



ECONOMIC & SOCIAL INCLUSION

We aspire to contribute to, and advocate for, a fairer society that is socially and economically inclusive.

This chapter covers our economic & social inclusion-related disclosures and our 2022 response and progress on the following material topics:

- Usability of services and accessibility of products
- Enable customers to make better informed financial decisions
- Housing
- Community support

OUR TARGETS

2023
500k

CUSTOMERS SUPPORTED
FINANCIAL LITERACY

2024
€800m

FINANCE FOR SOCIAL
HOUSING

ONGOING STRATEGIC FOCUS

AIB IN OUR COMMUNITY





ECONOMIC & SOCIAL INCLUSION – 2022 PROGRESS

Usability of services and accessibility of products

- Introduction of a Customer Vulnerability Operational Model to provide enhanced ongoing operational support. In 2022 we supported 7,000 calls to the helpline and employees completed 30,000 hours of vulnerability training.
- Ongoing availability of the Basic Bank Account initiative across all channels in Ireland; 61K Basic Bank Accounts opened in 2022.
- Rapid establishment of a support programme for Ukrainian refugees arriving into Ireland resulting in over 12,000 bank accounts being opened through 2022.
- Enhancement of the existing AIB Credit Guarantee scheme and participation in the SBCI Brexit Loan Scheme to support small businesses to continue to trade through the current economic challenges.

→ **Read more:** When customers need a little extra support.

Enabling customers to make better informed financial decisions

- Continued focus on the end-to-end process to support our customers from new product development through to dedicated customer language review for all marketing and customer communications materials.
- Expansion of our Future Sparks Programme – an online secondary school programme – to over c 621 schools and an estimated average of 341,000 students (vs c. 545 schools in 2021).
- Availability of AIB on-line 'future sorted' quiz – designed to engage our customers to start thinking about their financial planning needs - 45K customers have completed the quiz.
- Continued availability of the 'Banking – How To' guide, an introduction to banking to support support customers with a learning difficulty.

→ **Read more:** Promoting Financial literacy

Housing

- 9,215 First Time Buyer Mortgages drawn for AIB representing a 20% increase on 2021.
- Delivery of €91m in social housing funding against our target of €500m by year end 2024, enabling the construction of c.570 homes to date.
- Actively supporting customers in mortgage difficulty through available schemes including Mortgage to Rent.

→ **Read more:** Housing

Community support

- Establishment of AIB Community Framework enabling understanding of AIB's opportunity for real impact.
- Launch of the AIB Community €1m Fund supporting over 70 local charities nominated by our colleagues and customers.
- Development of AIB partnership with GOAL – over 28% increase yoy for the GOAL Mile with €420k raised.
- Expansion of partnership with TASC – enabling dialogue at community-level on the challenges and opportunities presented by Climate Change.

→ **Read more:** Community Support

TARGET

500K Customers supported Financial Literacy by 2023

2022 PROGRESS



○ On target ● In progress ○ Achieved

TARGET

€800m finance for social housing by 2024

2022 PROGRESS



○ On target ● In progress ○ Achieved

TARGET

Ongoing focus on AIB in our community

2022 PROGRESS



○ On target ● In progress ○ Achieved



ECONOMIC & SOCIAL INCLUSION

USABILITY OF SERVICES AND ACCESSIBILITY OF PRODUCTS

CONTINUED

Making products and services personal, relevant, easy to use and accessible to all, anywhere at any time, is a material topic for our stakeholders and ranked highly in terms of regulatory expectations.

3.26m
DAILY INTERACTIONS
2022

7,000 CALLS
CUSTOMER VULNERABILITY
HELPLINE
2022

STRATEGY

Two key pillars of our business strategy are Customer First and Simple and Efficient. These pillars are about developing products and services that consumers need and ensuring simplicity of use and widening accessibility. These pillars are core to the success of AIB and go beyond regulatory requirements.

Access to products and services

In AIB, our main products and services offerings are mortgages, personal, SME and corporate lending, payment services, credit card services and deposits. Where we provide non-core banking products, we typically partner with market leaders.

It is important to our stakeholders that our products and services are personal, relevant, easy to understand and accessible. The Product and Proposition design guide, which includes consumer testing of new propositions, is used to ensure this. Product owners use tools and insights to clearly identify customer needs and suitability, taking into consideration that we are treating customers fairly, supporting vulnerable customers as we consider the design of processes and ensuring a good customer experience throughout the overall product lifecycle.

We strive to make our products and services accessible to all our customers. In Ireland, we currently have 170 AIB branch locations and six campus locations, as well as 66 EBS branches and a contact centre open during normal business hours with some services available 24/7. We provide counter transaction services for cash lodgements (via the AIB debit card and pre-encoded credit paper), cash withdrawals up to €1,500 (via the AIB debit card), and cheque lodgements (via the AIB cheque lodgement bag) for both personal and business customers across all c.920 An Post locations. In addition, customers are supported through our EBS network and Payzone infrastructure nationwide. Our four mobile Community Banks service 29 rural locations. In the UK, AIB has seven branch

locations in Northern Ireland. In addition, AIB UK personal and business customers can access cash lodgement and withdrawal, cheque encashment and cheque deposit services through the Post Office network of over 11,500 locations in the UK. Our management oversees the relationships with An Post in Ireland and the Post Office in the UK and monitors service levels.

Our 'Voice of the Customer' programme and NPS scores allow us to monitor our products and services and ensure they are easy to use and accessible for our customers.

In 2022, following the announced exit of Ulster Bank/KBC from the Irish market, customers had to find a new banking provider. It is estimated that some 1 million customers were impacted, needing to switch their bank accounts. This represented a significant opportunity for our business to support new customers, however processing the volume of account opening applications was a significant challenge even though we put in place enhanced account opening processes to meet the demands.

Day-to-day banking services in Ireland

In recent years there has been a significant increase in the use of digital banking services. In AIB's experience, 75% of our customer base are now digitally active, and online payments have increased by 85% over the five years up to 2021. In addition there has been a 36% decline in cash withdrawals from ATMs and a 50% fall in cheque usage over the same period.

It was in the context of this evolving banking environment and the opportunity to enhance our longstanding relationship with An Post that, in 2022, we moved to remove cash services from 70 of our branches in Ireland. However, recognising the customer and public unease that this caused, we decided not to proceed with the proposed changes to our services. We continue to retain our 170-strong branch network in its entirety and will also continue to offer banking services through our relationship with An Post.

When customers need a little extra support

Everyone should have access to their bank in a way that makes them most comfortable. At AIB our customers have a choice of channels including branches, the contact centre, ATMs, phone/mobile banking and online banking, as well as through An Post (in Ireland) and the Post Office (in the UK). For customers with sight difficulties:

- we provide telephone access through the contact centre, accessible card readers for transactions that require further security
- on our website all the text is scalable
- we offer account statements in braille or in larger print format
- all AIB ATMs have an adapted keypad with a raised pip on the number 5 button for central positioning and universal raised icons on the function keys for Enter, Clear and Cancel.

For customers with hearing difficulties:

- AIB Internet or Mobile banking channels have a range of features that provide access to banking, securely when and where it suits.
- Sign language users can contact AIB using the Irish Remote Interpreting Service (IRIS).

AIB is a JAM Card friendly bank. The Jam Card, developed by the NOW Group, allows people with learning difficulties, communication barriers or autism to ask for 'Just A Minute' discreetly and easily in customer service situations.



ECONOMIC & SOCIAL INCLUSION

USABILITY OF SERVICES AND ACCESSIBILITY OF PRODUCTS

CONTINUED

Support for vulnerable customers

Banking is for everyone and in AIB we consider the needs of customers in vulnerable circumstances to ensure that they can access and manage their banking.

Our customer vulnerability strategy was built on customer needs and the experience of employees who support customers every day. Our approach to vulnerability focuses on key areas including financial abuse, addiction, dementia, mental health, accessibility, and economic resilience. The objective is to take exceptional care of our customers when they need us most and to foster a culture of inclusion and support in everything that we do. All of our customer-facing employees are trained to recognise and respond to customers in need of additional support.

During 2022 AIB introduced a Customer Vulnerability Operational Model to provide enhanced ongoing operational support and focus on the delivery of vulnerability initiatives. It includes the following functions:

- A Vulnerable Customer Support Team who assist with complex customer cases
- A dedicated Customer Vulnerability Helpline for customers and their carers
- A Strategy and Propositions team with responsibility for the ongoing delivery of vulnerability solutions.

Stakeholder interaction

It is important that we support access to banking for those in society who are unbanked. The Basic Bank Account is an EU-wide financial inclusion initiative, to ensure every EU citizen can get access to a bank account. It is a payment account which is available to customers that are EU residents aged 16 or over. Basic Bank Account holders get a payment card, and there are no charges for everyday banking or maintenance fees for the first year. The account holder can make deposits, withdraw cash and receive/carry out payments. The Basic Bank Account is available across all channels in Ireland, including in-

branch and remotely via our Mobile Banking App.

At the beginning of the Ukrainian crisis, we recognised the difficulties many refugees would face in accessing banking. Many would not have the documents typically needed to open an account and most would not have a permanent address. To make the account opening process as straight forward as possible, we:

- established an account opening process for those without standard documentation
- prioritised account opening in-branch
- extended remote account opening to Ukrainian passport holders
- published Account Opening Guides in Ukrainian and Russian and introduced a Direct Helpline with Ukrainian speaking employees.

In addition, we delivered training in partnership with the charity Surviving Economic Abuse. We also work with two other UK charities, Gamcare and Alzheimer's Society, to provide training to our customer-facing employees on key areas of vulnerability.

In Ireland, AIB works closely with industry bodies, including the Irish Banking Culture Board and the Banking and Payments Federation Ireland, to ensure access to financial services is available to all and to address issues impacting vulnerable customers. In 2022, we announced our partnership with AsIAm. AIB will be supporting AsIAm to roll out more support services to autistic people in Ireland, while AsIAm will work with AIB's Abilities Network to establish training and supports that will help make AIB more accessible for customers, colleagues and job candidates.

→ **Read more:**
[Help and guidance \(RoI\)](#)
[Help and guidance \(UK\)](#)

2022 METRICS

To assess the effectiveness of our approach, we measure account opening activity and vulnerable customer supports. In 2022:

- 304k new current accounts opened including 12k accounts opened for Ukrainian refugees and 61k Basic Bank Accounts
- 30,000 hours of vulnerability training completed by our employees
- 7,000 calls to the Customer Vulnerability Helpline
- 4,535 customers flagged for additional support

12,000
ACCOUNTS OPENED
SUPPORTING UKRAINIAN
REFUGEES
2022





ECONOMIC & SOCIAL INCLUSION

USABILITY OF SERVICES AND ACCESSIBILITY OF PRODUCTS

CONTINUED

CASE STUDY:

CREDIT GUARANTEE SCHEME

The AIB Credit Guarantee Scheme (CGS) was launched in September 2020 when our SME business customers needed support as a result of the Covid-19 outbreak. We launched the SBCI Brexit Loan Scheme (BILS) to assist small businesses, including farming and fishing, in November 2021. This scheme was a key support to businesses as they adapted to a new post-Brexit trading environment. The BILS scheme was initially due to run to June 2022 and was extended to December 2022 and expanded to include customers impacted by Covid-19 (as the Covid-19 CGS scheme had by then closed).



Q. How is this topic connected to the Sustainable Communities Strategy?

Both the CGS and BILS schemes are aligned with our Strategy as enablers in supporting social and economic inclusion by supporting our customers to trade and receive support throughout the current challenges. Through these schemes, AIB has ensured that SME customers were adequately funded to counter the impacts of Brexit/Covid-19 and support the ongoing viability of their businesses.

Q. Key activities undertaken to deliver the project?

The design and development of the schemes required cross-collaboration with a wide range of internal and external stakeholders. Recognising the challenges of travel restrictions and remote working, AIB introduced a streamlined and digital application form enhanced by DocuSign (e-signature) capability, which allowed customers to complete the application process online. Customers are actively supported through a dedicated Centre of Excellence to ensure the schemes are provided as effectively and efficiently as possible.

Q. What was the impact/result?

Data published by the Department of Enterprise, Trade & Employment indicates that AIB has granted c. 58% of the overall drawdown value in the CGS fund since launch. This equates to support for over 6,000 customers and over 60% of applications. The BILS scheme closed in December 2022 with AIB having utilised its full allocation.

Q. Were there lessons learned from the work?

Customer research indicates that 7/10 customers 'felt valued' as a result of their experience of the CGS scheme, resulting in an NPS score of +63. Customers cite ease of process, helpful employees and good customer service as key elements of the journey leading to an exemplary customer experience at a time when our customers needed us more. The learnings from both schemes will continue to inform and shape continuous improvement across all aspects of our business.

Q. Is there a Phase 2 of the project?

A new variation of the scheme – Ukraine CGS – is expected to launch in Q1 2023. This scheme is being introduced as the Irish Government's response to the negative impact of the additional costs to businesses arising from the war in Ukraine, supply chain issues and increased cost including energy costs. The scheme is designed to support economic activity by ensuring that the flow of credit is maintained.

LOOKING AHEAD

The Assisted Decision Making Act (ADMA) is due to commence during 2023. This gives effect in Ireland to the UN Convention of the Rights of Persons with Disability. In AIB the focus will be on supporting the introduction of this Act and in further developing the support for customers and their carers who need support with their decision-making.

Our new joint venture with Great-West LifeCo has received full authorisation from the Central Bank of Ireland (CBI) to act as an insurance company in the Irish market, offering a range of life protection, pensions, savings and investment options. The launch of this new proposition in 2023 will increase the usability of, and accessibility to, our financial planning services by delivering enhanced digital engagement, supported by dedicated qualified financial advisors.



ECONOMIC & SOCIAL INCLUSION

ENABLE CUSTOMERS TO MAKE BETTER INFORMED FINANCIAL DECISIONS

Enabling our customers to make better informed financial decisions is a key imperative for our stakeholders and for us. We are aware of the importance of providing our customers with suitable products that are transparent, easy to understand and meet their needs.

OUR TARGET

**2023
500K
CUSTOMERS SUPPORTED
FINANCIAL LITERACY**

STRATEGY

Our role in AIB is to enable and empower our customers to make the best financial decisions to suit their lives, supporting their financial health. We do this by developing high-quality products and services that are clear, transparent, and easily understood. We deliver this through a robust product governance, trained financial advisors and a responsible approach to our customer communications. We have a dedicated Customer First pillar as part of our Group strategy which underpins all we do.

Customer First approach

Our Code of Conduct is a core framework that underpins our values and culture. It sets out clear expectations of how we behave and how we do business. One of the five standards of Our Code of Conduct is that we act in the best interest of customers and treat them fairly and professionally. And we deliver on this in a number of ways, including:

- promoting fair customer outcomes by always putting their needs first in our advice and in our decision-making
- designing products and services that are suitable for our customers
- providing customers with information which is both accessible and transparent to support and enable them in making informed decisions.

Individual employee breaches of the Code of Conduct are managed through a strict disciplinary process where sanctions up to and including dismissal are applied. Details of the volume of non-compliance with our internal staff Code of Conduct are presented to the Board Audit Committee each year.

Promoting fair customer outcomes

Our policy requires that employees involved in the development, distribution and fulfilment of products are trained appropriately. Minimum competency requirements are in place to ensure customers get the required level of service from employees who provide advice and information on retail financial products for and on behalf of regulated firms. Our customer-facing employees involved in the distribution of products must have and maintain relevant qualifications to comply with Minimum Competency Code requirements specific to the products they distribute. For example, our Mortgage Experts must hold a Qualified Financial Advisor (QFA) qualification or Accredited Product Advisor (Loans) qualification. Employees maintain their qualifications through Continuous Professional Development. Management monitor that employees maintain the appropriate qualifications for their role.

We have a wide range of sector specialists in place including a network of c.11 dedicated Agri Advisors, specific Sector Teams within Business Banking and for large corporates, our sector specialist relationship management teams engage directly with our customers and industry stakeholders, providing expert knowledge and insight across all economic sectors.

Designing suitable products and services

We are aware of the importance of providing our customers with suitable products to meet their needs and have robust product governance to support this. Our approach, aligned with our policy, which applies for both retail and non-retail customers, is that their needs are considered right throughout the development and management of products. When designing new products and propositions, we also factor in regulatory requirements and ensure we are compliant. Increasingly customers are interested in products/services with sustainability considerations, and this is also included in our product governance. Regular, ongoing monitoring of customer feedback with deep dive analysis of errors helps inform us about the appropriateness of the product/proposition and its delivery channels.

**45,000
FUTURE SORTED QUIZ
SINCE 2020**



ECONOMIC & SOCIAL INCLUSION

ENABLE CUSTOMERS TO MAKE BETTER INFORMED FINANCIAL DECISIONS

CONTINUED

Accessible and transparent information

In marketing our products and services, aligned with our Conduct Risk Framework, we place our customers at the centre of our communications.

When advertising or selling our products, we disclose all relevant information to our customers, including charges. We aim to ensure our advertising is clear, fair, accurate and not misleading. Our product advertising carries warnings to alert our customers of any potential negative consequences of changes to their loan agreement – for example, if they do not keep up their repayments their account will go into arrears and this may affect their credit rating and their ability to access credit in the future.

We have a Customer Language review process in place where the goal is to ensure our customer communications are clear and easy to understand.

Sometimes we are not able to provide our customers with the finance for which they applied for. While this might be disappointing for the customer, we will be open with them and let them know the reason(s) why.

Promoting financial literacy

We have a keen focus on financial literacy. Financial literacy means being able to understand financial terms and use various financial skills including managing finances, budgeting, operating a bank account, saving/ investing and borrowing. Being financially literate is really important to help our customers get the most out of their finances.

Many aspect of improving financial literacy benefit greatly from taking a collaborative approach and working with wider stakeholders.

Key initiatives we use to promote financial literacy include:

AIB Future Sparks Programme

An online programme for post primary schools consisting of 'conversation sparking' real life examples of key transferable life-skills. Includes educational teaching resources specifically developed by teachers to support the Junior and Leaving Cert. curricula across subjects such as Financial Wellness, Business, Economics, SPHE, Home Economics and Career Guidance.

'Banking - How to' guide

We launched an Easy Read 'Banking - How To' guide in 2021, aimed at making banking easier for any adult that would benefit from information being provided in a simple user-friendly format. It continues to be a helpful tool to support financial inclusion for everyone, regardless of where they choose to bank, as it provides general banking information.

The guide was originally developed at the request of the HSE for inclusion in a training course for adults with a learning difficulty. Now anyone can access it at www.aib.ie.

It was developed with support from colleagues across AIB who provided the content, presentation and sign language interpretation. In addition, the NOW Group, an organisation that provides services to support people with learning difficulties and autism, provided feedback during its development. Their input was extremely valuable in helping us to ensure the information was clearly explained.

Financial Planning Tool

It is important that customers plan for a secure financial future. Our 'FutureSorted' quiz which can be accessed from www.aib.ie is designed to engage our customers to start thinking about their financial planning needs. Customers can request a call back to book an appointment for a financial review with a Financial Advisor who will look closely at their life and illness cover, mortgage protection requirements, retirement planning and any savings and investment needs

to see how the customer can plan for their future.

→ [Read more: FutureSorted quiz](#)

2022 METRICS

In 2020 we set a target of 500K customers supported financial literacy by 2023. We measure our progress towards our target as follows:

- c.341K students reached. Our Future sparks programme had 621 second-level schools registered out of a universe of 728 schools, representing a penetration of 85% of the universe of second-level schools in the Republic of Ireland;
- Since 2020 45K consumers have completed our FutureSorted quiz.

We monitor incidents of non-compliance with regulations concerning product and services information and labelling. In 2022, no incidents of non-compliance with regulations concerning product and service information and labelling resulted in a fine, penalty, or a warning for AIB. AIB has not identified any non-compliance with regulations or voluntary codes concerning product and service information and labelling for the reporting period of 2022.

621 SCHOOLS
FUTURE SPARKS
PROGRAMME
2022





ECONOMIC & SOCIAL INCLUSION

ENABLE CUSTOMERS TO MAKE BETTER INFORMED FINANCIAL DECISIONS

CONTINUED

CASE STUDY:

SUPPORTING UKRAINIAN REFUGEES

As Ireland responded to the unfolding events as a result of the war in Ukraine, AIB supported over 12,000 Ukrainian refugees arriving into Ireland through the opening of bank accounts and supporting their banking needs. Many refugees didn't have the official documents required to open accounts, and the majority didn't have a permanent address at the time they wanted to open their accounts.



Q. How is this topic connected to the Sustainable Communities Strategy?

It was important to AIB to make the account opening process as straightforward as possible for these customers. This is a key element of our financial inclusion agenda to ensure all people living in Ireland have access to basic financial services. It aligns to our Sustainability Strategy where we aspire to contribute and advocate for a fairer society that is socially and economically inclusive. We do this by investing and raising awareness in access, education and innovation for our customers, our colleagues and our communities.

Q. Key activities undertaken to deliver the project?

A taskforce was instigated to identify and address the banking needs of the Ukrainian refugees. AIB established an account opening process for Ukrainians without standard documentation, prioritised account opening in branches and extended Remote Account Opening to Ukrainian passport holders. We published Account Opening Guides in Ukrainian and Russian and introduced a Direct Helpline with Ukrainian speaking staff. In addition, AIB branch employees visited a number of accommodation centres to open accounts for Ukrainian residents.

Q. What was the impact/result?

Over the course of the ten months from March to December 2022 AIB opened 12,724 accounts for Ukrainian customers, 34% of which were opened via the AIB mobile app.

Q. Were there lessons learned from the work?

It was important for our employees working with these customers to understand the unique challenges faced by people in this situation and tailor support to their needs. Speed of response was key as the situation unfolded so quickly and the Ukrainian customers urgently needed bank accounts in Ireland. This situation galvanised the organisation and enabled the delivery of key support tools within a very short timeframe. Internally, the level of support from our colleagues ensured the bank was able to prioritise supports for our Ukrainian customers.

Q. What's next as a result of the project?

Access to banking for refugees is important to AIB and a number of supports delivered during this time have now been extended beyond the Ukrainian situation – for example remote Account Opening is now available to all non EEA passport holders and the contact number for a dedicated Customer Vulnerability Helpline is listed on our Refugee Account Opening guide.

LOOKING AHEAD

- Ensuring an ongoing focus on financial literacy, working with wider stakeholders.
- Ongoing alignment of marketing products and services with our Conduct Risk framework - keeping our customers at the centre of our communications.
- Continued support for the professional development of employees, to maintain the appropriate qualifications for their roles.



ECONOMIC & SOCIAL INCLUSION HOUSING

This material topic resonated with our stakeholders, specifically in relation to how AIB is helping to improve the availability and affordability of housing. Housing is a key strategic priority for us as a pillar bank in Ireland, representing 49% of our loan portfolio. We understand that we have a key role to play in supporting and increasing the housing supply in Ireland. How we contribute to this topic is a key imperative for us and many of our stakeholders.

OUR TARGET

**2024
€800m
SOCIAL HOUSING FUND**

STRATEGY

In terms of our impact, AIB is one of the biggest providers of housing and mortgages in Ireland and our housing strategy is aligned to Sustainable Development Goal (SDG) 11 'Sustainable Cities and Communities'. Our strategic focus on housing is reinforced through the work we have undertaken as signatories of the UNEP FI Principles for Responsible Banking. We recognise that housing is a significant challenge in a national context in Ireland.

AIB is helping to support Ireland's housing needs through its involvement in the housing value chain, which includes financing of development land, supplying funding for social housing construction and for mortgages.

Supplying funding for housing construction

We understand that through the provision of finance we have an impact on increasing the housing supply in Ireland.

In Ireland, our Real Estate Finance team within our Capital Markets segment is a specialist lending unit of c.75 people consisting of lenders, engineers, surveyors and economists. The team provides funding for:

- Housing developments;
- Social and affordable housing schemes; and
- Private Rented Sector (PRS) developments

In 2021, AIB joined the Irish Green Building Council as a Platinum member and we continue to deepen this relationship. Capital Markets is the primary funder on current developments that will deliver c.11k homes. AIB also provides finance for development land.

We recognise that increasing housing supply has a very significant positive social impact and acknowledge that we also need to consider any potential negative environmental impacts from construction.

Financing mortgages

Mortgages are a critical financial product to support our customers to acquire their own home. Our mortgage products are targeted at Irish resident adults, typically aged 25 – 55 years, with sufficient sustainable income to service the debt over the life of the mortgage. We provide support to customers who are buying their first home, moving home, switching or carrying out upgrades to their existing home. In 2022 in Ireland we supported 9,215 First Time Buyers with finance to help them to buy their first home.

We aim to make the mortgage journey as straightforward as possible for all our customers. Expert information is available over the phone or in-branch. On our website, new and existing customers can find lots of information to help them on their way. Some of our first time buyer customers have shared their positive mortgage experience which is available on our website.

AIB is unique in maintaining three distinct mortgage brands – AIB, EBS and Haven. This enables us to offer the broadest set of mortgage propositions, addressing a diverse set of customers' needs. Across our brands we continuously strive to be competitive. Each of our mortgage brands offer Green mortgage products which encourage and reward our customers for investing in energy efficient housing and supports the reduction of CO2 emissions.

[→ Read more: AIB Mortgages](#)

UNEP FI Principles for Responsible Banking

The UNEP FI Portfolio Impact Analysis Tool is used to help banks to identify the areas in which they have the most significant impact. It takes into consideration national needs across 20 impact areas. As Ireland is our most significant location of operation, we focused on the national needs of Ireland.

Continued investment in social and affordable housing is an ongoing need in Ireland as the housing shortage is now a critical barrier to growth in the Irish economy (Source: IBEC). It points to a lack of housing supply to buy or rent in the private sector, high cost of building, and affordability of house prices as a high need nationally and has led to negative economic and social implications for Ireland, as low-income people, youth and non-homeowners are most affected.

Considering the impact areas with highest or very highest need for Ireland, along with the profile of our business, we determined that AIB can make the most significant impact on climate change and housing. Under PRB we set two SMART targets – one for climate (see page 29), and the other for housing. Our housing target relates to providing lending approvals that support the provision of social housing in Ireland.

All new houses constructed that we provide finance for are A-rated in terms of energy efficiency, in-line with the Nearly Zero Energy Building (NZEB) standard, which reduces household energy costs and the number of people in energy poverty.

This is relevant in a national context because the Irish Government's Housing for All Plan is targeting to build 33,000 new homes annually between 2021-2030 to address affordability and supply issues. As a pillar bank with a significant market presence in Ireland, we recognise we have a role to play in helping to address these housing issues. We report annually on our progress implementing the PRB – see the UNEP FI Principles for Responsible Banking Self-Assessment & Reporting template in this report.



ECONOMIC & SOCIAL INCLUSION HOUSING CONTINUED

Supporting affordable housing schemes

The First Home Scheme (FHS) is a government-led initiative under the 'Housing for all' Strategy which supports first time buyers and promotes home ownership in middle to lower income ranges. It is designed to help bridge the gap between the customers' deposit and mortgage, and the price of the customers' new home. AIB is a participating lender and played a central role in the initiation, design and delivery of the FHS which was launched to the market in 2022. AIB contributes to the private equity fund to fund the equity element of the house purchase and also provides mortgage finance to customers. By year end 2022 AIB Group has supported over 60 families to acquire a new home under the FHS scheme. It is anticipated that there will be a significant step up in numbers in 2023 on the back of a strong pipeline of FHS applications. AIB will also be a key stakeholder in the Government-led Local Authority Affordable Purchase Scheme which aims to support people who are on a list to buy a Local Authority house. Through these types of initiatives we can support our customers to purchase a home that otherwise they could not afford. For more information on the FHS, see our case study on page 45.

→ [Read more: First Home Scheme](#)

Support for mortgage customers in difficulty

When a customer is worried about paying their mortgage or has missed a mortgage payment we encourage them to contact our Arrears Support Unit as soon as they can. We promise to listen, be open-minded and not to judge. We work with our customers to find a resolution and available options include interest only periods, fixed repayments, split mortgages and more. These are set out in our Mortgage Arrears Resolution Process booklet.

All customers in mortgage difficulties are entitled to engage with independent third parties or have third parties engage with AIB on their behalf. AIB engage with the relevant government and customer advocacy organisations (MABs, Abhaile, IMHO) where required, and our customer correspondence contains details of options to engage with these parties. AIB has consistently demonstrated a proactive approach to ensuring our solution suite and our resolution strategies evolve and remain appropriate for supporting our customers in difficulty.

One of the options available to customers is the Mortgage to Rent (MTR) Scheme which is designed to help people remain in the same house when they are unable to meet their mortgage repayments. The solution provides customers with peace of mind by facilitating the sale of their home to a MTR Provider, who then rents the property back to the customer at a rent that is affordable for them. The customer continues to live in the same house with minimum disruption to family life. The scheme also enables the Bank to deliver a sustainable solution to non-performing debt and releases capital, which supports new lending and growth of the overall economy. AIB remains an active supporter of the MTR solution.

→ [Read more: MARP booklet](#)

Social housing

Development funding for new social housing is managed by our Real Estate Finance team while our specialist Corporate Banking Social Housing Sector Team focuses on the provision of lending solutions to Approved Housing Bodies (AHB) and other social housing providers. Lending activities support the acquisition of new build BER A-rated, second-hand and Mortgage to Rent (MTR) homes.

These teams supported the provision of c.570 new and second-hand homes to the social housing market in 2022.

€800m Social Housing fund

During 2021 we fully allocated our €300m Social Housing fund for both development and investment funding, which was launched in October 2020 with the aim of funding 2,000 social housing units. In July 2021, we launched an additional €500m Social Housing fund to back the provision of a further 3,000 social houses. Utilisation of the fund is monitored on a quarterly basis. The aim is to fully allocate these funds by YE 2024 which will bring our total Social Housing fund to €800m by 2024.

2022 METRICS

UNEP FI Principles for Responsible Banking SMART Target for Housing is to provide €800m in lending approvals that supports the provision of social housing over the period 2020 - 2024 (€300m fund launched in 2020 and €500m fund launched in 2021). The Social Housing fund target is tracked on the Capital Markets scorecard.

Since the launch of our second tranche of €500m in July 2021, we have provided funding of €132m supporting the delivery of a further c.860 homes. This means that, since we announced our fund, a total of €437m funding has been provided, supporting the delivery of 2,998 homes. Our aim is to fully allocate the funds by YE 2024 through a combination of Social Housing development and investment and to deliver c.5,000 homes.

Social Housing buildings that we finance are considered eligible for the pool of assets underpinning our Green Bond and Social Bond programme.

€437m
SOCIAL HOUSING SUPPORT
SINCE 2020

ECONOMIC & SOCIAL INCLUSION

HOUSING

CONTINUED

CASE STUDY:

FIRST HOME SCHEME

The First Home Scheme (FHS) is part of the Irish Government's 'Housing for All' strategy. The scheme is a focal point of the strategy, aiming to assist members of the population to address their housing affordability issues. The FHS is available to first time buyers and eligible homebuyers seeking to purchase a newly built home in a private development anywhere in the Republic of Ireland, thus providing greater access to homes that would otherwise be deemed unaffordable. The FHS is designed to help bridge the gap between their deposit and mortgage, and the price of their new home. AIB Group is a participating lender under the FHS and has played a central role in the initiation, design and delivery of the FHS. The FHS is funded and supported by the Irish Government in partnership with Participating Lenders.



Q. How is this topic connected to the Sustainable Communities Strategy?

Our participation in the FHS is directly connected to the delivery of our Strategy by helping to address the problem facing first time buyers in the Irish housing market. Addressing the housing supply deficit is one of the most urgent social and economic issues the country is facing. As the largest mortgage provider to the Irish market, we actively seek ways to partner and participate in schemes which enable more people with the opportunity to own their first home.

Q. Key activities undertaken to deliver the project?

The design and development of the FHS involved the cross collaboration of a wide range of customer-facing internal and external stakeholders. On agreement of the scheme, a strategic engagement and communications plan was developed to support customers through the FHS journey with AIB. In particular, all AIB Homes advisers received training on the product and branch employees were supported via cascade information.

Q. What was the impact/result?

The FHS was launched in July 2022. By year end 2022 AIB Group has supported over 60 families to acquire a new home under the FHS scheme. It is anticipated that there will be a significant step up in numbers in 2023 on the back of a strong pipeline of FHS applications.

Q. Were there lessons learned from the work?

The ability of like-minded stakeholders to work together to collectively deliver real solutions to customers who otherwise would be unable to buy their own home. This is a tangible example of a solution that truly puts the customer first and enables AIB to live our Purpose.

Q. What's next?

We will enhance our customer journey to continue to support customers availing of the Local Authority Affordable Purchase Scheme – another initiative under the Government's Housing for All Plan aimed at customers who buy new builds on Local Authority land for a discounted purchase price.

LOOKING AHEAD

- While the outcomes from the Macro Prudential Measures review were announced in October 2022, the Central Bank of Ireland's targeted changes will not impact customers until 2023.
- AIB will be a key stakeholder in the Government-led Local Authority Affordable Purchase Scheme (LAAPS).
- Continue to progress towards our 2024 €800m Social Housing Finance target.



ECONOMIC & SOCIAL INCLUSION COMMUNITY SUPPORT

In AIB, we want to back our communities to achieve a more sustainable tomorrow. We know that when we come together, we can make a meaningful difference. We contribute to the social and economic development and prosperity of local communities by supporting projects and initiatives in the local communities in which we operate.

OUR TARGET

ONGOING FOCUS AIB IN OUR COMMUNITY

STRATEGY

We are committed to making a positive contribution to the communities in which we operate.

Through our community investment, our community partners and support programmes, we are focused on reinforcing our social impact, demonstrating how we aspire to be a fairer society that is socially and economically inclusive.

We ensure that all community initiatives and activities align to our overall Group strategy. We completed research through Behaviours & Attitudes where these insights to local initiatives provided direction on how AIB could best support local communities.

Our research demonstrated key areas where AIB could make a real impact, and these are reflected in our areas of focus:

- Sustainability
- Youth & Opportunities
- Digital & Financial Inclusion

The Community Framework sets out our approach to implementing our community commitments. We can also identify opportunities and scope to allow elements to change over time, maintaining the same overarching framework for consistency and impact. ESG considerations are taken into account when formulating and implementing our approach to supporting communities, which is an important aspect of the Sustainable Communities pillar within our overall Group strategy.

Employee volunteering

Volunteering provides a great opportunity to make a real contribution to society and can help our employees, teams and our wider organisation to develop diverse perspectives, skills and experiences. Our employees can request up to two paid days as time off from the working week in any calendar year to volunteer with our Community partners or other not-for-profit/community based organisations.

Initiatives

Under our community framework, we have a number of key partnerships and initiatives, including our AIB Community €1 Million Fund, GOAL, FoodCloud, Junior Achievement Ireland, AslAm, TASC, the GAA and Kaleidoscope.

AIB Community €1 Million Fund

The AIB Community €1 Million Fund was launched in May 2022. The fund supported over 70 charitable organisations in communities across Ireland and the UK. We asked our customers and the wider public to nominate registered charities that connect with causes that matter most to them and their communities. AIB has allocated €700,000 to charities chosen by its customers and the public while €300,000 has gone to charitable organisations chosen by our employees.

The fund enables and supports local organisations to deliver vital work in their local communities.

AIB provides matched funding for employees, encouraging fundraising to support charitable organisations. Examples of this include funds raised in support of GOAL's Ukraine Emergency Response and the Irish Red Cross appeal for Creeslough in 2022. We have put in place communication and marketing plans to build awareness of the work of our community partnerships and how our support has directly contributed to delivering social impact.

GOAL

GOAL is an international humanitarian response agency established in Ireland over 40 years ago. Working in 14 countries, GOAL reaches the most vulnerable communities with emergency response, food and nutrition security, resilient health and sustainable livelihoods.

AIB's support for the GOAL Mile campaign has enabled GOAL to connect to more communities. The AIB campaign encouraged customers, employees, and the public to participate and raise funds. Results included a significant increase in fundraising amounts and participation for the GOAL Mile. Our relationship with GOAL enabled AIB to respond quickly to the Ukraine Crisis in March 2022.

FoodCloud

AIB and the social enterprise FoodCloud have a shared vision of building more sustainable communities to support the just transition to a low carbon economy, and an Ireland where no good food goes to waste. In 2022, we continued to support FoodCloud in reaching their targets with AIB's direct support resulting in over 23 million meals redistributed to over 650 charities.



ECONOMIC & SOCIAL INCLUSION COMMUNITY SUPPORT CONTINUED

Junior Achievement Ireland

Junior Achievement Ireland (JAI) is helping to prepare young people for their futures. It partners with a large number of schools and businesses to promote work readiness, financial literacy, entrepreneurship and to emphasise the value of studying STEM. AIB has supported JAI since its foundation in 1996 and has released employees every year to work on structured JAI programmes which help students make the connections between what they learn in school and how it can be applied in real life. In 2022, the AIB 'It's my Business' programme was delivered across participating schools with Junior Achievement Ireland and AIB volunteers where primary school students learned how to turn an idea into a business.

AslAm

AslAm is Ireland's national autism charity. The charity is working to create a society in which every autistic person is empowered to reach their own personal potential and fully participate in society. AslAm believe that by developing the capacity of the autism community and addressing the societal barriers to inclusion we can make Ireland the world's most autism-friendly country. The organisation provides direct support to autistic people and families.

In December 2022, we announced our partnership with AslAm. We will be supporting the charity to roll out more support services to autistic people in Ireland, while AslAm will work with AIB to put in place training and supports.

TASC

TASC (Think-tank for Action on Social Change) is an independent think-tank whose mission is to address inequality and sustain democracy by translating analysis into action. Through its work, TASC seeks to increase public knowledge of economic and social policy, improve working conditions, facilitate a just transition to advance climate action and protect livelihoods and communities, and more generally, contribute to positive social change in Ireland and the EU. AIB is represented on TASC's Advisory Committee, established in 2022.

In 2022, in progressing Ireland's transition to a low-carbon economy, TASC engaged two very different communities – Phibsborough on Dublin's Northside, and the village of Ardara in West Donegal – the first to sign up to TASC's pioneering new People's Transition project, supported by AIB. Following the success of these two pilots, in 2022 we extended our partnership for the People's Transition project to expand to more communities throughout the island of Ireland over the next three years.

The GAA

AIB is one of the longest continuous sponsors of the Gaelic Games, a relationship which goes back over 30 years and 2022 – 2023 was our 32nd season as sponsors of the GAA All-Ireland Club Championships. AIB is also in its 9th season as sponsor of the AIB Camogie Club Championships and has played a key role in the support and elevation of the women's game at grassroots level. Together, the Club Championships see 65,000 players compete from more than 2,500 clubs nationwide.

Since 2014, AIB has also sponsored the GAA All-Ireland Senior Football Championship, the country's premier football competition, which sees AIB present throughout the Gaelic Games calendar. The GAA and Camogie partnerships are of strategic importance to AIB as crucially there is a Gaelic Games club at the heart of every local community in Ireland. AIB has activated its sponsorship of all three competitions under the platform #TheToughest, which was named best sponsorship of the decade by marketing professionals in 2019.

AIB and Kaleidoscope

Kaleidoscope is Ireland's first 'for families' camping, music and arts festival with a Sustainability focus. In 2022, it brought together 15,000 families from all across Ireland to enjoy music, arts, culture and talks, including the AIB 'Green Living' experience. This activation allowed families to visit three sections, focused on nature and the planet, recycling and upcycling and biodiversity, before arriving at the AIB Pledge Tree where visitors could make a pledge to 'Do More' – which is the AIB communications platform for Sustainability – to change their behaviour in one simple but tangible way to benefit the planet.

**COMMUNITY
FOCUS AREAS**
SUSTAINABILITY
YOUTH & OPPORTUNITIES
DIGITAL & FINANCIAL
INCLUSION

70 CHARITIES
AIB COMMUNITY
€1 MILLION FUND
2022

€420K
AIB GOAL MILE
2022



ECONOMIC & SOCIAL INCLUSION COMMUNITY SUPPORT CONTINUED

We engage with Group Risk to ensure Community activities align with the relevant Group risk policies.

Our Community framework sets out how we drive meaningful impact, aligned with our Pledge to Do More and demonstrating our ESG credentials. The framework outlines our approach to community commitments, investments and assets through the amplification of our community programmes including social impact reporting.

AIB supports and promotes employee volunteering. Our volunteering activity is managed under our Volunteering Policy.

All community partnerships go through robust assessment process. Goals are agreed with our partners at the outset, and regular reviews to track performance against them. Before engaging in any community partnerships, potential negative impacts of donations, fund-raising and sponsorships decisions on environment, social and governance factors are considered. We also consider potential negative impacts that may arise from partnering with third parties, for example, potential reputational risk, legal risk and regulatory risk. We support charitable organisations that support good governance practice. One way we mitigate such risks is that only registered charitable organisations are eligible to be nominated in the AIB Community €1 Million Fund initiative.

All partnerships must adhere to governance through contract management outlining expectations for partnership agreements. Our Community partners are supported through our internal Supplier Relationship Management and our Third Party Management systems and we follow responsible supplier code policies.

→ **Read more:** Information on our community partnerships

2022 METRICS

In 2022, our Community investment totalled €10.7 million, including:

- 70 charitable organisations received funding in 2022 under the new AIB Community €1 Million Fund
- €500K - immediate response to Ukraine with donations going to GOAL, who supported on the ground in Ukraine, and the Irish Refugee Council supporting refugees in Ireland.
- The GOAL Mile 2022 in partnership with AIB raised €420,000. AIB supported GOAL with a marketing campaign promoting the GOAL Mile. This campaign resulted in raising awareness and delivering strong results such as a 28% increase in registrations and participation.
- AIB's partnership with FoodCloud directly contributed to the redistribution of 9,674 tonnes of food, removing of 30,956 tonnes of CO2 emissions. AIB employees volunteered 9,071 hours in the Cork, Galway and Dublin Hubs, gleaning on farms, or through skilled volunteering in 2022.
- We progressed our partnership with Junior Achievement Ireland where we introduced the AIB 'It's My Business' programme in 55 primary schools across Ireland where 1,998 nine to eleven year old students were educated on entrepreneurship. As part of our wider relationship, we continue to support JAI to reach 408 schools and over 30,000 students in Ireland.
- In 2022, AIB employees gave 3,686 volunteering hours to their local communities.

The positive impact from our activities is demonstrated across our customers, colleagues and communities. We monitor the impacts of our partners, as our support plays a role in helping them to achieve their goals and ultimately deliver significant impacts for society.



ECONOMIC & SOCIAL INCLUSION

COMMUNITY SUPPORT

CONTINUED

CASE STUDY:

AIB COMMUNITY €1 MILLION FUND

We launched the AIB Community €1 Million Fund in May to support charitable organisations that matter most to our customers and colleagues in the communities we serve. We asked our customers, the public and our colleagues to nominate registered charitable organisations – with over 6,000 nominations received and a final 70 charitable organisations supported by the fund this year.



Q. How is this topic connected to the Sustainable Communities Strategy?

The AIB Community €1 Million Fund links closely with our Sustainability strategy. Through our scale and the role we play in society, AIB is inextricably linked to the communities where we live, support and work. The funding goes directly to supporting local charitable organisations. Alongside our partners, this means we can extend the reach and support of our Community investment to help more local communities.

Q. Key activities undertaken to deliver the project?

This was a cross-functional project which stemmed across the organisation to ensure the project galvanised the support and interest of both our colleagues and the communities they serve. A promotional campaign raised awareness for our customers and employees with charitable organisations outlining the value of the support. A large part of this was ensuring that our local branches were engaged to deliver the campaign locally. Technology was configured to collate votes and judging panels were established to agree the winners.

Q. What was the impact/result?

70 charitable organisations were supported by the AIB Community €1 Million Fund in 2022. Examples of these charitable organisations include:

At Jack and Jill Children's Foundation, the €34,500 translated into 1,917 hours of special in-home nursing care and respite support for families.

The contribution of €28,000 will support a new building to house two classrooms for 44 children in The Clifden Playschool.

The €6,500 allowed Purple House to continue to provide children of sick parents with support facilities.

The employee-nominated charitable organisation The Irish Guide Dogs for the Blind received €3,500 which was used to provide additional services to improve clients' lives and give them independence and confidence to live a fuller life.

Q. Were there lessons learned from the work?

A promotional campaign raised awareness for our customers and employees with charitable organisations outlining the value of the support. Feedback received will inform future processes for our customers, the public and employees nominating charitable organisations as well as for the charitable organisations and the judges participating.

Q. Is there a Phase 2?

In 2023, we will build on the AIB Community €1 Million Fund and expand the campaign which will enable a further 70 charities to benefit, extending our reach and support to local communities and helping smaller local organisations to continue their work

Looking ahead

- In 2023, we will continue to focus on maximising the positive impacts of our community partnerships.
- Our partnership with GOAL will enable us to support emergency appeals. Our commitment to grow the GOAL Mile enables GOAL to raise funding and continue to respond to global humanitarian crisis.
- We will continue to support FoodCloud in reaching their ambition to redistribute even more meals to charitable organisations and removing tonnes of CO2 from the atmosphere in the process.
- Our partnership with JAI will be a proof point in demonstrating our commitment to Youth & Opportunities to all of our stakeholders. We will do this by supporting JAI in increasing the number of students and number of schools participating in the 'AIB It's My Business' programme. This will complement the existing support AIB provides through Future Sparks, university partnerships and educational opportunities.
- We plan to establish AslAm as a key partner and help them with their objectives to deliver services to 25,000 and create 1,000 jobs for autistic people.
- Our work with TASC to continue increasing local engagement with the Peoples Transition project to gain understanding of local issues and collaborate on the identification of solutions.
- Our second year of the AIB Community €1 Million Fund will extend to support more local charitable organisations.