

Reporting & Assuring

In this appendix, we have linked the requirements of the following reporting standards/frameworks/commitments to the relevant sections in our reporting:

- 94 UNEP FI PRINCIPLES FOR RESPONSIBLE BANKING
- 100 GRI CONTENT INDEX
- 103 ESG SUPPORTING DATA
- 113 INDEPENDANT ASSURANCE
- 114 ACRONYMS USED IN THIS REPORT

UNITED NATIONS ENVIRONMENT PROGRAMME FINANCE INITIATIVE (UNEP FI) - PRINCIPLES FOR RESPONSIBLE BANKING

The Principles are a framework for ensuring that signatory banks’ strategy and practice align with the vision society has set out for its future in the Sustainable Development Goals and the Paris Climate Agreement. They aim to promote a sustainable banking system and helping the banking industry to demonstrate how it makes a positive contribution

to society. AIB was one of 130 founding signatories who committed to implement the six principles. Today over 200 banks have committed to implement them. Since we became a founding signatory of the Principles in 2019, we have confirmed our areas where we can most positively and negatively impact the SDGs using the Impact Assessment Tool. Members

of our Sustainability team have participated and led in the UNEP FI working groups set up to support the implementation of the Principles, and to ensure leadership in implementing them.

We are clear on the initial focus areas where we will set targets, and work is underway in defining these with

a view to embedding the tracking of these into our business operations in 2021 and beyond.

For more information on the Principles for Responsible Banking, visit <https://www.unepfi.org/banking/bankingprinciples/>

REPORTING AND SELF-ASSESSMENT REQUIREMENTS	HIGH-LEVEL SUMMARY OF AIB’S RESPONSE (limited assurance required for responses to highlighted items)	REFERENCES/LINKS to AIB’s full response/relevant information
PRINCIPLE 1: ALIGNMENT We will align our business strategy to be consistent with and contribute to individuals’ needs and society’s goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.		
1.1 Describe (high-level) your bank’s business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities, and where relevant the technologies financed across the main geographies in which your bank has operations or provides products and services	AIB is a financial services group operating predominantly in Ireland and the United Kingdom (UK). See <i>AIB at a glance</i> on p 4.	See AIB at a glance on p.5
1.2 Describe how your bank has aligned and/or is planning to align its strategy to be consistent with and contribute to society’s goals, as expressed in the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks	<p>During 2021, AIB worked with the enhanced UNEP FI Impact assessment tool to re-assess our positive and negative impact areas, in the context of identified national needs. The outcome of this detailed analysis was consistent with AIB’s own strategic areas of focus.</p> <p>Climate: Our UNEP FI impact assessment outcome identified ‘climate’ as a key impact area where AIB are well placed make a positive impact nationally (UN SDG 13). Increasing the supply of funding to lower carbon and climate change adaption lending is a key quantitative measurement proposed within the UNEP FI impact assessment which banks can focus on, to increase their positive impact against this identified high national need area. Our resulting Climate SMART Target is focused on the delivery of finance to transition to a low Carbon economy.</p> <p>In July 2021, the Climate Bill was passed into law, which requires a 51% reduction in national greenhouse gas emissions by 2030 and for Ireland to achieve Net Zero by 2050. In addition, the Climate Action Plan was published in November 2021 which sets sector level reduction targets and outlines an action plan and set of initiatives to deliver the reductions required. In October 2021, AIB doubled the Climate Action Fund to €10bn in the same timeframe (2019 to 2023) from €5bn, supporting Ireland’s transition to a low carbon economy. Given the investment required to finance the transition to a low-carbon economy is estimated at c. €50 billion for Ireland (Source: Goodbody), banks have a crucial role to play in supporting individuals and businesses to make the transition. AIB has been accelerating the rollout of products and services that assist customers in reducing their carbon emissions, with ‘green’ lending accounting for 20% of our new lending in 2021.</p> <p>Housing: Our analysis highlighted ‘supply and affordability of housing’ as a high need nationally (UN SDG 11), leading to negative economic and social implications for Ireland, where AIB can make a meaningful positive impact. Increasing the supply of social housing is a key quantitative measurement proposed within the UNEP FI impact assessment which banks can focus on, to increase their positive impact against this identified high national need area. Our resulting Housing SMART Target is focused on the provision funding for Social Housing delivery.</p> <p>The Irish government has a number of significant initiatives which are seeking to address these challenges. As part of the Housing for All Plan 2021, there is a national commitment to provide on average 9,500 new Social Housing Homes to 2026. Through an updated ‘Housing First’ National Implementation Plan, there is an aim to provide 1,200 tenancies over the next five years for people with a history of rough sleeping, or long-term use of emergency accommodation and who have complex needs. The Irish government signed the Lisbon Declaration in 2021 to work towards ending homelessness by 2030. According to the government Housing for All Plan 2021, over 60,000 households are on social housing waiting lists. Additionally Social Justice Ireland highlight that 30% of the current social housing building stock is more than 40 years old. The number of households seeking social housing in Ireland has increased by 33% since 2016 (when the data reported 90,600 households).</p> <p>In addition, AIB are seeking to participate as both an equity stakeholder and mortgage provider in a €400m state-backed shared equity ‘First homes’ scheme. The scheme aims to support first-time buyers and promote home-ownership in middle - lower income ranges. The delivery of this scheme is under investigation stages currently and is underpinned through the publication of the Affordable Housing Act 2021.</p>	Climate pages – p.23-42 Housing pages – p.61-64 UNEP FI Case Study – p.64

REPORTING AND SELF-ASSESSMENT REQUIREMENTS	HIGH-LEVEL SUMMARY OF AIB'S RESPONSE (limited assurance required for responses to highlighted items)	REFERENCES/LINKS to AIB's full response/relevant information
---	--	--

PRINCIPLE 2: IMPACT AND TARGET SETTING
We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

<p>2.1 Impact Analysis: Show that your bank has identified the areas in which it has its most significant (potential) positive and negative impact through an impact analysis that fulfills the following elements:</p> <p>a) Scope: The bank's core business areas, products/services across the main geographies that the bank operates in have been as described under 1.1. have been considered in the scope of the analysis.</p> <p>b) Scale of exposure: In identifying its areas of most significant impact the bank has considered where its core business/its major activities lie in terms of industries, technologies and geographies.</p> <p>c) Context and relevance: Your bank has taken into account the most relevant challenges and priorities related to sustainable development in the countries/ regions in which it operates (your bank should have engaged with relevant stakeholders to help inform your analysis)</p> <p>d) Scale and intensity/salience of impact: In identifying its areas of most significant impact, the bank has considered the scale and intensity/salience of the (potential) social, economic and environmental impacts resulting from the bank's activities and provision of products and services. (your bank should have engaged with relevant stakeholders to help inform your analysis)</p> <p>(Your bank should have engaged with relevant stakeholders to help inform your analysis under elements c) and d))</p> <p>Show that building on this analysis, the bank has</p> <ul style="list-style-type: none"> * Identified and disclosed its areas of most significant (potential) positive and negative impact. * Identified strategic business opportunities in relation to the increase of positive impacts/reduction of negative impacts. 	<p>We used the UNEP FI Portfolio Impact Analysis Tool (the "tool") to undertake an impact analysis of our portfolio, based on data as at H1 2021. We analysed our activities as they relate to the totality of our primary geographic footprint i.e. Republic of Ireland , which comprises of 95% of the Group's personal banking activities and c.70% of Group Business & Corporate activities.</p> <p>Across the Group, the concentration of Loans and Advances to customers by sector is set out in our Annual Financial Report 2021. The sectoral lending breakout was analysed as part of UNEP-FI Portfolio impact assessment. The largest concentration of net loans in the Group are for home ownership via residential mortgages c.51% and, Commercial Real Estate activities c. 13% and SME and Business and Corporate lending 32% and 3% personal.</p> <p>A framework for reviewing the most relevant challenges and priorities related to sustainable development in Ireland is supported through the UNEP-FI impact assessment tool. Nationally, Climate change, affordable housing, healthy nutrition, waste, water quality and traffic congestion are identified as high impact areas. To ensure consistency of proposed targets of housing & climate with stakeholder expectations, the Stakeholder 2021 Materiality matrix has been cross referenced. Housing was rated as the most important issue for our stakeholders, while three of the Climate & Environment related issues were ranked in the top six issues for stakeholders and AIB.</p> <p>In terms of AIB's activities, over 60% of AIB's loan book relates to property – 51% relates to residential property. For Climate action, our lending to SME and Corporate lending covers 32% of the loan book. AIB has significant opportunity to impact these areas above other high need areas. AIB completed a detailed Materiality exercise in 2021 engaging with key stakeholder groups including regulators, society and community, customers, employees, suppliers and investors to determine the material areas that we should focus on. See p.13-16</p> <p>Through our impact and portfolio analysis, we concluded that the most relevant challenges and priorities in Ireland from the impacts identified above are climate change and access to housing, due to the scale of exposures in sectors that are key contributors to these areas of impact.</p> <p>AIB's Consumer banking activities make a positive impact at a national level in the areas of 'Employment', 'Inclusive Healthy Economies', 'Justice' and 'Economic Convergence'. The scale of our transactional banking consumer base are a material enabler of economic activity and access to finance. The economic activity supported has a negative impact on Climate and Waste.</p> <p>AIB's Business & Corporate banking activities make a positive impact at a national level in the areas of Housing, Employment, Food and Health care provision. The economic activity supported has a negative impact on Climate, Waste, Biodiversity & Ecosystems.</p> <p>See Climate & Environment Strategy – Setting Strategy p.22 and Housing p.58.</p> <p>We have undertaken an Impact Analysis refresh and reconfirmed the significant impacts that are associated with our retail, business banking and corporate banking portfolios. AIB has fulfilled the requirements regarding Impact Analysis.</p>	<p>Reference – Housing – UNEP FI Principles for Responsible Banking – Case Study p 64</p>
--	--	---

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Impact Analysis.
 We have undertaken an Impact Analysis refresh and reconfirmed the significant impacts that are associated with our retail, business banking and corporate banking portfolios. AIB has fulfilled the requirements regarding Impact Analysis.

REPORTING AND SELF-ASSESSMENT REQUIREMENTS	HIGH-LEVEL SUMMARY OF AIB'S RESPONSE (limited assurance required for responses to highlighted items)	REFERENCES/LINKS to AIB's full response/relevant information
<p>2.2 Target setting Show that the bank has set and published a minimum of two Specific, Measurable (can be qualitative or quantitative), Achievable, Relevant and Timebound (SMART) targets, which address at least two of the identified "areas of most significant impact", resulting from the bank's activities and provision of products and services.</p> <p>Show that these targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks. The bank should have identified a baseline (assessed against a particular year) and have set targets against this baseline.</p> <p>Show that the bank has analysed and acknowledged significant (potential) negative impacts of the set targets on other dimensions of the SDG/climate change/society's goals and that it has set out relevant actions to mitigate those as far as feasible to maximize the net positive impact of the set targets.</p>	<p>SMART Target 1: Provide €10 billion in 'Green' lending to support the transition to a low carbon economy from the period 2019-2023. Reflecting strong progress in supporting Ireland's transition to a low carbon economy, during 2021 we have doubled the target from €5 billion to €10 billion. We will be further strengthening this target when we have our science based targets in place and externally validated during 2022</p> <p>SMART Target 2: 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).</p> <p>During 2021 internal science based emission reduction targets have now been set for c.63% of our group lending portfolio. This includes the Mortgage portfolio (51%), Commercial & Real Estate (CRE) lending book (9%) and Electricity Generation (3%). This is aligned to Science Based IEA decarbonisation pathways.</p>	<p>Reference – Housing – UNEP FI Principles for Responsible Banking – Case Study p.64</p>
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Target Setting In 2021 we confirmed our second SMART target. We now have SMART targets set for both Climate Action and Housing and have fulfilled this requirement.</p>		
<p>2.3 Plans for Target Implementation and Monitoring Show that your bank has defined actions and milestones to meet the set targets.</p> <p>Show that your bank has put in place the means to measure and monitor progress against the set targets.</p>	<p>AIB's performance against the Climate Action Fund of €5bn from 2019-23 which is now increased to €10bn by 2023 is monitored and reported internally to the Executive Committee and Board via the Group Balanced Scorecard on a quarterly basis. Since 2019, we have delivered €4.7bn towards the Climate Action fund over the last 3 years demonstrating that we are on track to deliver the SMART target by 2023.</p> <p>Since 2020, AIB has approved social housing funding in excess of €300m. In 2021, a further €500m fund was launched. Our SMART targets puts a 3 year timeline on the funds utilisation e.g. that AIB will provide a further €500m social housing funding by 2024.</p> <p>Since 2019, we have met existing short-term targets and have set increased targets which we monitor our performance against on an ongoing basis.</p>	<p>Reference - See Housing - p.61-64</p>
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Plans for Target Implementation and Monitoring. We have plans in place for target implementation and monitoring.</p>		
<p>2.4 Progress on Implementing Targets For each target separately, show that your bank has implemented the actions it had previously defined to meet the set target OR explain why actions could not be implemented/ needed to be changed and how your bank is adapting its plan to meet its set target.</p> <p>Report on your bank's progress over the last 12 months towards achieving each of the set targets and the impact your progress resulted in (where feasible and appropriate, banks should include quantitative disclosures)</p>	<p>SMART Target 1: Linked to SDG 13 AIB has doubled the Climate Action Fund to €10bn over 5 years 2019-2023, supporting Ireland's transition to a low carbon economy. (AIB previously allocated €5bn to the fund which was originally launched in 2019 with a target of lending €1bn per annum for green and transition lending over five years). We are aiming to incorporate tracking on science based targets and disclosing for 2023</p> <p>SMART Target 2: Since 2020, AIB has approved social housing funding in excess of €300m. In 2021, a further €500m fund was launched. Our SMART targets puts a 3 year timeline on the funds utilisation e.g. that AIB will provide a further €500m social housing funding by 2024.</p>	<p>Reference – Housing – UNEP FI Principles for Responsible Banking – Case Study p.64</p>
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing Targets We have fulfilled the requirements on making progress on implementing targets.</p>		

REPORTING AND SELF-ASSESSMENT REQUIREMENTS	HIGH-LEVEL SUMMARY OF AIB'S RESPONSE (limited assurance required for responses to highlighted items)	REFERENCES/LINKS to AIB's full response/relevant information
<p>PRINCIPLE 3: CLIENTS AND CUSTOMERS We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.</p>		
<p>3.1 Provide an overview of the policies and practices your bank has in place and/or is planning to put in place to promote responsible relationships with its customers. This should include high-level information on any programmes and actions implemented (and/or planned), their scale and, where possible, the results thereof</p>	<p>Our values and behaviours are how we will deliver on our purpose – to back our customers to achieve their dreams and ambitions. They are underpinned by our Code of Conduct, which sets out a common framework on the standard of conduct that supports our values. It explains what we expect of each other and what others expect of us in our day to day decisions, including managing our business responsibly, treating customers fairly and being accountable for what we do and how we do it.</p> <p>We have a well-established vulnerable customer programme that aims to support customers in vulnerable circumstances. We have delivered over 24,000 hours of vulnerable customer e-learning to our people. In 2021 our frontline employees were able to provide additional support to over 3,700 customers when they needed it most. In addition, our Vulnerable Customer Support team assisted with over 1,300 of the most complex customer cases.</p> <p>AIB holds an annual sustainability conference to share thought leadership and create a call to action among our stakeholders, including our customers. We also sponsor Climate Finance Week Ireland and key representatives of our senior management chair and participate in its weeklong series of events on Sustainable Finance topics. This year, there were over 5,000 attendees virtually throughout the week. AIB sponsors the Dublin Chamber Sustainability Academy which is focused on training SMEs to understand the transition required for their business and provides guidance and support.</p> <p>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.</p> <p>We have implemented mandatory sustainability training to upskill our employees across the organisation. This includes three modules – Sustainability 101, Energy & Environment Awareness, and Climate Risk training. The completion rate of the first two modules is over 94%. The last module was launched in December and will be completed by employees by the end of February.</p> <p>For the second year running, we have had a week-long series of events as part of our 'Risk in Conversation' week, where sessions and events were held to share learnings and thought leadership on how we are embedding risk considerations into our ways of working.</p> <p>A new ESG Questionnaire was introduced to borrowers in high climate risk sectors where they are looking to borrow material lending amounts. The questionnaire is to get a better understanding of the ESG risk associated with the borrower and to create an awareness and understanding among customers of the data that will be required from them going forward around where they are in their ESG journey and plans going forward.</p> <p>In Q3 2021, we conducted a pilot process to model the identification of our salient human rights issues, recognising our responsibilities relating to our role as an employer, as a procurer of goods and services, and as a provider of retail banking and corporate lending. The pilot project focused on two divisions of the bank and centred on delivering against two key objectives:</p> <ol style="list-style-type: none"> 1. Build internal awareness on human rights as an issue for the business 2. Identify priority 'salient' human rights relevant to the bank for future action <p>The focus of this project was on the bank's corporate lending and procurement, with a view to building AIB's internal capacity to replicate the process for other areas of the business and to repeat the process periodically and as new information on potential impacts becomes available.</p>	<p>Reference – See p.52 Usability of Services & Accessibility of Products – Vulnerable Customers p.55 -56</p> <p>Enable Customers to Make Better Informed Financial Decisions p.58-60</p> <p>P.40-43. Responsible Lending and Investments</p>
<p>3.2 Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. This should include information on actions planned/implemented, products and services developed, and, where possible, the impacts achieved.</p>	<p>Selling and investing in sustainable products and services for our clients was an area that scored highly with all stakeholder groups in the materiality assessment. There are a number of key actions, products and services that are relevant to this including:</p> <ol style="list-style-type: none"> (i) providing finance to produce renewable energy lending – through our multi-disciplinary Energy, Climate Action & Infrastructure team (ii) Green mortgage products, where 20% of total mortgage lending was green in 2021 (iii) Providing finance for retrofitting less energy efficient homes through our Green Consumer Loan and forthcoming SBCI retrofitting loan in 2022. (iv) Climate Action Fund of €10bn from 2019-23 (Smart Target 1) (v) Social housing provision via €900 million in lending from the period 2019-2024 (vi) Green Consumer loan launched in 2021 at a discounted rate of 6.4% (vii) Green and Social Bonds, including €1.75bn of eligible assets issued under the green bond framework <p>AIB has also put in place a new ESG questionnaire for customers in high risk climate sectors who are looking for material lending amounts. This questionnaire includes questions on current ESG practices and also transition plans. Employees have also undertaken mandatory sustainability and climate risk training which includes the risks and opportunities to be considered and discussed when engaging with customers. See Embedding ESG in Processes p.34-35.</p>	<p>See p.36-39 Products and Services to address Environmental issues</p>

REPORTING AND SELF-ASSESSMENT REQUIREMENTS	HIGH-LEVEL SUMMARY OF AIB'S RESPONSE (limited assurance required for responses to highlighted items)	REFERENCES/LINKS to AIB's full response/relevant information
<p>PRINCIPLE 4: STAKEHOLDERS We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.</p>		
<p>4.1 Describe which stakeholders (or groups/types of stakeholders) your bank has consulted, engaged, collaborated or partnered with for the purpose of implementing these Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders and what issues were addressed/results achieved</p>	<p>In 2021, we completed our most recent materiality exercise, this included completing c.680 interviews across our 6 stakeholder groups – suppliers, customers, employees, investors, society and community and regulator. Through this process, we identified those issues that were of most important to them and should be the focus for AIB strategically.</p> <p>During 2021 AIB has engaged extensively with customers to produce regular Net Promoter Scores across 20 different journeys via Voice of the Customer Surveys. In terms of employee engagement, we engage regularly with employees on topics such as the future of work via employee surveys. In addition, c.3000 people attended the LEAD Leadership for Growth event in Q4.</p>	<p>See p.15-17 Stakeholder Engagement and Materiality exercise</p>
<p>PRINCIPLES 5: GOVERNANCE AND CULTURE We will implement our commitment to these Principles through effective governance and a culture of responsible banking</p>		
<p>5.1 Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support effective implementation of the Principles.</p>	<p>Our strong governance structures and frameworks are key to delivering our strategy. AIB's Board of Directors established a number of Board and Board Advisory Committees to oversee specific areas of the Group's operations while the Board retains ultimate responsibility, ensuring a robust approach. This Group Sustainability committee is responsible for the governance, oversight and approval of aspects of the Group's Sustainable business strategy including Environmental, Social and Governance ("ESG") activities including how the Group responds to our ESG commitments, under the oversight of the Sustainable Business Advisory Committee (SBAC). The effective implementation of the Principles are governed through this committee.</p>	<p>See p.11-12 for governance and p.89-92 <i>Corporate Governance and Accountability</i> for more detail. Policies and procedures relating to Climate & Environment see <i>Embedding ESG Policies</i> at p. 34, and for Housing – Risk Management p.63.</p>
<p>5.2 Describe the initiatives and measures your bank has implemented or is planning to implement to foster a culture of responsible banking among its employees. This should include a high-level overview of capacity building, inclusion in remuneration structures and performance management and leadership communication, amongst others.</p>	<p>AIB has undertaken a number of initiatives and actions to foster a culture of responsible banking among employees.</p> <p>Firstly, our Diversity & Inclusion Code sets out the principles we live by and underpins new policies and handbooks introduced on Domestic Violence & Abuse, Menopause and Family Leave, and a year-round employee engagement calendar of diversity awareness and educational events. An Inclusion and Diversity (I&D) Council is in operation to provide ideas, energy, rigour and governance of diversity activity aligned to our strategy, which was approved the Board.</p> <p>Secondly, we have continued to make progress on our gender diversity target, female representation on all management is currently at 42%, and our ExCo and Board is maintaining ongoing gender balance at 45% and 44% respectively.</p> <p>Thirdly, all our employees are required to complete our annual mandatory online learning curriculum. In 2021 we introduced two new mandatory courses; Sustainability 101 this course covers what sustainability means, the role that business, banks and individuals can play in being more sustainable in how we work and live, and climate risks & opportunities, covering what climate risk is, how we are identifying and managing it and how we can supporting our customers in understanding their risks and opportunities.</p> <p>In 2021, our courses and completion rates were:</p> <ul style="list-style-type: none"> • Speak Up (95%) • Anti-Money Laundering & Terrorist Financing (94%) • Information Security (95%) • Data Protection (94%) • Health & Safety (91%) • Code of Conduct (95%) • Conflicts of Interests (90%) • Sustainability (94%) <p>Fourthly, c.3000 people leaders attended AIB's first ever virtual Leadership Summit held last October. The Leaders Enabling A Difference (LEAD) programme is a development initiative to support and empower our leaders. The LEAD "Leadership for Growth" programme is aimed at our senior leaders and the LEAD "Leadership Essentials" programme is aimed at our junior and mid-level leaders.</p>	<p>See p.84-88 Talent Attraction, Retention and Development</p>
<p>5.3 Show that your bank has a governance structure in place for the implementation of the PRB including</p> <p>a) target setting and actions to achieve targets; and</p> <p>b) remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected.</p>	<p>The Principles for Responsible banking are implemented within the ESG Governance structures at AIB which have a clear focus on Executive Committee and Board accountability to ensure appropriate remedial action can be taken where required to ensure that appropriate milestones are achieved and that any negative impacts can be detected and appropriately mitigated. The Smart targets listed appear on the Executive Committee balanced scorecard.</p>	<p>See p.11-12 for governance and p.89-92 <i>Corporate Governance and Accountability</i> for more detail</p>

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Governance Structure for Implementation of the Principles.

We have progressed substantially in fulfilling this requirement. Our well-established Sustainability Implementation Group is in charge of the day to day implementation of the Principles. We will continue to monitor progress quarterly to determine the optimal way we manage and monitor the implementation of the Principles going forward.

REPORTING AND SELF-ASSESSMENT REQUIREMENTS	HIGH-LEVEL SUMMARY OF AIB'S RESPONSE (limited assurance required for responses to highlighted items)	REFERENCES/LINKS to AIB's full response/relevant information
<p>PRINCIPLE 6: TRANSPARENCY AND ACCOUNTABILITY We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.</p>		
<p>6.1 Show that your bank has progressed on implementing the six Principles over the last 12 months in addition to the setting and implementation of targets in minimum two areas (see 2.1-2.4).</p>	<p>AIB has made progress in implementing the six principles over the last 12 months:</p> <ul style="list-style-type: none"> As noted and elaborated on in 2.1-2.4 above, AIB has completed the impact assessment for 2021 and set relevant smart targets to address climate action (SDG 13.1) and social housing. (SDG 11.1) In terms of alignment of our business strategy, AIB has ensured via the Materiality Exercise and Group Strategic Planning process that the business strategy is fully aligned to both relevant SDGs (as determined by the impact analysis) the Paris Climate Agreement and relevant National Frameworks. (See p.19 Setting Strategy for more detail) As noted in 3.1 and 3.2 above AIB has developed a range of products, services and frameworks to encourage sustainable practices amongst our Customers - Reference - Please see p.35-38 Products and Services to address Environmental issues and p.39-42 Responsible Lending and Investments For more details regarding the implementation of Governance and Culture – Please see p.10 and 11 for governance and p.81-83 Corporate Governance and accountability for more detail In terms of transparency and accountability a key area of progress has been the publication of AIB's Human Rights Commitment as part of our 2020 suite of Reporting materials, in line with international standards, as set out in the UN Guiding Principles on Business and Human Rights (UNGPs). In Q3 2021, we conducted a pilot process to model the identification of our salient human rights issues, recognising our responsibilities relating to our role as an employer, as a procurer of goods and services, and as a provider of retail banking and corporate lending. The pilot project focused on two business areas of the bank and centred on delivering against two key objectives: 1. Build internal awareness on human rights as an issue for the business 2. Identify priority 'salient' human rights relevant to the bank for future action. In 2022, we will broaden the parameters of the pilot across the business with a view to updating our salient issues and actions to address same in due course. (Please also see p.81-83 Corporate Governance and accountability for more detail regarding accountability in particular). 	<p>See p.23-25 Setting Strategy for more detail</p> <p>See p.36-39 Products and Services to address Environmental issues and p.39-42 Responsible Lending and Investments</p> <p>See p.15-17 Stakeholder Engagement and Materiality for more detail</p> <p>See p.11-12 for governance and p.89-92 Corporate Governance and accountability for more detail</p>
<p>Show that your bank has considered existing and emerging international/regional good practices relevant for the implementation of the six Principles for Responsible Banking. Based on this, it has defined priorities and ambitions to align with good practice</p>	<p>We are continuously considering good practices aligned with Sustainability objectives. In addition to the current commitments we have in place, in 2021 we signed up for the World Economic Forum (WEF) Stakeholder Capitalism Metrics, Net Zero Banking Alliance, Equator Principles and the UN Global Compact.</p> <p>AIB is a member of relevant industry bodies such as the Banking and Payments Federation Ireland and engages with advisors and investors on a regular basis.</p> <p>There is a significant amount of regulatory activity in the European Union and the UK in relation to the ESG/Sustainability agenda and we have mobilised a Regulatory Sustainability Programme to ensure we are compliant with relevant regulations</p>	<p>See Commitments, Memberships & Partnerships on p.18</p>
<p>Show that your bank has implemented/is working on implementing changes in existing practices to reflect and be in line with existing and emerging international/regional good practices and has made progress on its implementation of these Principles.</p>	<p>Through our Sustainability Programme and engagement with key stakeholders in 2022, our strategic priorities will remain to embed and integrate sustainability and climate action right across AIB, including within strategy, business policies and procedures, customer supports, risk management policies and frameworks, data and systems and disclosures. In particular AIB will continue to strengthen governance of ESG related matters We will complete a climate ECB stress-testing exercise to inform potential impacts on our business model. In addition, we intend to:</p> <ul style="list-style-type: none"> Further embed, sustain and disclose our emissions reductions targets and track progress. Continue to build out our propositions in support of climate action and access to housing. Continue our work on establishing any human rights salient issues and actions to address material issues. Continue to grow our partnerships to help create meaningful changes through our Community programme <p>AIB has made good progress in the last 12 months of implementing the Principles. Climate action and Economic & Social Inclusion are two key areas of focus in our sustainability strategy which will guide our decision-making on lending and investment associated with them. We are continuously working to improve our disclosures on responsible and sustainable banking practices, and to align our business with national/international good practices. We have signed up to a number of additional ESG commitments during the year including the Equator Principles and additional disclosures under the WEF Stakeholder Capitalism Metrics.</p>	<p>Climate pages – p.23-42</p> <p>See Commitments, Memberships & Partnerships on p.18</p>
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing the Principles for Responsible Banking AIB has made good progress in the last 12 months of implementing the Principles. Climate action and Economic & Social Inclusion are two key areas of focus in our sustainability strategy which will guide our decision-making on lending and investment associated with them. We are continuously working to improve our disclosures on responsible and sustainable banking practices, and to align our business with national/international good practices. In 2021, we signed up to a number of additional ESG commitments including UN Global Compact and the Equator Principles.</p>		

For ease of reference, here is an explanation of the terms "Impact" and "Significant Impact" which are used in the above tables:

Impact: An impact is commonly understood as being a change in outcome for a stakeholder. In the context of these Principles this means (aligned with GRI definition) the effect a bank has on people/the society, the economy and the environment and with that on sustainable development. Impacts may be positive or negative, direct or indirect, actual or potential, intended or unintended, short-term or long-term.

Significant Impact: Impact that in terms of scale and/or intensity/salience results in a particularly strong/relevant change in outcome for a stakeholder. In the context of these Principles, the concept of significant impact is used to ensure banks focus where their actions/business (can) matter most for people, economy and environment and to provide a reasonable and practical threshold for what issues need to be considered/included, similar to the concept of "materiality".

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX

The GRI Standards are designed to be used by organisations to report on their impact on the economy, the environment and society. Reporting is divided into two parts:

- i) General Disclosures section (GRI 102) which provides an organisational context, and an overview of the management approach (GRI 103), and
- ii) Topic-specific GRI Standards for reporting on their material topics - reporting organisations can select from GRI 200 – economic, GRI 300 – environmental or GRI 400 – social.

In each disclosure of Management Approach we set out where the impacts occur for a material topic, and our involvement with those impacts. In all instances in preparing our 2021 Sustainability Report, we have striven to adhere to the GRI Reporting Principles, within the limitations and scope of the information currently available, as follows:

GRI GENERAL DISCLOSURES

- » **Stakeholder inclusiveness** – Our stakeholder groups are listed on p.15. In Q4 2021, we consulted with our internal and external stakeholders to identify and rank the most material concerns facing AIB using the GRI recommended approach of identification, prioritisation and validation;
- » **Sustainability context** – Our Sustainability Strategy on p.9, An Introduction from our Chief Executive Officer, Colin Hunt on p.6 and A message from the Chair of our Sustainable Business Advisory Committee, Helen Normoyle on p.7, provide an explanation of what sustainability means for AIB;

- » **Materiality** – In the materiality exercise we conducted in 2021 we engaged with c. 700 stakeholders to identify those issues that were of most concern to them. Our master universe of issues was prepared with independent advice and based on international best practice among peer banks, see p.17;
- » **Completeness** – the topics covered in the report reflect our economic, environmental and/or social impacts. We have considered the results of stakeholder engagement processes, together with broad-based societal expectations that are not identified as material directly through stakeholder engagement processes.

REFERENCE	DISCLOSURE	RESPONSE
A. ORGANISATIONAL PROFILE		
102-1	Name of the organisation	AIB Group plc
102-2	Activities, brands, products and services	See 'Brands' on p.5
102-3	Location of the organisation's headquarters	10 Molesworth Street, Dublin 2, Ireland.
102-4	Location of operations	See 'Location of operations' on p.5
102-5	Ownership and legal form	See 'Ownership' on p.5
102-6	Markets served	See 'Customer-facing segments' and 'Location of operations' on p.5
102-7	Scale of the organisation	See 'Scale of the organisation' in AIB at a glance on p.5
102-8	Information on employees and other workers	See 'Employee data' on p.102-104
102-9	Supply chain	See 'Our supply chain' on p.91
102-10	Significant changes to the organisation and its supply chain	See 'Our supply chain' on p.91 and 'Ownership' on p.5
102-11	Precautionary principle or approach	See '1.3 Climate & Environment Risk Management' on p.28-35
102-12	External initiatives	See 'Commitments, Memberships & Partnerships' on p.18
102-13	Memberships of Associations	See 'Commitments, Memberships & Partnerships' on p.18

GRI GENERAL DISCLOSURES

REFERENCE	DISCLOSURE	RESPONSE
B. STRATEGY		
102-14	Statement from senior decision maker	See 'An Introduction from our Chief Executive Officer, Colin Hunt' on p.6
C. ETHICS AND INTEGRITY		
102-16	Values, principles, standards and norms of behaviour	See 'The value we create' on p.8 and 'Corporate behaviour' on p.89
102-17	Mechanisms for advice and concerns about ethics	See 'Raising a concern' on p.86
D. GOVERNANCE		
102-18	Governance structure	See 'Our Governance Structure' and 'ESG Governance' on p.11-12. Further detail is available in our Annual Financial Report (AFR) 2021
General disclosures 102-15 and 102-19 to 102-39 are not required under the Global Reporting Initiative (GRI): Core option		
E. STAKEHOLDER ENGAGEMENT		
102-40	List of stakeholder groups	See '2021 Stakeholder Engagement' on p.16
102-41	Collective bargaining agreements	See 'Attracting and retaining talent' on p.84
102-42	Identifying and selecting stakeholders	See 'Materiality process' on p.17
102-43	Approach to stakeholder engagement	See 'Stakeholder engagement' on p.15-18
102-44	The key topics and concerns raised	See 'Materiality process' on p.17
F. REPORTING METRICS		
102-45	Entities included in the organisations consolidated financial statements	A listing of the principal businesses and their locations that are included in the consolidated financial statement is provided in our Annual Financial Report and are covered by the report
102-46	Define the report content and topic boundaries	As per our GRI Content Index
102-47	List of material topics	See 'Materiality process' on p.17
102-48	Restatements of information	Any restatement of information is set out in notes accompanying the information
102-49	Significant changes from previous reporting periods in list of material topics and topic boundaries	See 'Materiality process' on p.17
102-50	Reporting period for the information provided	01 January 2021 to 31 December 2021
102-51	Date of the most recent previous report	05 March 2021
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	caroline.a.tully@aib.ie / sarah.m.dempsey@aib.ie
102-54	Reporting in accordance with GRI Standards	This report has been prepared in accordance with GRI Standards: Core option
102-55	GRI Content Index	The GRI Content Index runs from p.99-101. Relevant page numbers and URLs are provided within the index for individual disclosures. Omissions have been explained where relevant
102-56	External assurance	<p>External assurance has been provided by Deloitte on our preparation of the report in accordance with the GRI Standards.</p> <p>The Deloitte assurance report can be found on p.112 of this report</p> <p>The external assurer is currently our financial auditors</p> <p>The Board's Sustainable Business Advisory Committee has commissioned an independent assurance process aligned to ISAI 3000 through Deloitte</p>

TOPIC SPECIFIC DISCLOSURES

REFERENCE	DISCLOSURE	RESPONSE
1. ENSURE A CLIMATE RESILIENT AND RESPONSIVE BUSINESS MODEL		
103-1, 103-2, 103-3	Management approach	See 'Climate action' – 'Our approach' on p.23-35 and on p.44-50
201-2	Financial implications and other risks and opportunities due to climate change	See 'Risk quantification' on p.28-36 and 'Climate & environmental strategy' on p.23-25
2. PRODUCTS AND SERVICES TO ADDRESS ENVIRONMENTAL ISSUES		
103-1, 103-2, 103-3	Management approach	See 'Products and services to address environmental issues'– p.36-39
FS8	Monetary value of products & services designed to deliver a specific environmental benefit for each business line broken down by purpose	See "Metrics and targets" on p.44
3. RESPONSIBLE LENDING AND INVESTMENTS		
103-1, 103-2, 103-3	Management approach	See 'Responsible lending and investments'on p.40-43
Bespoke	Alignment with best practice in the market for responsible banking	See 'Responsible banking initiatives' on p.42 and 'Our Green and Social Bond Frameworks on p.41
4. USABILITY OF SERVICES AND ACCESSIBILITY OF PRODUCTS		
103-1, 103-2, 103-3	Management approach	See 'Usability of services and accessibility of products' on p.54-57
Bespoke	Daily user interactions and accessibility of our services	See 'Daily user transactions' p.55 and 'Access to our products and services' on p.54
5. ENABLE CUSTOMERS TO MAKE BETTER INFORMED FINANCIAL DECISIONS		
103-1, 103-2, 103-3	Management approach	See 'Enable customers to make better informed financial decisions' p.58-60
417-2	Incidents of non-compliance concerning products and service information and labelling	See 'Incidents of non-compliance concerning product and service information and labelling' on p.59
6. HOUSING		
103-1, 103-2, 103-3	Management approach	See 'Housing' on p.61-64
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	See 'Social housing fund' on p.62
7. CUSTOMER EXPERIENCE		
103-1, 103-2, 103-3	Management approach	See 'Customer experience' - on p.75-77
Bespoke	NPS	See 2021 Transactional NPS p.71-74 and on p.111
8. DIGITALISATION AND INTERCONNECTIVITY		
103-1, 103-2, 103-3	Management approach	See 'Digitalisation and Interconnectivity' on p.75-77
Bespoke	Digitally active customers	See 'Progress towards our 2023 target' on p.75 and Digitalisation data on p.111
9. CYBER SECURITY AND BUSINESS SYSTEM RESILIENCE		
103-1, 103-2, 103-3	Management approach	See 'Cyber security and business system resilience' on p.78-80
Bespoke	Cyber security training	See 'Awareness and training' on p.79 and 'Board training' on p.88
10. PROTECT OUR CUSTOMERS DATA AND PRIVACY		
103-1, 103-2, 103-3	Management approach	See 'Protect our customers data and privacy' on p.81-83
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	See 'Breaches of privacy & losses of data' and 'Complaints' on p.82
11. TALENT ATTRACTION, RETENTION AND DEVELOPMENT		
103-1, 103-2, 103-3	Management approach	See 'Talent, attraction and retention' on p.84-87
404-1	Average hours of training per year per employee	See 'Training and development' on p.85
12. CORPORATE GOVERNANCE & ACCOUNTABILITY		
103-1, 103-2, 103-3	Management approach	See 'Corporate governance & accountability' on p.89-92
205-2	Communication and training about anti-corruption policies and procedures	See 'Anti-bribery and corruption' on p.90 and on p.105

ESG SUPPORTING DATA - EMPLOYEE DATA

FTES @ 31 DEC		2021	2020	2019	2018	2017
FTES BY GENDER						
	Female	4,654	5,017	5,200	5,486	5,517
	Male	3,828	4,078	4,229	4,345	4,203
FTES - PERMANENT & TEMPORARY BY GENDER						
Permanent	Female	4,313	4,612	4,647	4,834	4,991
	Male	3,500	3,682	3,693	3,681	3,589
Temporary	Female	341	405	553	652	526
	Male	328	396	536	664	614
FTES - PERMANENT & TEMPORARY BY REGION						
Permanent	Ireland	7,052	7,279	7,317	7,449	7,485
	United Kingdom	724	964	970	1,008	1,095
	United States of America	37	51	53	58	NR
Temporary	Ireland	662	779	1,056	1,279	1,124
	United Kingdom	7	22	33	37	16
	United States of America	-	-	-	-	-
FTES - FULL-TIME & PART TIME BY GENDER						
Full-time	Female	4,176	4,453	4,573	4,802	4,918
	Male	3,809	4,054	4,209	4,320	4,186
Part-time	Female	477	564	628	684	599
	Male	20	23	20	25	17
TOTAL		8,482	9,095	9,429	9,831	9,720
AVERAGE FTES IN FY		2021	2020	2019	2018	2017
Country	Ireland	7,978	8,210	8,755	8,681	8,840
	United Kingdom	922	997	1,026	1,066	1,244
	United States of America	44	54	59	54	53
TOTAL		8,944	9,261	9,840	9,801	10,137

NOTES:

- Information is collected on employees through our internal HR systems. Data at 31 December 2021. Excludes 101 FTEs in Payzone and 333 FTEs in Goodbody. The actual number of FTEs as at 31.12.2021 reported in our AFR was 8,916, which includes Payzone and Goodbody employees. Source: AFR 2021 p.355 and Company information.
- The average number of FTEs in the financial year excludes employees on career breaks and other unpaid long-term leaves, as well as Payzone employees (2019 and 2020) and Goodbody employees (2021). The Average FTEs for 2021 reported in our AFR was 9,154, which includes 99 Payzone employees and 111 Goodbody employees. Source: AFR 2021 p.355, (AFR 2020 p.350, AFR 2019 p.364, AFR 2018 p.362 and AFR 2017 p.366) and Company information.
- There are no significant seasonal variances.

		2021		2020		2019		2018		2017	
HIRES		#FTES	%	#FTES	%	#FTES	%	#FTES	%	#FTES	%
Age	<30 years	639	71%	312	79%	811		1,154		852	
	30-50 years	237	26%	73	19%	327		485		331	
	>50 years	28	3%	9	2%	63		44		26	
Gender	Female	417	46%	172	44%	546		789		549	
	Male	487	54%	222	56%	655		894		660	
Region	Ireland	894	99%	370	94%	1,113		1,566		1,118	
	United Kingdom	10	1%	24	6%	88		117		91	
	United States of America	-	-	-	-	-		-		-	
TOTAL		904		394		1,201		1,683		1,209	

LEAVES		2021		2020		2019		2018		2017	
		#FTES	%	#FTES	%	#FTES	%	#FTES	%	#FTES	%
Age	<30 years	668	41%	397	50%	663		746		686	
	30-50 years	574	36%	272	34%	657		584		748	
	>50 years	374	23%	125	16%	320		256		440	
Gender	Female	876	54%	416	52%	877		826		1,802	
	Male	740	46%	378	48%	763		760		792	
Region	Ireland	1,313	81%	737	93%	1,507		1,329		1,556	
	United Kingdom	293	18%	51	6%	133		227		318	
	United States of America	10	1%	6	1%	-		-		-	
TOTAL		1,616		794		1,640		1,586		1,874	

EMPLOYEE TURNOVER RATE	17.8%	8.4%	16.7%	16.3%	18.1%
-------------------------------	--------------	-------------	--------------	--------------	--------------

NOTES:

- In an enhancement to our reporting, figures for NI and GB are amalgamated and reported together under "United Kingdom" (previously they were reported separately). In addition, we have changed our age diversity reporting categories from <30, 30-49, 50+ to <30, 30-50, >50. Our reporting for 2020 reflects the new categories. Reported figures for 2019, 2018 and 2017 have not be amended to align with the new categories.
- Employee Turnover Rate is 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.
- Source: Company information

DIVERSITY BY EMPLOYEE CATEGORY @ 31 DEC

GENDER	2021		2020	
	Female (%)	Male (%)	Female (%)	Male (%)
Senior management	36%	64%	34%	
Junior management	44%	56%	44%	
All management	42%	58%	41%	
Non-management	60%	40%	60%	
Board	44%	56%	56%	44%
ExCo	45%	55%	56%	44%
All FTEs	55%	45%	55%	45%

AGE	2021			2020		
	<30 years (%)	30-50 years (%)	>50 years (%)	<30 years (%)	30-50 years (%)	>50 years (%)
Senior management	-	65%	35%			
Junior management	1%	72%	28%			
Non-management	20%	64%	16%			
Board	-	12%	88%	-	-	100%
ExCo	-	45%	55%	-	44%	56%
All FTEs	15%	65%	20%	16%	62%	22%

NOTES:

1. Source: Company information.

WAGE LEVEL @ 31 DEC

				2021
GENDER		IRELAND (€)	UNITED KINGDOM (£)	GROUP* (€)
Standard Entry Level Wage		25,664	18,934	
Local Minimum Wage per hour		10.2	8.91	
Minimum Wage (Hours worked in year (37x52))		19,625	17,143	
Ratio of standard entry level wage compared to local minimum wage (%)		1.31	1.1	
Median of the annual total compensation of all employees, except the Chief Executive Officer (CEO)				50,817
Base Salary of CEO				500,000
Ratio of the annual total compensation of the CEO to the median annual total compensation of all employees, except the CEO (%)				9.84

ANTI-CORRUPTION TRAINING - NUMBER & RATE

	GROUP		IRELAND		UNITED KINGDOM		UNITED STATES OF AMERICA	
	Number	%	Number	%	Number	%	Number	%
Board	16	100%						
All FTEs	8,469	97%	7,693	97%	742	94%	34	92%
Business partners	3,977	87%	3,916	87%	61	87%	-	-

NOTES:

- Our significant areas of operation are Ireland and United Kingdom.
- Sources of 'Local Minimum Wage per hour are: Ireland (<https://www.gov.ie/en/publication/e1f12-national-minimum-wage-will-increase-on-1-january-2021/>) and UK (<https://www.gov.uk/national-minimum-wage-rates>). Standard Entry Level Wage is the entry point of our lowest level position and it is equal across female and male employees. The UK figure is the average of NI, GB and London entry level wage.
- Total compensation includes total remuneration paid to employees, excluding pension contribution. Source: CEO's salary see AFR p.205. All other data is Company data.
- Employee data excludes Payzone and Goodbody
- Data reported is as at 25 December 2021.
- We do not split training data by employee category.
- Our approach to Anti-corruption is covered in our Anti-Bribery & Corruption Policy and our Conflicts of Interests Policy. Our Anti-corruption training is included in our Conflicts of Interest training course.
- Business partners includes advisory partners and contractors.

FINANCE DATA

DIRECT ECONOMIC VALUE GENERATED & DISTRIBUTED		
	2021	2020
	€m	€m
DIRECT ECONOMIC VALUE GENERATED		
Net interest income ¹	1,794	1,872
Other income ¹	585	501
Share of equity accounted investments ¹	21	15
Loss on disposal of property ¹	(3)	-
Net credit impairment writeback/(charge) ¹	238	(1,460)
Direct Economic Value Generated⁶	2,635	928
DIRECT ECONOMIC VALUE DISTRIBUTED		
Operating costs (excluding Community Investments) ²	(711)	(639)
Employee wages and benefits ³	(796)	(776)
Payments to providers of capital		
Distributions paid on ordinary shares	-	-
Distributions paid to other equity interests ⁴	(65)	(46)
Distributions paid to non-controlling interests ⁴	-	(30)
Payments to government		
Current tax (charge)/credit for the year ⁵	(18)	89
Bank levies and regulatory fees ³	(162)	(115)
Community Investments	(10)	(14)
Direct Economic Value Distributed	(1,762)	(1,531)
ECONOMIC VALUE RETAINED	873	(604)

SHARE BUYBACK LESS DIVIDENDS		
	2021	2020
	€m	€m
Dividends paid on ordinary shares	-	-
Distributions paid to other equity interests ⁴	65	46
Distributions paid to other non-controlling interests ⁴	-	30
Redemption of ordinary shares	-	-
TOTAL	65	76

NOTES:

1. Refer to the consolidated income statement in AFR 2021 p.229
2. Refer to note 12 in AFR 2021 p.276. Includes general and administrative expenses and restitution and associated costs (less community investments which are presented separately).
3. Refer to note 12 in AFR 2021 p.276. For Employee wages and benefits refer to Personnel expenses.
4. Refer to consolidate statement of changes in equity in AFR 2021 p.232.
5. Refer to note 15 in AFR 2021 p.278
6. Refer to note 3 in AFR 2021, p.272 for revenue. Revenue, as disclosed in note 3 and direct economic value generated may be reconciled as follows:

	2021	2020
Revenue	€2,379m	€2,373m
Net credit impairment writeback/(charge)	€238m	(€1,460m)
Share of equity accounted investments	€21m	€15m
Loss on disposal of property	(€3m)	-
Direct economic value generated	€2,635m	€928m

7. Refer to note 27 in AFR 2021, p.301. Excludes right-of-use assets and leasehold property.
8. Refer to note 26 in AFR 2021, p.300.

CAPEX LESS DEPRECIATION		
	2021	2020
	€m	€m
Additions to property, plant and equipment ⁷	30	21
Additions to intangible assets ⁸	204	236
Depreciation charge for the year property, plant and equipment ⁷	(29)	(27)
Amortisation for the year intangible assets ⁸	(197)	(184)
TOTAL	8	46

OPERATIONS DATA

GHG EMISSIONS								
GROUP ABSOLUTE EMISSIONS (SUMMARY)	BASELINE EMISSIONS	BASELINE YEAR	2021	2020	2019	2018	2017	2016
GHG EMISSIONS (tCO₂e) (LOCATION-BASED)								
Gross Scope 1: direct emissions	11,514	2009	3,653	4,213	4,784	5,212	5,160	5,471
Gross Scope 2: electricity indirect emissions	21,272	2009	5,863	7,575	10,025	14,316	15,663	16,557
Gross Scope 3: other indirect emissions	13,082	2009	See Notes below	11,739	14,460	15,304	8,702	10,760
Gross biogenic emissions (out of scope)	16	2019	12	45	16	-	-	-
GHG EMISSIONS (tCO₂e) (MARKET-BASED)								
Group Scope 2: electricity indirect emissions	3,912	2009	101	114	64	45	49	5,344
Total Scope 1 & 2 emissions (location-based)	32,786	2009	9,516	11,788	14,809	19,528	20,823	22,028
Total Scope 1 & 2 emissions (market-based)	15,426	2009	3,754	4,327	4,848	5,257	5,209	10,815
Total Scope 1, 2 & 3 emissions (location-based)	45,869	2009	See Notes below	23,527	29,269	34,831	29,525	32,788
Analysis:								
Change in Scope 1 & 2 emissions (yoy)			-19%	-20%	-24%	-6%	-5%	
Change in Scope 1 & 2 emissions (FY v Baseline)			-71%	-64%	-55%	-40%	-36%	-33%
Scope 1 & 2 Emissions intensity - tCO ₂ e per FTE (location-based)*	2.2	2009	1.1	1.3	1.5	2.0	2.1	2.2
Scope 1 & 2 Emissions intensity - tCO ₂ e per FTE (market-based)*	1	2009	0.4	0.5	0.5	0.5	0.5	1.1
Scope 1 & 2 Emissions intensity - tCO ₂ e per revenue (location-based)**	0.0000067	2009	0.0000040	0.0000050	0.0000055	0.0000072	0.0000072	0.0000084
*Average FTEs	15,085	2009	9,043	9,356	9,855	9,801	10,137	10,226
**Total operating income/revenue (€m)	€4,859	2009	€2,384	€2,371	€2,695	€2,726	€2,906	€2,630

GHG EMISSIONS														
ABSOLUTE EMISSIONS (DETAILED)	GROUP BASELINE		GROUP			IRELAND			UNITED KINGDOM			UNITED STATES OF AMERICA		
	EMISSIONS	YEAR	2021	2020	2019	2021	2020	2019	2021	2020	2019	2021	2020	2019
GROSS SCOPE 3: OTHER INDIRECT EMISSIONS (tCO₂e) (LOCATION-BASED)														
Processing of Sold Products	NR		NR	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR
Use of Sold Products	NR		NR	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR
End-of-Life Treatment of Sold Products	NR		NR	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR
Downstream Leased Assets	NR		NR	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR
Franchises	NR		NR	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR
Investments	NR		NR	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR
Total Scope 3 emissions (tCO₂e)			See notes below	11,739	14,460	See notes below	10,875	12,249	See notes below	771	2,012	See notes below	93	199
Total Scope 1 & 2 emissions (location-based)	32,786	2009	9,516	11,788	14,808	8,827	11,040	13,847	630	674	846	60	73	115
Total Scope 1 & 2 emissions (market-based)	15,426	2009	3,754	4,327	4,848	3,522	4,026	4,481	173	228	282	60	73	85
Total Scope 1, 2 & 3 emissions (location-based)	45,869	2009	See notes below	23,527	29,269	See notes below	21,916	26,097	See notes below	1,445	2,858	See notes below	166	314
OUT OF SCOPE BIOGENIC EMISSIONS (LOCATION-BASED)														
Group Scope 1: direct emissions - biogenic	16	2019	12	45	16	1	1	-	10	43	16	-	-	-
Group Scope 2: electricity indirect emissions - biogenic	0	2019	-	-	-	-	-	-	-	-	-	-	-	-
Group Scope 3: other indirect emissions - biogenic	0	2019	-	-	-	-	-	-	-	-	-	-	-	-
Total out of scope biogenic emissions	16	2019	12	45	16	1	1	-	10	43	16	-	-	-
Analysis														
Change in Scope 1 & 2 emissions (yoy)			-19%	-20%		-20%	-20%		-7%	-20%		-19%	-36%	

NOTES:

1. A GHG source is any physical unit or process that releases GHG into the atmosphere:

- » Direct (Scope 1) GHG emissions are from sources that are owned or controlled by AIB. Direct (Scope 1) GHG emissions can include the CO₂ emissions from fuel consumption. AIB's Direct (Scope 1) emissions include fuels combustion, Biomass (CH₄ and N₂O), fleet and fugitive emissions. The Direct CO₂ associated Biomass usage is reported separately from this scope.
- » Energy indirect (Scope 2) GHG emissions can result from the generation of purchased or acquired electricity, heating, cooling, and steam consumed. AIB Scope 2 emissions include consumption of all purchased electricity.
- » Scope 3 covers indirect AIB emissions from the following categories: Purchased goods and services, Capital goods, Waste generated in operations, Business Travel, Employee commuting and Fuel-and-Energy-Related activities (WTT and T&D).
- » Gross Biogenic Emissions are emissions of CO₂ from the combustion or biodegradation of Biomethane or Biogas (Green gas).

2. In 2021, we are aligning for the first time, our carbon reporting with our financial reporting. Our verified Scope 1 & 2 emissions for 2021 are 9,516 tCO₂e. Verification was based on data extrapolation to account for the 12 months of the reporting period. For further information see our verification report. Scope 3 emissions are reported one year in arrears. Our 2021 Scope 3 emissions will be disclosed in our CDP 2022 report.

3. The AIB carbon footprint was calculated using The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition (the GHG Protocol); the UK Government's emission conversion factors for greenhouse gas company reporting; the International Energy Agency electricity emissions factors and other emissions factors as required.
4. We have adopted the operational control approach on reporting boundaries. In 2021, emissions reported for Ireland includes AIB, EBS and Payzone. Emissions reported for UK includes our operations in NI and Great Britain. Emissions reported for USA includes our operations in New York. Goodbody operations are excluded from 2021 reporting as it was acquired in Sept 2021.
- » We have re-stated our 2020 emissions data to reflect the disclosure of datacentre emissions as part of our Scope 3 emissions. The updated verification statement for our 2020 emissions can be found at www.aib.ie/sustainability. In 2020 Payzone operations were incorporated to our GHG emissions inventory.
 - » Historical years (2009 to 2016) were restated to improve the accuracy of reporting and to reflect improved methodology in calculation of emissions reported.
 - » We expanded Scope 3 reporting boundaries to include (in 2018) Well-To-Tank (WTT) and Transport-and-Distribution (T&D) emissions from our business activities and (in 2019) Hotel stay emissions
5. In line with the GHG Protocol, our emissions are presented in tonnes of carbon dioxide equivalent units (tCO₂e) and cover the Kyoto "basket" of seven greenhouse gases when available: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFC), perfluorocarbons (PFC), sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃).
6. These Group figures reflect gross location-based absolute emissions, unless flagged otherwise
7. Our Base year is 2009 and it was chosen in line with public reporting commitments and historical data availability. Our baseline year will be reviewed in 2022.
8. A third party independent verification, based on ISO 14064-3 was completed for reported emissions. Our 2021 and 2020 statements are publicly available at www.aib.ie/sustainability A copy of our historical GHG verification statements is available in our annual CDP submissions. Please note emissions at division level or Scope 3 categories are not disclosed in our verification statements.
9. Figures are rounded, with the exception of Biomethane or Biogas emissions (2021: 0.01, 2020: 0.05 and 2019: 0.03)
10. Terms/abbreviations used: NR = not reported; WTT = Well to Tank; and T&D = Transport & Distribution
11. Average FTEs used in the emissions intensity data include Payzone in 2021, 2020 and 2019. The 2021 Average FTE figure excludes 111 Goodbody FTEs as Goodbody was only acquired in Sept 2021. Average FTE numbers referenced above are sourced from our Annual Financial Report 2021 and 2020 p.355 and p.350 respectively.

		GROUP				IRELAND		UNITED KINGDOM			UNITED STATES OF AMERICA		
METRIC		2021	2020	2019	2021	2020	2019	2021	2020	2019	2021	2020	2019
ENERGY CONSUMPTION	Renewable energy purchased/generated for own consumption	24,591	29,683	34,392	22,530	27,657	32,185	2,061	2,026	2,207	-	-	-
	Non-renewable energy consumption	15,474	18,515	21,836	14,300	17,097	19,906	912	1,137	1,595	262	280	335
	Total energy consumption	40,065	48,197	56,227	36,831	44,754	52,090	2,972	3,163	3,802	262	280	335
WASTE CONSUMPTION	Total waste used/recycled/sold	see notes	1,117	2,062	see notes	1,023	1,907	see notes	93	149	see notes	1	6
	Total waste disposed (landfill)	see notes	10	58	see notes	-	-	see notes	8	55	see notes	2	3
	Total waste generated		1,127	2,119		1,023	1,907		101	204		3	9
WATER USE	Water consumed & withdrawn - Operations	see notes	112.4	175.2	see notes	101.9	158.4	see notes	8.7	16.3	see notes	1.7	0.4
	% of water use in regions with high/extremely high baseline water stress - Operations	see notes	1.5%	2.9%	see notes	-%	-%	see notes	19.9%	31.1%	see notes	-%	-%

NOTES:

1. Energy consumption sources are considered to be electricity, natural gas, biogas, fuel oils - (diesel, kerosene, gas oil & fuel oil). Fuels & energy related to fleet & business travel activities are excluded.
2. Renewable energy consumption sources are considered to be electricity & biogas only.
3. For 2021 figures, energy data was extrapolated from 10 months (January to October 2021) to 12 months of data (January to December 2021) for Ireland, United Kingdom and United States of America, with the exception of Payzone as 12 months of data was available.
4. Our reporting includes data from all waste streams: General waste, paper, Mixed Dry Recyclables, Food waste, Commercial and industrial waste, GTW, UCO, Cardboard, Glass, WEEE, Construction and demolition waste, Recovered refrigerants, Septic waste and Waste oil.
5. Waste and water data is not yet available for FY2021.
6. We are reporting discharged water as water consumed. We rely on municipal water networks for our water demand. There are no other sources of withdrawals. Water use is measured based on utility bills from water utility providers. Where data is not available it is extrapolated using intensity figures.
7. In 2021, 1.5% of AIB's water withdrawn and consumed was from high water-stressed regions in GB (according to the WRI Aqueduct water risk atlas tool). As at 31 January 2022 the tool did not indicate that any of our operations in GB were in an extremely high stressed region. None of our operations in Ireland (where we operate predominantly), the US or Northern Ireland are located in a region of high/extremely high water stress. The tool is available at <https://www.wri.org/applications/aqueduct/water-risk-atlas/>
8. Source: Company information

LAND USE AND ECOLOGICAL SENSITIVITY												
	IRELAND						NORTHERN IRELAND					
	NUMBER	TYPE OF OPERATION	SITE AREA (HECTARES)	SIZE OF OPERATIONAL SITE (M2)	KBA STATUS	BIODIVERSITY VALUE	NUMBER	TYPE OF OPERATION	HECTARES	SIZE OF OPERATIONAL SITE (M2)	KBA STATUS	BIODIVERSITY VALUE
SITES ADJACENT TO PROTECTED AND/OR KEY BIODIVERSITY AREAS												
Owned offices	0	-	0	0	-	-	0	-	0	0	-	-
Leased offices	0	-	0	0	-	-	1	Office	0.08244	824.42	Regional	Terrestrial and Marine
Managed offices	0	-	0	0	-	-	0	-	0	0	-	-
SITES IN PROTECTED AND/OR KEY BIODIVERSITY AREAS												
Owned offices	0	-	0	0	-	-	0	-	0	0	-	-
Leased offices	0	-	0	0	-	-	0	-	0	0	-	-
Managed offices	0	-	0	0	-	-	0	-	0	0	-	-
SITES CONTAINING PORTIONS OF PROTECTED AND/OR KEY BIODIVERSITY AREAS												
Owned offices	0	-	0	0	-	-	0	-	0	0	-	-
Leased offices	0	-	0	0	-	-	0	-	0	0	-	-
Managed offices	0	-	0	0	-	-	0	-	0	0	-	-

NOTES:

1. Our mapping reviewed our sites in Ireland and NI, which covers the majority of our business operations. We have yet to map our sites in the UK and the USA.
2. AIB only has office operations. We do not have production/manufacturing or extractive operations.
3. Source: Company information

SUPPLIERS		2021
	Number	Value
Ireland	1,338	€0.816bn
United Kingdom	561	€0.142bn
United States of America	139	€0.036bn
Rest of the World	90	€0.024bn
TOTAL	2,128	€1.018bn

ACCESSIBILITY	2021	2020	2019
Daily interactions	2.86m	2.57m	1.93m
Mobile interactions	2.6m	2.3m	1.54m
Active on mobile app	1.55m	1.39m	1.3m
Daily Internet Banking logins	115k	115k	90k
ATM transactions	72.7k	84k	199k
Daily branch transactions	44k	39.5k	91.5k
Daily contact centre calls	21.3k	23k	17k
Daily kiosk/tablet logins	8.7k	10.7k	12k

CUSTOMER SATISFACTION	2021	2020	2019	2018	2017
Relationship – Personal RNPS	+27	+25	+34	+35	+21
Relationship – SME RNPS	+22	+25	+20	+24	+19
Transactional – Homes NPS	+50	+45	+53	+50	-
Transactional NPS	+45	+49	+48	n/a	n/a

NOTES:

- Daily interactions include internet banking logins, branch transactions, ATM interactions, contact centre calls, Kiosk logins and mobile interactions. Mobile interactions include quick balance checks and logins. In previous years, when a customer completed a quick balance check followed by a full login to mobile banking within a short period of time this was counted as one interaction, however since 2020 this is counted as two interactions.
- NPS is Net Promoter Score. 2021, 2020 and 2019 are aggregated yearly scores, whereas 2018 and 2017 are Q4 scores. Transactional Net Promoter Score (NPS) is an aggregation of 20 Homes, Personal, SME, Digital, Retail, Direct and Day-to-Day Banking journeys
- Source: Company information