |     |                                                                                          |  |  |  |                                                                                          |  |  |     |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |       |      |      |  |     |                                    |
| 30                                                                                                                        | Other local government financing                                                          |                                                                                          |      |      |  |     |                                                                                          |  |  |  |                                                                                          |  |  |     |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |       |      |      |  | 0 % |                                    |
| 31                                                                                                                        | Collateral obtained by taking possession: residential and commercial immovable properties |                                                                                          |      |      |  |     |                                                                                          |  |  |  |                                                                                          |  |  |     |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |       |      |      |  |     |                                    |
|                                                                                                                           |                                                                                           |                                                                                          |      |      |  |     |                                                                                          |  |  |  |                                                                                          |  |  |     |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |       |      |      |  |     |                                    |
| 32                                                                                                                        | Total GAR assets                                                                          | 40 %                                                                                     | 4 %  | 4 %  |  | 0 % | 0 %                                                                                      |  |  |  |                                                                                          |  |  | 0 % |                                                                                          |  |  |  | 0 %                                                                                      |  |  |  | 0 %                                                                                      |  |  |  |                                                                                          | 40 %  | 4 %  | 4 %  |  | 0 % | 68 %                               |

**Disclosure reference date 31 December 2025**

[illegible]

### 3. GAR KPI stock (capex)

#### Disclosure reference date 31 December 2025 *continued*

| Key<br>■ Of which use<br>of proceeds<br>■ Of which<br>transitional<br>■ Of which enabling | Climate Change Mitigation (CCM)                                                           |                    |      |      |     | Climate Change Adaptation (CCA)                                                          |     |     |     |     | Water and marine resources (WTR)                                                         |     |     |     |     | Circular economy (CE)                                                                    |     |     |     |     | Pollution (PPC)                                                                          |     |     |     |     | Biodiversity and Ecosystems (BIO)                                                        |       |      |      |     | TOTAL (CCM + CCA + WTR + CE + PPC + BIO)                                                 |     |      |     |  |  |  | Proportion of total assets covered |
|-------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|--------------------|------|------|-----|------------------------------------------------------------------------------------------|-----|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|-----|------------------------------------------------------------------------------------------|-------|------|------|-----|------------------------------------------------------------------------------------------|-----|------|-----|--|--|--|------------------------------------|
|                                                                                           | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)  |                    |      |      |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |       |      |      |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |      |     |  |  |  |                                    |
|                                                                                           | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)   |                    |      |      |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |       |      |      |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |      |     |  |  |  |                                    |
| % (compared to total covered assets in the denominator)                                   |                                                                                           |                    |      |      |     |                                                                                          |     |     |     |     |                                                                                          |     |     |     |     |                                                                                          |     |     |     |     |                                                                                          |     |     |     |     |                                                                                          |       |      |      |     |                                                                                          |     |      |     |  |  |  |                                    |
| 20                                                                                        | Non-financial undertakings                                                                | 45 %               | 15 % | — %  | 3 % | 0 %                                                                                      | 1 % | 0 % | — % | — % | 0 %                                                                                      | 0 % | — % | — % | 0 % | — %                                                                                      | — % | — % | 2 % | — % | — %                                                                                      | — % | 1 % | — % | — % | — %                                                                                      | 49 %  | 15 % | — %  | 3 % | 0 %                                                                                      | 0 % | 0 %  |     |  |  |  |                                    |
| 21                                                                                        |                                                                                           | Loans and advances | 45 % | 15 % | — % | 3 %                                                                                      | 0 % | 1 % | 0 % | — % | — %                                                                                      | 0 % | 0 % | — % | — % | 0 %                                                                                      | — % | — % | — % | 2 % | — %                                                                                      | — % | — % | 1 % | — % | — %                                                                                      | — %   | 49 % | 15 % | — % | 3 %                                                                                      | 0 % | 0 %  | 0 % |  |  |  |                                    |
| 22                                                                                        | Debt securities, including UoP                                                            | — %                | — %  | — %  | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — %   | — %  | — %  | — % | — %                                                                                      | — % | — %  | — % |  |  |  |                                    |
| 23                                                                                        | Equity instruments                                                                        | — %                | — %  |      | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % |     | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — %   | — %  | — %  | — % | — %                                                                                      | — % | — %  | — % |  |  |  |                                    |
| 24                                                                                        | Households                                                                                | 89 %               | 10 % | 10 % | — % | — %                                                                                      | — % | — % | — % |     |                                                                                          |     |     | — % | — % | — %                                                                                      | — % |     |     |     |                                                                                          |     |     |     |     |                                                                                          | 89 %  | 10 % | 10 % | — % | — %                                                                                      | — % | 29 % |     |  |  |  |                                    |
| 25                                                                                        | of which loans collateralised by residential immovable property                           | 100 %              | 12 % | 12 % | — % | — %                                                                                      | — % | — % | — % |     |                                                                                          |     |     | — % | — % | — %                                                                                      | — % |     |     |     |                                                                                          |     |     |     |     |                                                                                          | 100 % | 12 % | 12 % | — % | — %                                                                                      | — % | 25 % |     |  |  |  |                                    |
| 26                                                                                        | of which building renovation loans                                                        | 100 %              | — %  | — %  | — % | — %                                                                                      | — % | — % | — % |     |                                                                                          |     |     | — % | — % | — %                                                                                      | — % |     |     |     |                                                                                          |     |     |     |     |                                                                                          | 100 % | — %  | — %  | — % | — %                                                                                      | — % | 0 %  |     |  |  |  |                                    |
| 27                                                                                        | of which motor vehicle loans                                                              | 100 %              | — %  | — %  | — % | — %                                                                                      |     |     |     |     |                                                                                          |     |     |     |     |                                                                                          |     |     |     |     |                                                                                          |     |     |     |     |                                                                                          | 100 % | — %  | — %  | — % | — %                                                                                      | — % | 1 %  |     |  |  |  |                                    |
| 28                                                                                        | Local governments financing                                                               | — %                | — %  | — %  | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — %   | — %  | — %  | — % | — %                                                                                      | — % | 0 %  |     |  |  |  |                                    |
| 29                                                                                        | Housing financing                                                                         | — %                | — %  | — %  | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — %   | — %  | — %  | — % | — %                                                                                      | — % | — %  | — % |  |  |  |                                    |
| 30                                                                                        | Other local government financing                                                          | — %                | — %  | — %  | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — %   | — %  | — %  | — % | — %                                                                                      | — % | — %  | 0 % |  |  |  |                                    |
| 31                                                                                        | Collateral obtained by taking possession: residential and commercial immovable properties | — %                | — %  | — %  | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — %   | — %  | — %  | — % | — %                                                                                      | — % | — %  | 0 % |  |  |  |                                    |
| 32                                                                                        | Total GAR assets                                                                          | 39 %               | 5 %  | 4 %  | 0 % | 0 %                                                                                      | 0 % | 0 % | — % | — % | 0 %                                                                                      | 0 % | — % | — % | 0 % | — %                                                                                      | — % | — % | 0 % | — % | — %                                                                                      | — % | — % | 0 % | — % | — %                                                                                      | 39 %  | 5 %  | 4 %  | 0 % | 0 %                                                                                      | 0 % | 66 % |     |  |  |  |                                    |

### 3. GAR KPI stock (capex)

Disclosure reference date 31 December 2024

[illegible]



### 3. GAR KPI stock (capex)

**Disclosure reference date 31 December 2024 continued**

| <div>Key</div> <div><div>Of which use of proceeds</div><div>Of which transitional</div><div>Of which enabling</div></div> |                                                                                           | Climate Change Mitigation (CCM)                                                         |      |      |  |     | Climate Change Adaptation (CCA)                                                          |  |  |  | Water and marine resources (WTR)                                                         |  |  |     | Circular economy (CE)                                                                    |  |  |  | Pollution (PPC)                                                                          |  |  |  | Biodiversity and Ecosystems (BIO)                                                        |     |  |  | TOTAL (CCM + CCA + WTR + CE + PPC + BIO)                                                 |  |       |      |      |  | Proportion of total assets covered |      |  |
|---------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|------|------|--|-----|------------------------------------------------------------------------------------------|--|--|--|------------------------------------------------------------------------------------------|--|--|-----|------------------------------------------------------------------------------------------|--|--|--|------------------------------------------------------------------------------------------|--|--|--|------------------------------------------------------------------------------------------|-----|--|--|------------------------------------------------------------------------------------------|--|-------|------|------|--|------------------------------------|------|--|
|                                                                                                                           |                                                                                           | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) |      |      |  |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |  |  |  | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |  |  |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |  |  |  | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |  |  |  | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |  |  | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |  |       |      |      |  |                                    |      |  |
| % (compared to total covered assets in the denominator)                                                                   |                                                                                           | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) |      |      |  |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |  |  |  | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |  |  |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |  |  |  | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |  |  |  | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |  |  | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |  |       |      |      |  |                                    |      |  |
|                                                                                                                           |                                                                                           |                                                                                         |      |      |  |     |                                                                                          |  |  |  |                                                                                          |  |  |     |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |     |  |  |                                                                                          |  |       |      |      |  |                                    |      |  |
| 20                                                                                                                        | Non-financial undertakings                                                                | 23 %                                                                                    | 2 %  |      |  |     | 3 %                                                                                      |  |  |  |                                                                                          |  |  | 0 % |                                                                                          |  |  |  | 2 %                                                                                      |  |  |  |                                                                                          | 0 % |  |  |                                                                                          |  | 28 %  | 2 %  |      |  |                                    | 1 %  |  |
| 21                                                                                                                        | Loans and advances                                                                        | 23 %                                                                                    | 2 %  |      |  |     | 3 %                                                                                      |  |  |  |                                                                                          |  |  | 0 % |                                                                                          |  |  |  | 2 %                                                                                      |  |  |  |                                                                                          | 0 % |  |  |                                                                                          |  | 28 %  | 2 %  |      |  |                                    | 1 %  |  |
| 22                                                                                                                        | Debt securities, including UoP                                                            |                                                                                         |      |      |  |     |                                                                                          |  |  |  |                                                                                          |  |  |     |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |     |  |  |                                                                                          |  |       |      |      |  |                                    |      |  |
| 23                                                                                                                        | Equity instruments                                                                        |                                                                                         |      |      |  |     |                                                                                          |  |  |  |                                                                                          |  |  |     |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |     |  |  |                                                                                          |  |       |      |      |  |                                    |      |  |
| 24                                                                                                                        | Households                                                                                | 92 %                                                                                    | 10 % | 10 % |  |     |                                                                                          |  |  |  |                                                                                          |  |  |     |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |     |  |  |                                                                                          |  | 92 %  | 10 % | 10 % |  |                                    | 30 % |  |
| 25                                                                                                                        | of which loans collateralised by residential immovable property                           | 100 %                                                                                   | 11 % | 11 % |  |     |                                                                                          |  |  |  |                                                                                          |  |  |     |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |     |  |  |                                                                                          |  | 100 % | 11 % | 11 % |  |                                    | 26 % |  |
| 26                                                                                                                        | of which building renovation loans                                                        | 100 %                                                                                   |      |      |  |     |                                                                                          |  |  |  |                                                                                          |  |  |     |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |     |  |  |                                                                                          |  | 100 % |      |      |  |                                    |      |  |
| 27                                                                                                                        | of which motor vehicle loans                                                              | 100 %                                                                                   |      |      |  |     |                                                                                          |  |  |  |                                                                                          |  |  |     |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |     |  |  |                                                                                          |  | 100 % |      |      |  |                                    | 1 %  |  |
| 28                                                                                                                        | Local governments financing                                                               |                                                                                         |      |      |  |     |                                                                                          |  |  |  |                                                                                          |  |  |     |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |     |  |  |                                                                                          |  |       |      |      |  | 0 %                                |      |  |
| 29                                                                                                                        | Housing financing                                                                         |                                                                                         |      |      |  |     |                                                                                          |  |  |  |                                                                                          |  |  |     |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |     |  |  |                                                                                          |  |       |      |      |  |                                    |      |  |
| 30                                                                                                                        | Other local government financing                                                          |                                                                                         |      |      |  |     |                                                                                          |  |  |  |                                                                                          |  |  |     |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |     |  |  |                                                                                          |  |       |      |      |  | 0 %                                |      |  |
| 31                                                                                                                        | Collateral obtained by taking possession: residential and commercial immovable properties |                                                                                         |      |      |  |     |                                                                                          |  |  |  |                                                                                          |  |  |     |                                                                                          |  |  |  |                                                                                          |  |  |  |                                                                                          |     |  |  |                                                                                          |  |       |      |      |  |                                    |      |  |
| 32                                                                                                                        | Total GAR assets                                                                          | 40 %                                                                                    | 4 %  | 4 %  |  | 0 % | 0 %                                                                                      |  |  |  |                                                                                          |  |  | 0 % |                                                                                          |  |  |  | 0 %                                                                                      |  |  |  |                                                                                          | 0 % |  |  |                                                                                          |  | 40 %  | 4 %  | 4 %  |  | 0 %                                | 68 % |  |

**Disclosure reference date 31 December 2025**

| <div>Key</div> <div><div>Of which use of proceeds</div><div>Of which transitional</div><div>Of which enabling</div></div> |                                                                                                 | Climate Change Mitigation (CCM)                                                          |     |     |     |     | Climate Change Adaptation (CCA)                                                          |     |     |     | Water and marine resources (WTR)                                                         |     |     |     | Circular economy (CE)                                                                    |     |     |     | Pollution (PPC)                                                                          |     |     |     | Biodiversity and Ecosystems (BIO)                                                        |     |     |     | TOTAL (CCM + CCA + WTR + CE + PPC + BIO)                                                 |     |     |      |  |  | Proportion of total assets covered |
|---------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|-----|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|------|--|--|------------------------------------|
|                                                                                                                           |                                                                                                 | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |      |  |  |                                    |
| % (compared to total covered assets in the denominator)                                                                   |                                                                                                 | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |      |  |  |                                    |
|                                                                                                                           | GAR - Covered assets in both numerator and denominator                                          |                                                                                          |     |     |     |     |                                                                                          |     |     |     |                                                                                          |     |     |     |                                                                                          |     |     |     |                                                                                          |     |     |     |                                                                                          |     |     |     |                                                                                          |     |     |      |  |  |                                    |
| 1                                                                                                                         | Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation | 40 %                                                                                     | 5 % | 5 % | 0 % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — %  |  |  |                                    |
| 2                                                                                                                         | Financial undertakings                                                                          | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | 26 % |  |  |                                    |
| 3                                                                                                                         | Credit institutions                                                                             | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | 21 % |  |  |                                    |
| 4                                                                                                                         | Loans and advances                                                                              | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | 15 % |  |  |                                    |
| 5                                                                                                                         | Debt securities, including UoP                                                                  | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | 6 %  |  |  |                                    |
| 6                                                                                                                         | Equity instruments                                                                              | — %                                                                                      | — % |     | — % | — % | — %                                                                                      | — % | — % |     | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — %  |  |  |                                    |
| 7                                                                                                                         | Other financial corporations                                                                    | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | 5 %  |  |  |                                    |
| 8                                                                                                                         | of which investment firms                                                                       | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | 0 %  |  |  |                                    |
| 9                                                                                                                         | Loans and advances                                                                              | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | 0 %  |  |  |                                    |
| 10                                                                                                                        | Debt securities, including UoP                                                                  | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — %  |  |  |                                    |
| 11                                                                                                                        | Equity instruments                                                                              | — %                                                                                      | — % |     | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — %  |  |  |                                    |
| 12                                                                                                                        | of which management companies                                                                   | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — %  |  |  |                                    |
| 13                                                                                                                        | Loans and advances                                                                              | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — %  |  |  |                                    |
| 14                                                                                                                        | Debt securities, including UoP                                                                  | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — %  |  |  |                                    |
| 15                                                                                                                        | Equity instruments                                                                              | — %                                                                                      | — % |     | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — %  |  |  |                                    |
| 16                                                                                                                        | of which insurance undertakings                                                                 | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | 0 %  |  |  |                                    |
| 17                                                                                                                        | Loans and advances                                                                              | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | 0 %  |  |  |                                    |
| 18                                                                                                                        | Debt securities, including UoP                                                                  | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — %  |  |  |                                    |
| 19                                                                                                                        | Equity instruments                                                                              | — %                                                                                      | — % |     | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — % | — %                                                                                      | — % | — % | — %  |  |  |                                    |

## 4. GAR KPI flow (revenue)

### Disclosure reference date 31 December 2025 *continued*

| Key<br>■ Of which use of proceeds<br>■ Of which transitional<br>■ Of which enabling | Climate Change Mitigation (CCM)                                                           |       |      |      |     | Climate Change Adaptation (CCA)                                                           |     |     |     | Water and marine resources (WTR)                                                          |     |     |     | Circular economy (CE)                                                                     |     |     |     | Pollution (PPC)                                                                           |     |     |      | Biodiversity and Ecosystems (BIO)                                                         |     |     |       | TOTAL (CCM + CCA + WTR + CE + PPC + BIO)                                                  |      |     |     |      | Proportion of total assets covered |
|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-------|------|------|-----|-------------------------------------------------------------------------------------------|-----|-----|-----|-------------------------------------------------------------------------------------------|-----|-----|-----|-------------------------------------------------------------------------------------------|-----|-----|-----|-------------------------------------------------------------------------------------------|-----|-----|------|-------------------------------------------------------------------------------------------|-----|-----|-------|-------------------------------------------------------------------------------------------|------|-----|-----|------|------------------------------------|
|                                                                                     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)  |       |      |      |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)  |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)  |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)  |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)  |     |     |      | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)  |     |     |       | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)  |      |     |     |      |                                    |
|                                                                                     | % (compared to total covered assets in the denominator)                                   |       |      |      |     | % (compared to total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)) |     |     |     | % (compared to total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)) |     |     |     | % (compared to total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)) |     |     |     | % (compared to total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)) |     |     |      | % (compared to total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)) |     |     |       | % (compared to total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)) |      |     |     |      |                                    |
|                                                                                     |                                                                                           |       |      |      |     |                                                                                           |     |     |     |                                                                                           |     |     |     |                                                                                           |     |     |     |                                                                                           |     |     |      |                                                                                           |     |     |       |                                                                                           |      |     |     |      |                                    |
| 20                                                                                  | Non-financial undertakings                                                                | 36 %  | 6 %  | — %  | 4 % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | 28 % | — %                                                                                       | — % | — % | — %   | 64 %                                                                                      | 6 %  | — % | 4 % | — %  | 1 %                                |
| 21                                                                                  | Loans and advances                                                                        | 36 %  | 6 %  | — %  | 4 % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | 28 % | — %                                                                                       | — % | — % | — %   | 64 %                                                                                      | 6 %  | — % | 4 % | — %  | 1 %                                |
| 22                                                                                  | Debt securities, including UoP                                                            | — %   | — %  | — %  | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — %  | — %                                                                                       | — % | — % | — %   | — %                                                                                       | — %  | — % | — % | — %  |                                    |
| 23                                                                                  | Equity instruments                                                                        | — %   | — %  | — %  | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — %  | — %                                                                                       | — % | — % | — %   | — %                                                                                       | — %  | — % | — % | — %  |                                    |
| 24                                                                                  | Households                                                                                | 80 %  | 9 %  | 9 %  | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — %  | — %                                                                                       | — % | — % | 80 %  | 9 %                                                                                       | 9 %  | — % | — % | 26 % |                                    |
| 25                                                                                  | of which loans collateralised by residential immovable property                           | 100 % | 13 % | 13 % | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — %  | — %                                                                                       | — % | — % | 100 % | 13 %                                                                                      | 13 % | — % | — % | 19 % |                                    |
| 26                                                                                  | of which building renovation loans                                                        | 100 % | — %  | — %  | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — %  | — %                                                                                       | — % | — % | 100 % | — %                                                                                       | — %  | — % | — % | 0 %  |                                    |
| 27                                                                                  | of which motor vehicle loans                                                              | 100 % | — %  | — %  | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — %  | — %                                                                                       | — % | — % | 100 % | — %                                                                                       | — %  | — % | — % | 2 %  |                                    |
| 28                                                                                  | Local governments financing                                                               | — %   | — %  | — %  | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — %  | — %                                                                                       | — % | — % | — %   | — %                                                                                       | — %  | — % | — % | 0 %  |                                    |
| 29                                                                                  | Housing financing                                                                         | — %   | — %  | — %  | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — %  | — %                                                                                       | — % | — % | — %   | — %                                                                                       | — %  | — % | — % | — %  |                                    |
| 30                                                                                  | Other local government financing                                                          | — %   | — %  | — %  | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — %  | — %                                                                                       | — % | — % | — %   | — %                                                                                       | — %  | — % | — % | 0 %  |                                    |
| 31                                                                                  | Collateral obtained by taking possession: residential and commercial immovable properties | — %   | — %  | — %  | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — %  | — %                                                                                       | — % | — % | — %   | — %                                                                                       | — %  | — % | — % | 0 %  |                                    |
| 32                                                                                  | Total GAR assets                                                                          | 24 %  | 3 %  | 3 %  | 0 % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | — % | — %                                                                                       | — % | — % | 0 %  | — %                                                                                       | — % | — % | 25 %  | 3 %                                                                                       | 3 %  | 0 % | — % | 88 % |                                    |

#### 4. GAR KPI flow (capex)

Disclosure reference date 31 December 2025

[illegible]

#### 4. GAR KPI flow (capex)

**Disclosure reference date 31 December 2025 continued**

[illegible]

## 5. KPI off-balance sheet exposures (stock) Disclosure reference date 31 December 2025

| Key                                  | Climate Change Mitigation (CCM)                                                          |     |     |     |     | Climate Change Adaptation (CCA)                                                          |     |     |     |     | Water and marine resources (WTR)                                                         |     |     |     |     | Circular economy (CE)                                                                    |     |     |     |     | Pollution (PPC)                                                                          |     |     |     |     | Biodiversity and Ecosystems (BIO)                                                        |     |     |     |     | TOTAL (CCM + CCA + WTR + CE + PPC + BIO)                                                 |     |     |     |     |
|--------------------------------------|------------------------------------------------------------------------------------------|-----|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|-----|
|                                      | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     |     |
|                                      | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     |     |
| 1 Financial guarantees (FinGuar KPI) | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % |
| 2 Assets under management (AuM KPI)  | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % |

**Notes:**

- As at 31 December 2025 no taxonomy eligible or aligned exposure has been identified within financial guarantees or assets under management.

## 5. KPI off-balance sheet exposures (flow) Disclosure reference date 31 December 2025

| Key                                  | Climate Change Mitigation (CCM)                                                          |     |     |     |     | Climate Change Adaptation (CCA)                                                          |     |     |     |     | Water and marine resources (WTR)                                                         |     |     |     |     | Circular economy (CE)                                                                    |     |     |     |     | Pollution (PPC)                                                                          |     |     |     |     | Biodiversity and Ecosystems (BIO)                                                        |     |     |     |     | TOTAL (CCM + CCA + WTR + CE + PPC + BIO)                                                 |     |     |     |     |
|--------------------------------------|------------------------------------------------------------------------------------------|-----|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|-----|------------------------------------------------------------------------------------------|-----|-----|-----|-----|
|                                      | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) |     |     |     |     |
|                                      | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     |     | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)  |     |     |     |     |
| 1 Financial guarantees (FinGuar KPI) | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % |
| 2 Assets under management (AuM KPI)  | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % | — %                                                                                      | — % | — % | — % | — % |

**Notes:**

- As at 31 December 2025 no taxonomy eligible or aligned exposure has been identified within financial guarantees or assets under management.



Template 1: Nuclear and fossil gas related activities

| Row                           | Nuclear energy related activities                                                                                                                                                                                                                                                                                                    |     |
|-------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| 1                             | The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.                                                                                        | No  |
| 2                             | The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies. | No  |
| 3                             | The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.                          | No  |
| Fossil gas related activities |                                                                                                                                                                                                                                                                                                                                      |     |
| 4                             | The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.                                                                                                                                                           | Yes |
| 5                             | The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.                                                                                                                                                  | No  |
| 6                             | The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.                                                                                                                                                    | No  |

Notes:

- AIB does not lend to nuclear energy related activities in accordance with the Group exclusion policy and as such there is no exposure to activities outlined under sections 4.26, 4.27 and 4.28 of Annexes I and II to Delegated Regulation 2021/2139.
- The Group has an exposure to facilities that produce electricity using fossil gaseous fuel under section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 and have been disclosed in accordance with Annex XII of the Delegated Act.

## Template 2: Taxonomy-aligned economic activities (denominator)

| Row | Economic activities based on Revenue KPI                                                                                                                                                | Amount and proportion (the information is to be presented in monetary amounts and as percentages) |            |                                 |            |                                 |            |
|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|------------|---------------------------------|------------|---------------------------------|------------|
|     |                                                                                                                                                                                         | CCM + CCA                                                                                         |            | Climate change mitigation (CCM) |            | Climate change adaptation (CCA) |            |
|     |                                                                                                                                                                                         | Amount                                                                                            | %          | Amount                          | %          | Amount                          | %          |
| 1   | Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —                                                                                                 | — %        | —                               | — %        | —                               | — %        |
| 2   | Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —                                                                                                 | — %        | —                               | — %        | —                               | — %        |
| 3   | Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —                                                                                                 | — %        | —                               | — %        | —                               | — %        |
| 4   | Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —                                                                                                 | — %        | —                               | — %        | —                               | — %        |
| 5   | Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —                                                                                                 | — %        | —                               | — %        | —                               | — %        |
| 6   | Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —                                                                                                 | — %        | —                               | — %        | —                               | — %        |
| 7   | <b>Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI</b>                                | <b>4,390</b>                                                                                      | <b>4 %</b> | <b>4,390</b>                    | <b>4 %</b> | <b>0</b>                        | <b>0 %</b> |
| 8   | <b>Total applicable KPI</b>                                                                                                                                                             | <b>4,390</b>                                                                                      | <b>4 %</b> | <b>4,390</b>                    | <b>4 %</b> | <b>0</b>                        | <b>0 %</b> |

| Row | Economic activities based on CapEx KPI                                                                                                                                                  | Amount and proportion (the information is to be presented in monetary amounts and as percentages) |            |                                 |            |                                 |            |
|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|------------|---------------------------------|------------|---------------------------------|------------|
|     |                                                                                                                                                                                         | CCM + CCA                                                                                         |            | Climate change mitigation (CCM) |            | Climate change adaptation (CCA) |            |
|     |                                                                                                                                                                                         | Amount                                                                                            | %          | Amount                          | %          | Amount                          | %          |
| 1   | Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —                                                                                                 | — %        | —                               | — %        | —                               | — %        |
| 2   | Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —                                                                                                 | — %        | —                               | — %        | —                               | — %        |
| 3   | Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —                                                                                                 | — %        | —                               | — %        | —                               | — %        |
| 4   | Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —                                                                                                 | — %        | —                               | — %        | —                               | — %        |
| 5   | Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —                                                                                                 | — %        | —                               | — %        | —                               | — %        |
| 6   | Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —                                                                                                 | — %        | —                               | — %        | —                               | — %        |
| 7   | <b>Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI</b>                                | <b>4,449</b>                                                                                      | <b>5 %</b> | <b>4,449</b>                    | <b>5 %</b> | <b>0</b>                        | <b>0 %</b> |
| 8   | <b>Total applicable KPI</b>                                                                                                                                                             | <b>4,449</b>                                                                                      | <b>5 %</b> | <b>4,449</b>                    | <b>5 %</b> | <b>0</b>                        | <b>0 %</b> |

## Template 3: Taxonomy-aligned economic activities (numerator)

| Row | Economic activities based on Revenue KPI                                                                                                                                              | Amount and proportion (the information is to be presented in monetary amounts and as percentages) |              |                                 |              |                                 |            |
|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|--------------|---------------------------------|--------------|---------------------------------|------------|
|     |                                                                                                                                                                                       | CCM + CCA                                                                                         |              | Climate change mitigation (CCM) |              | Climate change adaptation (CCA) |            |
|     |                                                                                                                                                                                       | Amount                                                                                            | %            | Amount                          | %            | Amount                          | %          |
| 1   | Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI | —                                                                                                 | — %          | —                               | — %          | —                               | — %        |
| 2   | Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI | —                                                                                                 | — %          | —                               | — %          | —                               | — %        |
| 3   | Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI | —                                                                                                 | — %          | —                               | — %          | —                               | — %        |
| 4   | Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI | —                                                                                                 | — %          | —                               | — %          | —                               | — %        |
| 5   | Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI | —                                                                                                 | — %          | —                               | — %          | —                               | — %        |
| 6   | Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI | —                                                                                                 | — %          | —                               | — %          | —                               | — %        |
| 7   | <b>Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI</b>                                | <b>4,390</b>                                                                                      | <b>100 %</b> | <b>4,390</b>                    | <b>100 %</b> | <b>0</b>                        | <b>0 %</b> |
| 8   | <b>Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI</b>                                                                     | <b>4,390</b>                                                                                      | <b>100 %</b> | <b>4,390</b>                    | <b>100 %</b> | <b>0</b>                        | <b>0 %</b> |

| Row | Economic activities based on CapEx KPI                                                                                                                                                | Amount and proportion (the information is to be presented in monetary amounts and as percentages) |              |                                 |              |                                 |            |
|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|--------------|---------------------------------|--------------|---------------------------------|------------|
|     |                                                                                                                                                                                       | CCM + CCA                                                                                         |              | Climate change mitigation (CCM) |              | Climate change adaptation (CCA) |            |
|     |                                                                                                                                                                                       | Amount                                                                                            | %            | Amount                          | %            | Amount                          | %          |
| 1   | Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI | —                                                                                                 | — %          | —                               | — %          | —                               | — %        |
| 2   | Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI | —                                                                                                 | — %          | —                               | — %          | —                               | — %        |
| 3   | Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI | —                                                                                                 | — %          | —                               | — %          | —                               | — %        |
| 4   | Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI | —                                                                                                 | — %          | —                               | — %          | —                               | — %        |
| 5   | Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI | —                                                                                                 | — %          | —                               | — %          | —                               | — %        |
| 6   | Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI | —                                                                                                 | — %          | —                               | — %          | —                               | — %        |
| 7   | <b>Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI</b>                                | <b>4,449</b>                                                                                      | <b>100 %</b> | <b>4,449</b>                    | <b>100 %</b> | <b>0</b>                        | <b>0 %</b> |
| 8   | <b>Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI</b>                                                                     | <b>4,449</b>                                                                                      | <b>100 %</b> | <b>4,449</b>                    | <b>100 %</b> | <b>0</b>                        | <b>0 %</b> |

## Template 4: Taxonomy-eligible but not taxonomy-aligned economic activities

| Row | Economic activities based on Revenue KPI                                                                                                                                                                          | Amount and proportion (the information is to be presented in monetary amounts and as percentages) |             |                                 |             |                                 |            |
|-----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|-------------|---------------------------------|-------------|---------------------------------|------------|
|     |                                                                                                                                                                                                                   | CCM + CCA                                                                                         |             | Climate change mitigation (CCM) |             | Climate change adaptation (CCA) |            |
|     |                                                                                                                                                                                                                   | Amount                                                                                            | %           | Amount                          | %           | Amount                          | %          |
| 1   | Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —                                                                                                 | — %         | —                               | — %         | —                               | — %        |
| 2   | Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —                                                                                                 | — %         | —                               | — %         | —                               | — %        |
| 3   | Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —                                                                                                 | — %         | —                               | — %         | —                               | — %        |
| 4   | Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —                                                                                                 | — %         | —                               | — %         | —                               | — %        |
| 5   | Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —                                                                                                 | — %         | —                               | — %         | —                               | — %        |
| 6   | Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —                                                                                                 | — %         | —                               | — %         | —                               | — %        |
| 7   | <b>Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI</b>                                | <b>34,144</b>                                                                                     | <b>35 %</b> | <b>34,142</b>                   | <b>35 %</b> | <b>2</b>                        | <b>0 %</b> |
| 8   | <b>Total amount and proportion of taxonomy eligible but not taxonomy- aligned economic activities in the denominator of the applicable KPI</b>                                                                    | <b>34,144</b>                                                                                     | <b>35 %</b> | <b>34,142</b>                   | <b>35 %</b> | <b>2</b>                        | <b>0 %</b> |

| Row | Economic activities on CapEx KPI                                                                                                                                                                                  | Amount and proportion (the information is to be presented in monetary amounts and as percentages) |             |                                 |             |                                 |            |
|-----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|-------------|---------------------------------|-------------|---------------------------------|------------|
|     |                                                                                                                                                                                                                   | CCM + CCA                                                                                         |             | Climate change mitigation (CCM) |             | Climate change adaptation (CCA) |            |
|     |                                                                                                                                                                                                                   | Amount                                                                                            | %           | Amount                          | %           | Amount                          | %          |
| 1   | Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —                                                                                                 | — %         | —                               | — %         | —                               | — %        |
| 2   | Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —                                                                                                 | — %         | —                               | — %         | —                               | — %        |
| 3   | Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —                                                                                                 | — %         | —                               | — %         | —                               | — %        |
| 4   | Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —                                                                                                 | — %         | —                               | — %         | —                               | — %        |
| 5   | Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —                                                                                                 | — %         | —                               | — %         | —                               | — %        |
| 6   | Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —                                                                                                 | — %         | —                               | — %         | —                               | — %        |
| 7   | <b>Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI</b>                                | <b>34,153</b>                                                                                     | <b>35 %</b> | <b>34,146</b>                   | <b>35 %</b> | <b>7</b>                        | <b>0 %</b> |
| 8   | <b>Total amount and proportion of taxonomy eligible but not taxonomy- aligned economic activities in the denominator of the applicable KPI</b>                                                                    | <b>34,153</b>                                                                                     | <b>35 %</b> | <b>34,146</b>                   | <b>35 %</b> | <b>7</b>                        | <b>0 %</b> |

## Template 5: Taxonomy non-eligible economic activities

| Row | Economic activities based on Revenue KPI                                                                                                                                                                                                   | Amount        | %           | Row | Economic activities based on CapEx KPI                                                                                                                                                                                                     | Amount        | %           |
|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-------------|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-------------|
| 1   | Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —             | — %         | 1   | Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —             | — %         |
| 2   | Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —             | — %         | 2   | Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —             | — %         |
| 3   | Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —             | — %         | 3   | Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —             | — %         |
| 4   | Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | 24            | 0 %         | 4   | Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | 24            | 0 %         |
| 5   | Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —             | — %         | 5   | Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —             | — %         |
| 6   | Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —             | — %         | 6   | Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI | —             | — %         |
| 7   | <b>Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI</b>                                                                              | <b>60,021</b> | <b>61 %</b> | 7   | <b>Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI</b>                                                                              | <b>60,007</b> | <b>61 %</b> |
| 8   | <b>Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI</b>                                                                                                                   | <b>60,045</b> | <b>61 %</b> | 8   | <b>Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI</b>                                                                                                                   | <b>60,030</b> | <b>61 %</b> |

## Shareholder Information

### Stock Exchange Listings

AIB Group plc is an Irish registered company. Its ordinary shares are traded on the main securities market of Euronext Dublin and the main market of the London Stock Exchange.

### Registrar & Shareholder Enquiries

The Company's Registrar is:

Computershare Investor Services (Ireland) Limited,  
3100 Lake Drive, Citywest Business Campus,  
Dublin 24, D24 AK82  
Telephone: +353-1-247 5411  
Website: [computershare.com](https://computershare.com)

All enquiries concerning shareholdings should be addressed to the Company's Registrar.

### Shareholder services

Shareholders may view their shareholding at any time by logging into Computershare's investor platform via [investorcentre.com/ie](https://investorcentre.com/ie). Shareholders can access the above platform by registering their details using their Shareholder Reference Number (SRN). Once registered, shareholders can check their balance or download a Statement of Holding (as required), and view and amend their account details, including changing their address, adding their bank account details for the electronic payment of dividends, and registering for electronic communications.

Shareholders who are unable to access Investor Centre can contact Computershare to obtain a confirmation of the up-to-date balance of their shareholding, and update their details as required.

### Amalgamating your shareholdings

If you receive more than one copy of a shareholder mailing with similar details on your accounts, it may be because the Company has more than one record of shareholdings in your name. To ensure that you do not receive duplicate mailings in future, please have all your shareholdings amalgamated into one account by contacting the Company's Registrar (joint accounts cannot be merged with sole accounts or vice versa).

### Communication

It is the policy of the Company to communicate with shareholders by electronic means or through the Group's website [aib.ie](https://aib.ie). In the interest of protecting the environment, we encourage shareholders receiving communications in paper form to register for electronic communications on Computershare's website.

### Major shareholdings

The issued share capital of the AIB Group plc is 2,136,766,718 ordinary shares of €0.625 each.

### Financial calendar

Annual General Meeting:  
30 April 2026, at 10 Molesworth Street, Dublin 2.

### Interim results

The unaudited Half-Yearly Financial Report 2026 will be announced on 30 July 2026 and will be available on the Company's website: [aib.ie](https://aib.ie).



## Forward Looking Statement

This document contains certain forward looking statements with respect to the financial condition, results of operations and business of AIB Group and certain of the plans and objectives of the Group. These forward looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward looking statements sometimes use words such as 'aim', 'anticipate', 'target', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'may', 'could', 'will', 'seek', 'continue', 'should', 'assume', or other words of similar meaning. Examples of forward looking statements include, among others, statements regarding the Group's future financial position, capital structure, income growth, loan losses, business strategy, projected costs, capital ratios, estimates of capital expenditures, and plans and objectives for future operations. Because such statements are inherently subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward looking information. By their nature, forward looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward looking statements. These are set out in the Principal risks on pages 17 to 18 in the 2025 Annual Financial Report. In addition to matters relating to the Group's business, future performance will be impacted by the Group's ability along with governments and other stakeholders to measure, manage and mitigate the impacts of climate change effectively. Future performance could also be impacted by macroeconomic uncertainty, tariffs, geopolitical tensions and global conflict. Any forward looking statements made by or on behalf of the Group speak only as of the date they are made. The Group cautions that the list of important factors on pages 17 to 18 of the 2025 Annual Financial Report is not exhaustive. Investors and others should carefully consider the foregoing factors and other uncertainties and events when making an investment decision based on any forward looking statement.

## Principal Addresses

### AIB Group plc

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Telephone: + 353 1 660 0311

### Allied Irish Banks, p.l.c.

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Telephone: + 353 1 660 0311

### AIB Mortgage Bank Unlimited Company

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### EBS d.a.c.

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### AIB (NI)

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### Allied Irish Bank (GB)

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**For the life you're after**

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[aib.ie/investorrelations](http://aib.ie/investorrelations)