

Base Prospectus dated 16 September 2022



AIB Group plc

(a company incorporated with limited liability in Ireland)

U.S.\$10,000,000,000

Global Medium Term Note Programme

AIB Group plc (the “Issuer”) may from time to time issue Notes denominated in such currencies as may be agreed with the Dealers specified in this base prospectus (the “Base Prospectus”) (each a “Dealer” and together the “Dealers”, which expression shall include any additional Dealers appointed under the U.S.\$10,000,000,000 Global Medium Term Note Programme described in this Base Prospectus (the “Programme”) from time to time, which appointment may be for a specific issue or on a continuing basis). The Notes may be issued as unsubordinated obligations of the Issuer (“Senior Notes”) or as subordinated obligations of the Issuer (“Subordinated Notes”, together with the Senior Notes, the “Notes”). The Notes may be issued on a continuing basis to one or more of the Dealers. The Notes will have maturities of not less than twelve months from the date of issue. Subject as set out herein, the maximum aggregate nominal amount of all Notes from time to time outstanding will not exceed U.S.\$10,000,000,000 (or its equivalent in other currencies at the time of agreement to issue, subject as further set out herein).

Factors which may affect the Issuer’s ability to fulfil its obligations under Notes issued under the Programme and factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are set out in “Risk Factors”.

This Base Prospectus has been approved by the Central Bank of Ireland (the “Central Bank”), as competent authority under Regulation (EU) 2017/1129 (the “Prospectus Regulation”). The Central Bank only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of either the Issuer or the quality of the Notes that are the subject of this Base Prospectus and investors should make their own assessment as to the suitability of investing in the Notes. Such approval relates only to the Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments (as amended, “MiFID II”), to the extent that such amendments have been implemented in the relevant Member State of the European Economic Area. Application has been made to the Irish Stock Exchange plc, trading as Euronext Dublin (“Euronext Dublin”) for Notes issued under the Programme for the period of 12 months from the date of the approval of the Base Prospectus by the Central Bank to be admitted to the official list of Euronext Dublin (the “Official List”) and to trading on its regulated market. No assurance can be given that such an application to list and trade the Notes will be accepted. A&L Listing Limited is acting solely in its capacity as listing agent in connection with the Notes and is not itself seeking admission of the Notes to the Official List or to trading on its regulated market for the purposes of the Prospectus Regulation.

Notes which are admitted to the Official List are referred to herein as “Listed Notes”. Notice of the aggregate principal amount of, interest (if any) payable in respect of, the issue price of and any other terms and conditions not contained herein which are applicable to each Tranche (as defined under “Description of the Programme”) of Notes will be set forth in a set of final terms (the “Final Terms”) which, with respect to the Listed Notes, will be delivered to Euronext Dublin on or before the date of issue of such Tranche. Unlisted Notes and Notes listed on other or additional stock exchanges may also be issued. Any Final Terms in respect of unlisted Notes will not constitute final terms for the purposes of the Prospectus Regulation.

Notes issued under the Programme are not guaranteed by the Minister for Finance of Ireland or any other person or entity.

Amounts payable under the Notes may be calculated by reference to EURIBOR, SONIA and SOFR as specified in the relevant Final Terms and each as defined under “Description of the Notes”. As at the date of this Base Prospectus, European Money Markets Institute (as administrator of EURIBOR) appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (the “ESMA”), pursuant to Article 36 of Regulation (EU) 2016/1011 (as amended, the “EU Benchmarks Regulation”). As at the date of this Base Prospectus, the administrators of SONIA and SOFR do not appear on ESMA’s register of administrators and benchmarks pursuant to Article 36 of the EU Benchmarks Regulation. As far as the Issuer is aware, SONIA and SOFR do not fall within the scope of the EU Benchmarks Regulation.

Notes that are sold in the United States to “qualified institutional buyers” (each, a “QIB”) within the meaning of Rule 144A (“Rule 144A”) under the Securities Act (“Restricted Notes”) will initially be represented by a permanent registered global certificate (each a “Restricted Global Note”), which may be deposited on the relevant issue date with a custodian (the “Custodian”) for, and registered in the name of Cede & Co. as nominee for, The Depository Trust Company (“DTC”). Notes that are sold in an “offshore transaction” within the meaning of Regulation S (“Unrestricted Notes”), will initially be represented by a permanent registered global certificate (each an “Unrestricted Global Note”, and, together with the Restricted Global Notes, the “Global Notes”), which may be deposited on the relevant issue date (a) in the case of a Series intended to be cleared through Euroclear Bank S.A./N.V. (“Euroclear”) and/or Clearstream Banking, SA (“Clearstream”) Clearstream, Luxembourg, with a common depository on behalf of Euroclear and Clearstream, Luxembourg and (b) in the case of a Series intended to be cleared through a clearing system other than, or in addition to, Euroclear and/or Clearstream, Luxembourg, or delivered outside a clearing system, as agreed between the Issuer and the relevant Dealer.

This Base Prospectus will be valid as a base prospectus under the Prospectus Regulation for 12 months from 16 September 2022. The obligation to supplement this Base Prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply following the expiry of that period.

Arranger

J.P. Morgan

Dealers

Barclays

Citigroup

HSBC

UBS Investment Bank

BNP PARIBAS

Goldman Sachs & Co. LLC

Morgan Stanley

BofA Securities

Goodbody

TD Securities

Wells Fargo Securities

This Base Prospectus constitutes a base prospectus for the purposes of the Prospectus Regulation.

For the purposes of this Base Prospectus, “AIB” and the “Group” refer to AIB Group plc and its subsidiaries (including Allied Irish Banks, p.l.c.).

AIB accepts responsibility for the information contained in this Base Prospectus. To the best of AIB’s knowledge, such information is in accordance with the facts and this Base Prospectus makes no omission likely to affect the import of such information.

This Base Prospectus is to be read in conjunction with all the documents which are deemed to be incorporated herein by reference, see “*Documents Incorporated by Reference*”. This Base Prospectus shall be read and construed on the basis that such documents are so incorporated and form part of this Base Prospectus save as provided herein.

The Notes may not be a suitable investment for all investors. Each potential investor in any Notes must determine the suitability of that investment for that investor considering its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;**
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;**
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where the currency for principal or interest payments is different from the potential investor’s currency;**
- (iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets;**
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect the investor’s investment and its ability to bear the applicable risks; and**
- (vi) understand the accounting, legal, regulatory and tax implications of a purchase, holding and disposal of an interest in the relevant Notes.**

Some Notes may be purchased by investors as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in any Notes unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor’s overall investment portfolio.

Fixed/Floating Rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such a feature to convert the interest rate may affect the secondary market in, and the market value of, such Notes. If the Notes are converted from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Notes are converted from a floating rate to a fixed rate, the fixed rate in such circumstances may be lower than then prevailing market rates.

The market values of Notes issued at a substantial discount or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of such securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Though the NGN and NSS allow for the possibility of Notes, which are specified to be issued as New Global Notes, being issued and held in a manner which will permit them to be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations or as eligible under quantitative easing related bond purchase programmes, by the Eurosystem either upon issue or at any or all times during their life, in any particular case, such recognition will depend upon satisfaction of the Eurosystem eligibility criteria at the relevant time. Neither the Arranger, nor the Dealers, nor any of their respective affiliates, nor the Trustee gives any representation as to the eligibility of the Notes pursuant to such Eurosystem eligibility criteria.

Bearer or registered form Global Notes that are deposited with a Common Depositary on behalf of the ICSDs under the classic global note structure are not eligible for Eurosystem purposes. In addition, Notes in definitive form are not eligible for Eurosystem purposes.

To the fullest extent permitted by law, none of the Dealers, the Arranger or the Trustee accepts any responsibility for the contents of this Base Prospectus or for any other statement, made or purported to be made by the Arranger, a Dealer or the Trustee or on its behalf in connection with AIB or the issue and offering of Notes under the Programme. The Arranger, each Dealer and the Trustee accordingly disclaim all and any liability, whether arising in tort or contract or otherwise (save as referred to above), which they might otherwise have in respect of this Base Prospectus or any such statement.

Neither the Dealers nor any of their respective affiliates have authorised the whole or any part of this Base Prospectus and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Base Prospectus or any responsibility for any acts or omissions of AIB or any other person (other than the relevant Dealer) in connection with any issue and offering of the Notes under the Programme.

No person is or has been authorised to give any information or to make any representation other than those contained in this Base Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by AIB, the Arranger or any of the Dealers.

This Base Prospectus is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of AIB, the Arranger, the Dealers or any of their affiliates that any recipient of this Base Prospectus should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary.

Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs the Group since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of AIB and/or the Group since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented. None of the Arranger or the Dealers undertakes to review the financial condition or affairs of AIB or any of its subsidiaries during the life of the arrangements contemplated by this Programme nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Arranger or the Dealers.

MiFID II PRODUCT GOVERNANCE / TARGET MARKET – The Final Terms in respect of any Notes may include a legend entitled “MiFID II Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each Tranche about whether, for the purpose of the MiFID Product Governance Rules under EU Delegated Directive 2017/593 (the “MiFID Product Governance Rules”), any Dealer in respect of the relevant Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MiFIR PRODUCT GOVERNANCE / TARGET MARKET - The Final Terms in respect of any Notes may include a legend entitled “UK MiFIR Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “UK MiFIR Product Governance Rules”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

IMPORTANT – PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97 (the “Insurance Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

IMPORTANT – PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the “UK”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “EUWA”); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “FSMA”) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA (the “UK MiFIR”); or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA (the “UK Prospectus

Regulation”). Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (as amended, the “SFA”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

NOTICE TO CANADIAN INVESTORS

This Base Prospectus constitutes an “exempt offering document” as defined in and for the purposes of applicable Canadian securities laws. No prospectus has been filed with any securities commission or similar regulatory authority in Canada in connection with the offer and sale of any Notes. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon this Base Prospectus or on the merits of any Notes and any representation to the contrary is an offence.

Canadian investors are advised that this document has been prepared in reliance on section 3A.3 of National Instrument 33-105 *Underwriting Conflicts* (“NI 33-105”). Pursuant to section 3A.3 of NI 33-105, this document is exempt from the requirement that the issuer and the underwriters in the offering provide Canadian investors with certain conflicts of interest disclosure pertaining to “connected issuer” and/or “related issuer” relationships as would otherwise be required pursuant to subsection 2.1(1) of NI 33-105.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Base Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal adviser.

The offer and sale of the Notes in Canada is being made on a private placement basis only and is exempt from the requirement that the issuer prepares and files a prospectus under applicable Canadian securities laws. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws, which may vary depending on the relevant jurisdiction, and which may require resales to be made in accordance with Canadian prospectus requirements, in a transaction exempt from the prospectus requirements or otherwise under a discretionary exemption from the prospectus requirements granted by the applicable local Canadian securities regulatory authority. These resale restrictions may under certain circumstances apply to resales of the Notes outside of Canada.

The Issuer is not a member institution of the Canada Deposit Insurance Corporation. The liability incurred by the Issuer through the issuance and sale of the Notes is not a deposit. The Issuer is not regulated as a financial institution in Canada.

Upon receipt of this Base Prospectus, each Canadian investor hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the Notes described herein

(including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.

AIB and the Dealers do not represent that this Base Prospectus may be lawfully distributed, or that Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by AIB or the Dealers which would permit a public offering of any Notes or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, Notes may not be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations.

The distribution of this Base Prospectus and the offering or sale of any of the Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Base Prospectus comes are required by AIB, the Arranger and the Dealers to inform themselves about and to observe any such restrictions.

If a jurisdiction requires that an offering of Notes be made by a licensed broker or dealer and any Dealer or any affiliate of a Dealer is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Dealer or such affiliate on behalf of AIB in such jurisdiction.

Certain of the Dealers may not be U.S. registered broker-dealers and accordingly will not effect any offers or sales of any Notes in the United States unless it is through one or more U.S. registered broker-dealers as permitted by applicable securities laws and the regulations of the Financial Industry Regulatory Authority.

In the case of any Notes which are to be admitted to trading on a regulated market within the EEA or offered to the public in a Member State of the EEA in circumstances which require the publication of a prospectus under the Prospectus Regulation, the minimum specified denomination shall be at least €100,000 (or its equivalent in any other currency as at the date of issue of the Notes).

The Notes have not been and will not be registered under the United States Securities Act of 1933 (the "Securities Act"). Subject to certain exemptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons (as defined in Regulation S under the Securities Act ("Regulation S")). For a description of certain restrictions on offers and sales of Notes and on distribution of this Base Prospectus, see "*Plan of Distribution*".

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S and, in the case of Registered Notes, within the United States to QIBs in reliance on Rule 144A. Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of these and certain further restrictions on offers, sales and transfers of Notes and distribution of this Base Prospectus see "*Plan of Distribution*" and "*Transfer Restrictions*".

The Notes have not been approved or disapproved by the U.S. Securities and Exchange Commission, any State securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of Notes or the accuracy or the adequacy of this Base Prospectus. Any representation to the contrary is a criminal offence in the United States.

All references in this document to “Ireland” are to the Republic of Ireland, those to the “United Kingdom” or “UK” are to the United Kingdom of Great Britain and Northern Ireland, those to the “United States” or “U.S.” are to the United States of America, those to a “Member State” are references to a Member State of the EEA.

This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of AIB or the Dealers to subscribe for, or purchase, any Notes.

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) acting as the Stabilisation Manager(s) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

ENFORCEABILITY OF JUDGMENTS

AIB is a company organised under the laws of Ireland. All of the directors and executive officers of AIB are non-residents of the United States, and all or a substantial portion of the assets of AIB and such persons are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon AIB or such persons or to enforce against any of them in the United States courts judgments obtained in United States courts, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any State or territory within the United States.

TABLE OF CONTENTS

| | <u>Page</u> |
|----------------------------------------------------------------------------|-------------|
| OVERVIEW | 9 |
| RISK FACTORS | 13 |
| DOCUMENTS INCORPORATED BY REFERENCE | 57 |
| SUPPLEMENTARY INFORMATION | 59 |
| PRESENTATION OF INFORMATION | 60 |
| USE OF PROCEEDS | 63 |
| CAPITALISATION AND INDEBTEDNESS | 64 |
| INFORMATION ON AIB | 66 |
| SIGNIFICANT SHAREHOLDERS | 80 |
| MANAGEMENT | 81 |
| SELECTED CONSOLIDATED HISTORICAL FINANCIAL AND OPERATING INFORMATION | 83 |
| OPERATING AND FINANCIAL REVIEW AND RISK MANAGEMENT | 89 |
| CAPITAL | 95 |
| SUPERVISION AND REGULATION | 98 |
| TAXATION | 108 |
| DESCRIPTION OF THE PROGRAMME | 123 |
| DESCRIPTION OF THE NOTES | 124 |
| DESCRIPTION OF THE NOTES IN GLOBAL FORM | 174 |
| PLAN OF DISTRIBUTION | 177 |
| TRANSFER RESTRICTIONS | 184 |
| LEGAL MATTERS | 186 |
| INDEPENDENT AUDITORS | 187 |
| APPLICABLE FINAL TERMS | 188 |
| GENERAL INFORMATION | 201 |
| DEFINITIONS | 203 |
| GLOSSARY OF TECHNICAL TERMS | 210 |

OVERVIEW

The following overview is qualified in its entirety by the remainder of this Base Prospectus.

| | |
|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Issuer: | AIB Group plc |
| Description: | Global Medium Term Note Programme |
| Size: | Up to U.S.\$10,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time. |
| Arranger: | J.P. Morgan Securities LLC |
| Dealers: | Barclays Capital Inc. BNP Paribas Securities Corp. BofA Securities, Inc. Citigroup Global Markets Inc. Goldman Sachs & Co. LLC Goodbody Stockbrokers UC HSBC Securities (USA) Inc. J.P. Morgan Securities LLC Morgan Stanley & Co. LLC TD Securities (USA) LLC UBS Securities LLC Wells Fargo Securities, LLC |
| | The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Base Prospectus to “Permanent Dealers” are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to “Dealers” are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches. |
| Trustee: | BNY Mellon Corporate Trustee Services Limited |
| Paying Agent: | The Bank of New York Mellon, London Branch |
| New York Paying Agent: | The Bank of New York Mellon |
| Method of Issue: | The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a “Series”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a “Tranche”) on the same or different issue dates. The specific terms of each Tranche (which will be completed, where necessary, with the relevant terms and conditions and, |

save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be completed in the final terms (the “Final Terms”).

Issue Price:

Notes may be issued at their nominal amount or at a discount or premium to their nominal amount.

Form of Notes:

The Notes may be issued in registered form only. Notes of a series will initially be represented by a global note or global notes in fully registered form (“Global Notes”).

Clearing Systems:

DTC, Clearstream, Luxembourg, Euroclear and, in relation to any Tranche, such other clearing system as may be agreed between the Issuer, the Trustee and the relevant Dealer.

Initial Delivery of Notes:

On or before the issue date for each Tranche, the Global Notes representing Notes may be deposited with a common depository for Euroclear and Clearstream, Luxembourg. Global Notes may also be deposited with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Paying Agent, the Trustee and the relevant Dealer. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of nominees or a common nominee for such clearing systems.

Currencies:

Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer and the relevant Dealers.

Maturities:

Subject to compliance with all relevant laws, regulations and directives, any maturity greater than 12 months.

Specified Denomination:

Notes will be in such denominations as may be specified in the relevant Final Terms save that in the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in an EEA State in circumstances which require the publication of a prospectus under the Prospectus Regulation, in which case the minimum specified denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Notes).

Fixed Rate Notes:

Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.

Floating Rate Notes:

Floating Rate Notes will bear interest determined separately for each Series as follows:

- (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. or

- (ii) screen rate determination by reference to SONIA, SOFR, EURIBOR, or other specified reference rate, as adjusted for any applicable margin.

Interest periods will be specified in the relevant Final Terms.

Zero Coupon Notes:

Zero Coupon Notes (as defined in “*Description of the Notes*”) may be issued at their nominal amount or at a discount to it and will not bear interest.

Interest Periods and Interest Rates:

The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Final Terms.

Redemption:

The relevant Final Terms will specify the basis for calculating the redemption amounts payable.

Optional Redemption:

The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the holders, and if so the terms applicable to such redemption.

Status of Notes:

The Senior Notes will constitute unsubordinated and unsecured obligations of the Issuer and Subordinated Notes will constitute subordinated obligations of the Issuer, each as described in “*Description of the Notes—Status of Senior Notes*” and “*Description of the Notes—Status and Subordination of Subordinated Notes*”.

Negative Pledge:

None

Cross Default:

None

Ratings:

Tranches of Notes will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will be specified in the relevant Final Terms.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Early Redemption:

Except as provided in “—*Optional Redemption*” above, Notes will be redeemable at the option of the Issuer prior to maturity (i) for tax reasons; (ii) upon a Capital Disqualification Event in respect of Subordinated Notes; and (iii) upon a Loss Absorption Disqualification Event, in respect of Loss Absorption Notes except where “Loss Absorption Disqualification Event Redemption” is expressly specified to be not applicable to such Notes. See “*Description of the Notes—Redemption for Tax Reasons*”, “*Description of the Notes—Capital Disqualification Event Redemption of Subordinated Notes*” and “*Description of*

the Notes—Loss Absorption Disqualification Event Redemption of Loss Absorption Notes”, respectively.

Withholding Tax:

All payments of principal and interest in respect of the Notes will be made free and clear of withholding taxes of Ireland, as the case may be, unless the withholding is required by law. In such event, the Issuer shall, subject to customary exceptions, pay such additional amounts as shall result in receipt by the Noteholder of such amounts as would have been received by it had no such withholding been required, all as described in “*Description of the Notes—Payment of Additional Amounts*”.

Governing Law:

State of New York, except for (i) the subordination provisions in respect of the subordination and ranking of each series of Subordinated Notes, (ii) the waiver of set-off provisions of each series of Subordinated Notes and, if so specified in each such series, of such series of Senior Notes, and (iii) the Irish Statutory Loss Absorption provisions shall, in each case, be governed by and construed in accordance with the laws of Ireland. See “*Description of the Notes—Governing Law*”.

By acquiring the Notes each Noteholder acknowledges and accepts the non-exclusive jurisdiction of the courts of Ireland in connection with any legal suit, action or proceeding arising out of or based upon the application of any Irish Statutory Loss Absorption Powers.

Listing and Admission to Trading:

Application has been made to list the Notes issued under the Programme on the Official List and to admit them to trading on Euronext Dublin or as otherwise specified in the relevant Final Terms and references to listing shall be construed accordingly. As specified in the relevant Final Terms, a Series of Notes may be unlisted.

Selling Restrictions:

The United States, the EEA, the United Kingdom, Ireland, Italy, Japan, Canada, Hong Kong and Singapore. See “*Plan of Distribution*”.

The Issuer is Category 2 for the purposes of Regulation S and may rely on Rule 144A for sales to QIBs in the United States.

RISK FACTORS

Investing in the Notes involves certain risks. If any of the risks described below materialise, the Group's business, financial condition and results of operations could suffer, and the trading price and liquidity of the Notes could decline, in which case an investor may lose some or all of the value of its investment. The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but it may be unable to pay interest, principal or other amounts on or in connection with Notes for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive.

Words and expressions defined under "Description of the Notes" or elsewhere in this Base Prospectus have the same meanings in this section.

Macro-economic and Geopolitical Risks

1 *The Group's business may be adversely affected by any deterioration in Irish, UK or global economic conditions*

The Group's business activities are almost entirely based in the Irish and UK markets. Deterioration in the performance of the Irish economy or in the EU, the UK and/or other relevant economies has the potential to affect adversely the Group's overall financial condition and performance. Such deterioration could result in reductions in business activity, lower demand for the Group's products and services, reduced availability of credit, increased funding costs, and decreased asset values, including property prices.

Ireland is a small open economy which could be adversely affected by deterioration in UK or global economic conditions or an external economic shock. Continued inflationary pressures, combined with a slowdown in economic growth and the potential for a recession in the UK or globally, could exacerbate an already severe downturn. Moreover, future changes in taxation policy and other tax measures introduced by international organisations such as the OECD and/or EU and adopted by the Irish or UK Governments, could also result in the loss of new, and some existing, foreign direct investment. This may also lead to lower activity in the wider economy (for example, consumer spending, tax revenues, etc.), slower growth in new lending and some deterioration in the quality of loan portfolios among Irish banks, including AIB (see Risk Factor 5 "*The Group may be adversely affected by the budgetary and taxation policies of the Irish, UK and other governments through changes in taxation law and policy*"). No assurance can be given that the Irish economy or the Group's business, financial condition, operating results and prospects would remain immune to any such external deterioration or shock.

A deterioration in the economic and market conditions in which the Group operates could negatively impact the Group's income, lead to higher expected credit losses and put additional pressure on the Group to more aggressively manage its cost base. This could have negative consequences for the Group to the extent that strategic investments are de-scoped or de-prioritised and could increase operational risk. Market conditions are also impacted by the competitive environment in which the Group operates.

2 *Geopolitical developments, particularly in Europe, the United States and elsewhere, could have repercussions that could have a negative impact on global economic growth, disrupt markets and adversely affect the Group*

Recent geopolitical developments, in particular related to the Russia/Ukraine conflict, have given rise to significant market volatility and are having an adverse impact on economic growth and performance globally.

Uncertainty regarding the global economic outlook is likely to remain elevated in the short to medium term. The confluence of geopolitical risks, including the consequences of Brexit (see Risk Factor 4 “—*The consequences of the UK’s withdrawal from the EU could lead to a deterioration in market and economic conditions in the UK and Ireland, which could adversely affect the Group’s business, financial condition, results of operations and prospects*”), tax policy (see Risk Factor 1 “—*The Group’s business may be adversely affected by any deterioration in Irish, UK or global economic conditions*”) and the rise in protectionism in the context of the progression of the COVID-19 pandemic (see Risk Factor 3 “—*The Group’s business has been and will continue to be adversely affected by the economic and social impact of policies designed to contain the spread of COVID-19 in the Group’s core markets*”) has added to this uncertainty.

The increase in sovereign borrowing, necessitated by the fiscal policy support measures introduced in response to the pandemic, have added to pre-existing elevated public debt burdens in many economies. In addition, there has been an extended period of loose financial conditions and rising asset prices (including residential real estate) with record levels of high yield corporate bond issuance and leveraged loans. The war in Ukraine, and the possibility of further adverse economic consequences of the conflict, may act as a trigger for a reassessment of corporate and sovereign risk by market participants leading to further sharp re-pricing of financial assets and a rise in risk premia. A more protracted and severe economic downturn than expected, if coupled with higher sovereign borrowing costs, may result in unsustainable public finances in some Member States of the Eurozone. Furthermore, the supply chain issues arising from the Russia-Ukraine war, alongside the economic impacts that continue to result from COVID-19, have pushed up the prices of a broad range of commodities, with the resulting increase in inflation creating further challenges for monetary authorities and the Group’s customers. Having pre-announced the end of the prolonged period of extraordinary monetary accommodation in the latter part of 2021, central banks in developed markets have stepped up the pace of increases in official interest rates in 2022 to help ease inflationary pressures. Central banks will calibrate the policy response to reflect their evolving assessment of the outlook for economic growth. There is a risk that a combination of excessive tightening and worse-than-anticipated economic effects from the Russia-Ukraine war (including, *inter alia*, the impact of the extensive sanctions, trade restrictions etc.) precipitates a recession in parts of the global economy.

Since the start of 2022, the military conflict between the Russian Federation and Ukraine has contributed to increases in the prices of energy, oil and other commodities and to volatility in financial markets globally, as well as a new landscape in relation to international sanctions. The Group continues to closely monitor the situation in Ukraine and the potential impact it may have on the Group’s business. The Group has negligible direct credit exposure to Ukraine, Russia or Belarus and is closely monitoring payment flows. Risk assessments of the key impacts on the Group has identified the key risks as being operationalising complex sanctions regimes, potential for increase in cyberattacks and financial and market risks arising from volatility in asset values, interest rates or foreign exchange markets.

In addition, the emergence of anti-EU and anti-establishment political parties and a rise in separatist and protectionist sentiment across the EU may also give rise to further political instability and uncertainty. Brexit has also resulted in significant volatility within the European political environment, as described in further detail below.

The stability of the power-sharing executive (the “Executive”) in Northern Ireland has been severely tested following disagreement regarding the implementation of the Northern Ireland Protocol (the “Protocol”), which came into force on 1 January 2021 and which provides for a new arrangement between Northern Ireland and the Republic of Ireland following Brexit regarding the movement of goods at the point of entry into the EU’s single market. The resignation of the First Minister (and the automatic departure of the Deputy First Minister) on 3 February 2022 means that the Executive, restored two years ago, can no longer meet and is unable to take significant policy decisions. The ruling Conservative Party in the UK has elected a new leader, Liz Truss, who becomes the fourth Prime Minister since the holding of the referendum on the withdrawal of the UK from the

European Union (EU). It is important that, with the change in leadership, clarity regarding the course of future fiscal and tax policies is established to eliminate uncertainty that impinges on decision-making by households and firms, to the extent that spending and investment plans are delayed or even cancelled, which could adversely impact economic activity.

It is now evident, based on UK Office for National Statistics data, that economic activity in Northern Ireland has recently been outperforming most other regions of the UK. Indeed, recently the National Institute for Economic and Social Research (UK Economic Outlook: A Risky Present, Summer 2022), have attributed this outperformance to the operation of the Protocol. However, the decision to override key parts of the Protocol with the proposed enactment of new legislation through parliament at Westminster has raised uncertainty, which, combined with the current political situation in Stormont, may inhibit growth in the region.

Following the Northern Ireland Assembly election on 5 May 2022, the Assembly has been unable to reconvene due to failure to nominate a first and deputy first minister arising from a dispute over the continuation of the Protocol arrangements. There is now uncertainty over the future of existing political structures in Northern Ireland and a risk that civil unrest may occur if a satisfactory resolution of the dispute over the Protocol cannot be reached. The uncertainty resulting from these possible future developments may have an adverse impact on economic conditions in Northern Ireland and the region, which could in turn have an adverse effect on the Group, given its operations there.

In the United States, more globalist policies of the Democrat administration may result in an easing of trade disputes with the EU, although not necessarily with China (given tensions in the recent past over developments in Xinjiang, Hong Kong and Taiwan and cyber-attacks on the United States). Furthermore, it is possible that the United States may adopt a more conciliatory approach to relations with Iran, for example by re-joining the Joint Comprehensive Plan of Action with respect to Iran, which if it does would influence relations between the United States and the EU and may have an impact on economic conditions generally.

Given the trade tensions of recent years and the upheaval caused by the COVID-19 pandemic, a further shift away from globalisation and a focus on more secure local supply chains remains a risk in the medium-term. As Ireland is a highly open economy, with exports and imports comprising a very large proportion of GDP, activity could be adversely affected with knock-on effects on the Group's financial performance and profitability.

The aforementioned geopolitical developments as well as any further developments may adversely affect global economic growth, heighten trading tensions and disrupt markets, which could in turn have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

3 The Group's business has been and will continue to be adversely affected by the economic and social impact of policies designed to contain the spread of COVID-19 in the Group's core markets

The spread of a novel strain of coronavirus (i.e. COVID-19) from late December 2019 onwards proceeded at such a rapid pace that by March 2020, the World Health Organization ("WHO") declared COVID-19 to be a global pandemic precipitating a public health crisis in Ireland and in the Group's other core markets. The initial stage of the pandemic was marked by episodes of financial market volatility, and a sharp decline in economic activity arising from measures introduced by various governments in the markets in which the Group operates, to reduce the spread of COVID-19. This resulted in widespread closure of companies and steep rises in the level of unemployment.

Nonetheless, over time businesses, households and policymakers have learnt to adapt to the pandemic environment such that the re-introduction of social mobility restrictions to counter subsequent waves of new infections have had a much smaller economic impact. Experience has shown that economies have bounced back relatively quickly, with minor economic 'scarring', following the lifting of restrictions on social mobility. For

example, according to official data from national statistics authorities, economic output returned to pre-pandemic levels in the second quarter of 2021 in both Ireland and the U.S. (fourth quarter of 2021 in the Euro Area) while the UK exceeded this threshold in the first quarter of 2022. Labour markets in Ireland and the Euro Area have recovered quicker than expected though in its March 2022 Economic and Fiscal Outlook, the Office for Budget Responsibility do not expect employment in the UK to recover to more normalised (pre-pandemic) levels until the third quarter of 2023.

According to the Economic and Social Research Institute (“ESRI”) Quarterly Economic Commentary (Summer 2022) Modified Domestic Demand is projected to grow by 4.4 per cent. during 2022 and 3.7 per cent. for 2023 (this measure removes many of the distortions arising from the activities of multinational firms located in Ireland and is a better gauge of underlying economic performance than GDP in an Irish context). These forecasts represent a further downward revision to the outlook compared to ESRI’s previous commentary, reflecting, *inter alia*, the growing problem of high inflation coupled with uncertainty surrounding the conflict in Ukraine on global and domestic economies. Furthermore, the rise in inflation is presenting significant challenges for households in terms of the cost of living. The ESRI note, however, the strong growth performance of the Irish labour market with unemployment continuing to fall and likely to average 5.0 per cent. in 2022 and 4.0 per cent. in 2023. Uncertainty regarding the evolution of the COVID-19 virus nevertheless remains ever-present, with the risk that the impact on health, the global economy and financial markets could become more severe once again if vaccine-resistant strains of the virus emerge, resulting in further health restrictions and closure of parts of the economies that the Group operates in.

The financial stress experienced by customers was eased, to some degree, by a package of measures implemented by the Irish Government. These include *inter alia* the Employment Wage Subsidy Scheme (“EWSS”) which provided a flat-rate subsidy to qualifying employers, based on the number of qualifying employees on the payroll and the Pandemic Unemployment Payment (“PUP”) scheme that exceeded regular welfare benefits. The PUP and EWSS schemes ended in late March and late April 2022, respectively. The financial strains caused by the COVID-19 pandemic on the Group’s core markets have receded with the Group’s expected credit loss estimates.

The permanence of any customer behavioural change as a result of the crisis (i.e., an accelerated move to digital and appetite for different products and services) is not yet fully measurable. The Group has seen much higher levels of usage across its digital channels and significant growth in contactless payments by Irish consumers throughout the crisis.

There is no certainty regarding the duration, severity and lingering effects of the COVID-19 crisis. Any of the factors described above could have a material adverse effect on the Group’s business, financial condition and results of operations in addition to those described above.

For more information on the main risks associated with the COVID-19 pandemic, see Risk Factor 7 “—*The Group is subject to credit risks in respect of customers and counterparties, including risks arising due to concentration of exposures across its loan book, and any failure to manage these risks effectively could have a material adverse effect on its business, financial condition, results of operations and prospects*”; Risk Factor 9 “—*Capital implications to ensure minimum coverage levels on long term NPE exposures due to ECB guidance may continue to negatively impact the Group’s financial condition*”; Risk Factor 12 “—*Constraints on the Group’s access to liquidity and funding, including a loss of confidence by depositors or curtailed access to wholesale funding markets, may result in the Group being required to seek alternative sources of funding markets and/or may result in the Group not being able to meet its obligations as they fall due without incurring unacceptable costs and being required to seek alternative sources of funding*”; Risk Factor 14 “—*The Group faces risks associated with the level of, and changes in, interest rates, as well as certain other market risks*”; and Risk Factor 18 “—*The Group faces operational risks – including information technology, cyber, change, continuity management, outsourcing and cloud computing, products, and property protection and insurance*

risks, which could negatively impact the Group's business, results of operations, financial condition or prospects".

4 *The consequences of the UK's withdrawal from the EU could lead to a deterioration in market and economic conditions in the UK and Ireland, which could adversely affect the Group's business, financial condition, results of operations and prospects*

On 24 December 2020, the UK and the European Union ("EU") agreed to the EU-UK Trade and Cooperation Agreement (the "TCA") in connection with the departure of the UK from the EU (commonly known as 'Brexit'). The TCA became provisionally applicable from 1 January 2021 and was ratified by the European Parliament on 28 April 2021. According to the European Commission, the TCA "sets out preferential arrangements in areas such as trade in goods and in services, digital trade, intellectual property, public procurement, aviation and road transport, energy, fisheries, social security coordination, law enforcement and judicial cooperation in criminal matters, thematic cooperation and participation in Union programmes". However, the TCA does not cover financial services, other than through a general undertaking to ensure the implementation and application of internationally agreed standards in the financial services sector for regulation and supervision, leaving the decisions of "equivalence" and "adequacy" to be determined by each side unilaterally in due course. The TCA does provide for potential future agreements to supplement the TCA and to cover further issues including financial services. There is, however, no guarantee that such equivalence decisions will be issued by the EU or the UK in the future, or that any extensions or renewals of temporary equivalence decisions or similar transitional arrangements will be made by the EU or the UK in the future.

Given the above, the TCA has removed some degree of uncertainty and downside risk for the Irish economy. Nonetheless, this free trade agreement involves far weaker ties between the EU and the UK compared to the Single Market and Customs Union. There remains a risk that Brexit could negatively impact the Group's performance or operations, though such risks are lower than the time prior to the TCA being reached. Trade in both goods and services between the EU and the UK is no longer frictionless and will be more costly. The EU introduced full customs controls from 1 January 2021. The UK Government is phasing in border controls for most imports of goods over 2022.

In the medium to long-run, the negative impact on trade flows, migration and productivity are likely to have implications on output in both of the Group's core markets of Ireland and the UK. The UK's withdrawal from the EU may also lead to a prolonged period of volatility in the pound sterling to euro exchange rates and interest rates and, as a result, adversely affect the competitiveness of certain sectors of the Irish economy. Such volatility may adversely affect AIB's operations.

The UK's withdrawal from the EU may also have an impact on labour market conditions in Ireland. In particular, UK-based financial services providers lost EU passporting rights as of 1 January 2021 and such providers would have to seek an alternative base for their operations and relocate such operations to other jurisdictions, including Ireland, in order to continue to access the EEA market for financial services. Restrictions on mobility of personnel could create difficulties for the Group in recruiting and retaining qualified employees, both in the UK and Ireland. This may result in heightened competition for suitably qualified employees, which could adversely affect the Group's ability to attract and retain employees.

The legal and regulatory position of the Group's operations in the UK may also become uncertain following Brexit. If UK regulatory capital rules diverge from those of the EU, as a result of future changes in EU law which are not mirrored by the UK or vice versa, the Group's regulatory burden may increase, which likely would increase compliance costs.

5 *The Group may be adversely affected by the budgetary and taxation policies of the Irish, UK and other governments through changes in taxation law and policy*

Changes in taxation policy and other tax measures adopted by the Irish or UK Governments, or by international organisations such as the EU, may have an adverse impact on economic activity generally, or on borrowers' ability to repay their loans which may have a material adverse effect on the Group's business, results of operations, financial condition and prospects. For example, the financial performance of the Group may be adversely affected by taxation measures introduced by the Irish Government, such as a change in the current Irish corporation tax rate of 12.5 per cent. As a result of financial support measures in response to the COVID-19 pandemic, governments may consider future changes to budgetary and taxation policies to address the increased burden on public finances, which may have an adverse impact on future economic activity and the Group's business, results of operations, financial condition and prospects. For example, the UK Finance Act 2021 is expected to increase the UK corporation tax rate from 19 per cent. to 25 per cent. with effect from 1 April 2023.

Changes in Irish and UK taxation will arise from the OECD Base Erosion and Profits Shifting ("BEPS") project and in the case of Ireland, the EU Anti-Tax Avoidance Directives ("ATAD"). As regards ATAD, the Irish Finance Act 2021 enacted the ATAD interest limitation rules for accounting periods beginning on or after 1 January 2022. However, the interest limitation rules should not have a material adverse impact on the Group's financial position. In addition, in December 2021, as part of the BEPS project, the OECD published model rules for a global minimum effective corporation tax rate of 15 per cent. and the EU Commission published a draft directive setting out how these model rules should be applied within the EU. Significant uncertainties remain in relation to this proposed regime. If it comes into effect, it may result in an increase in the Group's effective tax rate.

In addition to potential impacts from the OECD BEPS project, ATAD and other international initiatives in recent years could have impacts on economic activity generally. For example, the various international initiatives in relation to the taxation of the digital economy and a global minimum tax on corporate profits, if enacted could have a significant impact on a number of companies with a large presence in Ireland. These and any other similar actions could result in companies relocating from Ireland or deciding to invest in other jurisdictions, which could have an adverse impact on the Irish economy and, as a result, on the Group's business.

Changes in tax legislation or the interpretation of such legislation, regulatory requirements, accounting standards or practices of relevant authorities could also adversely affect the basis for recognition of the value of deferred tax assets. In the UK, for instance, legislation was introduced in 2015 and 2016 to restrict the proportion of a bank's taxable profit that can be offset by certain carried forward losses to 50 per cent. and to 25 per cent., respectively. If similar legislation were to be introduced in Ireland, this could have a further adverse impact on the value of the Group's deferred tax assets, which could adversely affect the Group's business, results of operations, financial condition and prospects. As at 30 June 2022, the Group had €2.899 billion of net deferred tax assets on its statement of financial position, substantially all of which related to unused tax losses. Currently, it is not possible to determine the impact the proposals for a global minimum effective corporation tax rate of 15 per cent. will have on the value of the Group's deferred tax assets.

Risks relating to business

6 *The Group has a material level of criticised loans and non-performing exposures on its statement of financial position and there can be no assurance that it will continue to be successful in reducing the level of these loans. The management of criticised loans and non-performing exposures also gives rise to risks, including the vulnerability to challenge by customers and/or third parties, re-default, changes in the regulatory regime, further losses,*

costs and the diversion of management attention and other resources from the Group's business

The Group has a material level of criticised loans and non-performing exposures (“NPEs”), which are defined as loans requiring additional management attention over and above that normally required for the loan type. Criticised loans are accounts of lower quality and include “criticised watch” and “criticised recovery”, and NPEs are accounts which have defaulted. As at 30 June 2022, total criticised loans amounted to €4.0 billion, of which €1.8 billion were “criticised watch” and €2.2 billion were “criticised recovery” (31 December 2021: €4.5 billion, of which €2.1 billion were “criticised watch” and €2.4 billion were “criticised recovery”). In addition, the Group had a further €2.4 billion in NPEs on its balance sheet representing 4.2 per cent. of total gross loans to customers, compared to €3.1 billion as at 31 December 2021 (5.4 per cent. of total gross loans to customers). The Group remains on track to achieve its c. 3 per cent target of total gross loans to customers by 2023. The Group made significant progress by reducing NPEs by €0.7 billion in the first half of 2022, predominately due to the sale of non-performing loan portfolios in long-term default which was completed in the period and accounted for €0.4 billion. The Group's total NPE portfolio of €2.4 billion can be further split between legacy and non-legacy NPEs. Exposures that entered into default prior to 31 December 2018 amount to €0.3 billion or 0.6 per cent. of total gross loans and advances to customers (31 December 2021: €0.9 billion or 1.5 per cent.) and are classified as legacy. The reduction in the period is due to aforementioned non-performing loan portfolio sale and cures. The remaining balances relate to exposures which may form part of alternative recovery strategies. Exposures that have defaulted after 31 December 2018 amount to €2.1 billion or 3.6 per cent. of total gross loans and advances to customers (31 December 2021: € 2.2 billion or 3.8 per cent.) and are classified as non-legacy. These exposures were largely impacted by COVID-19 and spread across all asset classes, however as economic conditions improved, this has led to a €0.1 billion reduction in the period.

Further NPE reduction continues to remain a priority of the Group given the impact of holding NPEs has on the Group's costs, capital requirements and balance sheet resilience. NPEs are defined by the EBA to include material exposures which are more than 90 days past due and/or exposures in respect of which the debtor is assessed as unlikely to pay its credit obligations in full without realisation of collateral, regardless of the existence of any past due amount or the number of days the exposure is past due.

The Group has been proactive in managing its criticised loans and NPEs, in particular through restructuring activities and the Mortgage Arrears Resolution Process that was introduced in order to comply with the Central Bank's Code of Conduct on Mortgage Arrears. The management of criticised loans and NPEs also gives rise to risks, including the protracted resolution of NPEs, increased levels of re-default, and the diversion of management attention and other resources from the business. Any of the foregoing risks could have a material adverse effect on the Group's business, financial condition and results of operations. While the Group has made significant progress in reducing the level of NPE, the impact of the volatility in economic conditions will continue to be closely monitored throughout 2022. The macroeconomic outlook for 2022 remains challenging, due to inflationary pressures, rising interest rates and supply chain issues globally and as a result there can be no assurance that the Group will continue to be successful in reducing the level of its criticised loans and NPEs.

7 The Group is subject to credit risks in respect of customers and counterparties, including risks arising due to concentration of exposures across its loan book, and any failure to manage these risks effectively could have a material adverse effect on its business, financial condition, results of operations and prospects

Risks arising from changes in credit quality and the recoverability of loans and other amounts due from customers and counterparties are inherent in a wide range of the Group's businesses. In addition to the credit

exposures arising from loans to individuals, small and medium size enterprises (“SMEs”) and corporates, the Group also has exposure to credit risk arising from loans to financial institutions, its trading portfolio, investment securities, derivatives and from off-balance sheet guarantees and commitments including potential obligations due to membership of AIB under certain card schemes. Due to the nature of its business, the Group has extensive exposure to the Irish property market, both because of its mortgage lending activities and its property and construction loan book. Accordingly, any development that adversely affects the Irish property market could have a significant impact on the Group.

As at 30 June 2022, based on geographic concentration of gross loans and advances to customers, 77 per cent. of the Group’s loans and advances to customers were in the Republic of Ireland, 14 per cent. in the UK and 9 per cent. in other jurisdictions. Also, as at 30 June 2022, residential mortgages represented 50 per cent. of gross loans (i.e., loans comprising of all capital outstanding and interest accrued prior to the deduction of impairment charges) and advances to customers.

The Group’s monitoring of its loan portfolio is dependent on the effectiveness, and efficient operation, of its processes including credit grading and scoring systems and there is a risk that these systems and processes may not be effective in evaluating credit quality. If the Group is unable to manage its credit risk effectively, its business, results of operations, financial condition and prospects could be materially adversely affected.

Despite the backdrop of ongoing economic uncertainty, the Group disclosed a net credit impairment writeback of €309 million for the six months ended 30 June 2022. The key drivers of the ECL writeback in the period were due to post model adjustment releases, robust credit quality resulting in repayments and updated macroeconomic scenarios and weightings applied at 30 June 2022, which led to releases predominately reflecting improvements in the Republic of Ireland’s unemployment rate. Asset quality remains a priority as the Group continues to carefully manage the loan portfolio, particularly those sectors impacted by inflationary pressures and rising interest rates. The Group continues to believe that the ECL approach remains conservative, forward looking and comprehensive.

8 *Loan-to-value (“LTV”)/Loan-to-income (“LTI”) related regulatory restrictions on residential mortgage lending may restrict the Group’s mortgage lending activities and balance sheet growth generally*

In 2015, the Central Bank imposed residential mortgage restrictions on Irish residential mortgage lending, under the LTV/LTI Regulations, which include LTV rules which set a minimum deposit requirement for the purchase of property, and LTI rules which set a maximum residential mortgage value which could be borrowed, measured against the borrower’s gross salary. Specific LTV and LTI limits were introduced for purchasers of their principal dwelling home including separate rules for first-time buyers, as well as those purchasing Buy-to-Let properties. These macro-prudential measures are subject to annual review by the Central Bank. The Group was compliant across all LTV and LTI regulatory limits in 2021.

The Group’s risk appetite has evolved as a result of the COVID-19 pandemic with the ongoing cautious approach to customers in 'high impact sectors', particularly as Government supports are fully withdrawn, coupled with the increasing inflationary environment and rising interest rates. This has resulted in tightened credit management relating to net disposable income parameters within Credit Policy. The Group will ensure regulatory compliance with Central Bank macro-prudential limits, by prioritising consistent and fair customer outcomes over maximising the usage of these limits.

The Group needs to ensure that it dedicates sufficient resources, and has the necessary procedures and controls in place, to ensure that the exception levels permitted under the regulations are monitored and not breached. These restrictions may adversely affect the level of new mortgage lending the Group can undertake and the

costs of administering its residential mortgage lending, and hence may have a material adverse effect on its business, results of operations, financial condition and prospects.

9 *Capital implications to ensure minimum coverage levels on long term NPE exposures due to ECB guidance may continue to negatively impact the Group's financial condition*

The ECB published guidance to banks on NPEs in March 2017. The ECB's objective in issuing the guidance was to drive strategic and operational focus on the reduction of NPEs, together with further harmonisation and common definitions of NPEs and forbearance measures. The ECB published the "Addendum to the ECB Guidance to banks on non-performing exposures: supervisory expectations for prudential provisioning of non-performing exposures" in March 2018, which proposed the phasing in of stricter provisioning or capital guidance in any future Group Supervisory Review and Evaluation Process ("SREP") if the Group does not continue to execute its NPEs deleveraging strategy. On 4 April 2019, the European Council adopted a "prudential backstop" for NPEs complementing the existing prudential rules (which was subsequently revised in August 2019). The purpose of this requirement is to ensure sufficient coverage for NPEs which could require the Group to have higher provision coverage for NPEs in the future or make a deduction from own funds and given the quantum of NPEs currently on the Group's balance sheet this could have a material impact on the financial condition or results of operations. As a result of the SREP guidance, the Group incurred a €93 million CET1 deduction at 30 June 2022 (31 December 2021: €136 million) which reflects the difference between the SREP recommended minimum coverage levels on long term NPE exposures and the International Financial Reporting Standard ("IFRS") 9 ECL NPE cover. Continued delivery of the Group's NPE strategy is key to minimising the impact on capital throughout the second half of 2022 and into 2023.

10 *The Group is subject to credit risks arising due to the impact of climate change on the Group's customers such as extreme weather events and the transition to a low carbon economy*

Climate risk impacts in terms of the increasing incidence of extreme and unseasonal weather conditions may impact certain sectors in the short-term, for example, the agricultural sector. The impact of a longer-term transition to a low carbon economy may also have an impact on certain sectors (for example extraction industry sectors such as oil, gas and mining). The Group continues to adapt its credit risk management processes and policies to capture environmental, social, and governance ("ESG") risks, including key steps taken throughout 2021 such as a heat mapping exercise to scale individual sub-sector exposures to levels of climate change and environmental risks.

The Group currently has limited exposure to what would be considered "carbon intensive sectors" within the exploration and extraction sectors; however, the impact of climate change on the Group's overall portfolio continues to be closely monitored. For example, the impact of climate risk was considered as part of the ECL governance process for the position as at 31 December 2021, and the Group determined that insufficient evidence of the likely loss impacts from climate events was available to adjust ECLs materially and that the Group's approach to individual counterparty risk assessment adequately captures climate risk where appropriate. However, the impact of climate risk continues to be monitored, and any such future impact could have a material adverse effect on the Group's financial condition or results of operations.

11 *The Group may have insufficient capital to meet increased minimum regulatory requirements or to support its business, which could negatively impact its business, results of operations, financial condition or prospects*

The Group aims at all times to comply with all regulatory capital requirements and to ensure that it has sufficient capital to cover the current and future risk inherent in their business and to support its future development. Failure to maintain adequate levels of capital and meet minimum regulatory requirements may threaten the viability of the Group and may trigger actions by management (under management's recovery plan for the

purposes of the Banking Recovery and Resolution Directive (Directive 2014/59/EU as amended by way of Directive (EU) 2019/879 (“BRRD II”) (as so amended, the “BRRD”) or the resolution authority (under relevant provisions of the BRRD) to restore the Group to viability which may impact the Group’s operations and/or results from financial operations. A lack of sufficient capital to conduct its business activities or meet its minimum capital requirements could ultimately lead to the resolution and/or insolvency of the Group.

The Group is subject to minimum capital requirements as set out in Capital Requirements Directive IV (Directive 2013/36/EU) (“CRD IV”), the Capital Requirements Directive V (Directive (EU) 2019/878) (“CRD V”), which includes amendments to CRD IV (as so amended, “CRD”), and implemented under the Single Supervisory Mechanism (“SSM”). AIB’s minimum capital requirement is currently set at 14.77 per cent., comprising a Pillar 1 requirement of 8.00 per cent., Pillar 2 requirement (“P2R”) of 2.75 per cent. (of which 1.55 per cent. must be held in Common Equity Tier 1 (“CET1”)), a Capital Conservation Buffer (“CCB”) of 2.50 per cent., an Other Systemically Important Institutions (“O-SII”) buffer of 1.50 per cent. and a Countercyclical Capital Buffer (“CCyB”) of 0.01 per cent. In addition, the reintroduction of the CCyB has been announced in both the UK and ROI. In the UK, a rate of 1 per cent (0.15 per cent Group requirement) will apply from December 2022 and 2 per cent (0.35 per cent Group requirement) in December 2023. In ROI, a rate of 0.5 per cent. will apply in 2023 (0.35 per cent. Group requirement) while the Central Bank of Ireland has advised a full reintroduction at 1.5 per cent (1.05 per cent. Group requirement) may be announced in mid-2023 (effective 2024) should “macro-financial conditions evolve consistent with the central economic outlook”.

As a result of these and other regulatory requirements, banks in the EU have been, and could continue to be, required to increase the quantity and the quality of their regulatory capital. Regulators in other jurisdictions may in future increase CCyB or other buffer requirements on banks, such as a systemic risk buffer.

Given this regulatory context and the levels of uncertainty in the current economic environment, there is a possibility that the economic output over the Group’s capital planning period may be materially worse than expected and/or that losses on the Group’s credit portfolio may be above forecast levels. Were such losses to be significantly greater than currently forecast, or capital requirements for other material risks, such as operating or financial risks, to increase significantly, there is a risk that the Group’s capital position could be eroded to the extent that it would have insufficient capital to meet all or some of its regulatory requirements and expectations and to support the current and future risk inherent in its business and its future development.

In addition to the minimum capital requirements as set out in CRD, the Group’s capital position may also be impacted by other regulatory processes, such as the ECB’s Targeted Review of Internal Models (“TRIM”) process and calendar provisioning which is a SREP recommendation to ensure minimum coverage levels on long term NPE exposures. The difference between the SREP recommended coverage levels and the IFRS 9 ECL coverage is taken as a CET1 deduction of €93 million as at June 2022.

12 *Constraints on the Group’s access to liquidity and funding, including a loss of confidence by depositors or curtailed access to wholesale funding markets, may result in the Group being required to seek alternative sources of funding markets and/or may result in the Group not being able to meet its obligations as they fall due without incurring unacceptable costs and being required to seek alternative sources of funding*

Financial/macro-economic/geopolitical volatility is a key risk driver as a negative macro-economic environment can lead to market instability and increased liquidity and funding risk. Consequently, the Group’s ability to monetise assets (marketable and non-marketable assets) without incurring a loss could be compromised amid the market volatility that would exist against such a backdrop.

The Group could be negatively affected by actual or perceived deterioration in the soundness of other financial institutions and counterparties. This risk is sometimes referred to as “systemic risk” and may adversely affect

financial intermediaries, such as clearing agencies, industry payment systems, clearing houses, banks, securities firms and exchanges with whom the Group interacts on a daily basis. This could impact the Group's ability to meet its intraday liquidity requirements as the failure of a market participant to meet its payment, clearing, and settlement obligations can have a material impact on connected counterparties, and ultimately lead to systemic disruption.

The Group has participated in the ECB targeted longer-term refinancing operations scheme, drawing €4 billion in September 2020 and a further €6 billion in June 2021. The objective of the scheme is to support the continued access of firms and households to bank credit in the face of disruptions and temporary funding shortages associated with the COVID-19 pandemic. In addition, the ECB launched a series of additional longer-term refinancing operations called pandemic emergency longer-term refinancing operations ("PELTROs"). These operations provide an effective backstop after the expiry of the bridge longer-term refinancing operations ("LTROs"). There can be no guarantee that the ECB will continue to adopt accommodative monetary policies in the future.

Conditions may arise which would constrain liquidity or funding opportunities for the Group on commercially practicable terms over the longer term. Currently, the Group funds its lending activities primarily from customer accounts. Consequently, a loss of confidence by depositors in the Group, the Irish banking industry or the Irish economy, could ultimately lead to a reduction in the availability and/or increase in the cost of funding or liquidity resources. This could impact the Group's ability to have the necessary resources in place to fund net outflows in the major currencies in which it operates which in turn would put added pressure on cross currency funding.

The Group's funding ratios remain above regulatory minimums. As deposits continue to accumulate, the Group's loan to deposit ratio was 59 per cent. at the end of June 2022 and the Group continues to have strong liquidity metrics (liquidity coverage ratio of 215 per cent. and net stable funding ratio of 164 per cent.).

Concerns around inflation, a slowdown in economic growth, expectations around further tightening of monetary policy, debt sustainability and sovereign downgrades in the Eurozone could impact the Group's deposit base and could impede access to wholesale funding markets, adversely impacting the ability of the Group to issue debt securities or regulatory capital instruments to the market. Furthermore, execution risk in respect of the Group's MREL issuance plan may arise in light of unexpected market volatility. The Group's plans for MREL issuance continue to be reviewed to align to the regulatory requirements regarding the BRRD. In December 2021, the Single Resolution Board ("SRB") determined the MREL for the Group on a consolidated basis at the level of its resolution group as 23.91 per cent. of total risk exposure amount ("TREA") and 7.54 per cent. of Leverage Ratio Exposure ("LRE"), to be met by 1 January 2024. A linear build up is assumed from the current regulatory level of 23.1 per cent. of TREA and 5.91 per cent. of LRE. As at 30 June 2022, the Group had an actual MREL ratio of 30.8 per cent. of TREA, which is in excess of its 1 January 2024 binding target (the Group's current MREL ratio based on LRE of 12.9 per cent is also in excess of the Group's 1 January 2024 intermediate binding).

Like all major financial institutions, the Group is also dependent on the short- and long-term wholesale funding markets for liquidity. A stable and sustainable customer deposit base has allowed the Group to reduce its wholesale funding requirements over the last several years. This, in turn, has facilitated an increase in the Group's unencumbered assets. The Group recognises the restrictions on the transfer of liquidity between jurisdictions and separately monitors asset encumbrance by jurisdiction. The Group has also identified certain management and mitigating actions which could be considered on the occurrence of a liquidity stress event. However, in the unlikely event that the Group exhausted these sources of liquidity it would be necessary to seek alternative sources of funding from monetary authorities.

Financial institutions are still at an early stage of use of big data, machine learning and blockchain technology. There is a risk that developments in the FinTech space and Open Banking could create increased competition for new business and could challenge the Group's ability to retain existing customers. This could impact the Group's ability to maintain pace in its digital services offering to customers and could ultimately lead to a reduction in the availability and/or increase in the cost of funding or liquidity resources.

Unexpected events such as the conflict between Russia and Ukraine and the continuing impact of the COVID-19 pandemic could lead to a material cut in global economic growth. This could lead to a negative impact on supply chains, commodities and a drop in tourism. Consequently, market confidence may falter and this could lead to a reduction in liquidity resources and a loss in liquidity value of marketable assets.

The Group is required to comply with the liquidity requirements of the SSM/Central Bank and also with the requirements of local regulators in jurisdictions in which it operates.

Additional liquidity requirements or guidance and other requirements, whether based on an interpretation of current rules or the application of new rules or guidance being proposed by EU legislators, could be imposed on the Group, including as a result of the SREP carried out under the SSM or stress testing by the ECB and the EBA. Such additional requirements could include a revision of the level of Pillar 2 add-ons as the Pillar 2 add-on requirements or guidance are a point-in-time assessment and therefore subject to change over time, or changes to the combined buffer requirements applicable. Additional liquidity requirements could lead to increased costs for the Group, limitations on the Group's capacity to lend and further restructuring of the Group which could have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Group.

13 *Downgrades to the Issuer's, Ireland's sovereign or other Irish bank credit ratings or outlook could impair the Issuer's access to private sector funding, trigger additional collateral requirements and weaken its financial position*

If sentiment towards financial institutions operating in Ireland, including the Group, were to deteriorate, or if the Group's ratings and/or the ratings of the sector were to be adversely affected, this may have a materially adverse impact on the Group. In addition, any such change in sentiment or further reduction in ratings could result in an increase in the costs of, and a reduction in the availability of, wholesale market funding across the financial sector which could have a material adverse effect on the liquidity and funding of all Irish financial services institutions, including the Group.

As at the date of this Base Prospectus, the Group's long-term senior unsecured debt is rated BBB- (outlook revised to stable from negative) by S&P Global Ratings Europe Limited ("S&P") (from May 2022), A3 from Baa1 (stable outlook) by Moody's Investors Service Limited ("Moody's") (from May 2022) and BBB (outlook revised to stable from negative outlook) by Fitch Ratings Ireland Limited ("Fitch") (from October 2021). Each of S&P and Fitch is registered in accordance with Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (as amended, the "EU CRA Regulation"). Moody's is not established in the European Union but the credit ratings assigned by Moody's are endorsed by Moody's Deutschland GmbH, which is established in the European Union and registered under the EU CRA Regulation.

Any declines in those aspects of the Group's business identified by the rating agencies as significant could adversely affect the rating agencies' perception of the Group's credit and cause them to take negative ratings actions. Any downgrade in the Group's credit ratings could:

- adversely impact the volume and pricing of its wholesale funding and its financial position;

- trigger material collateral requirements or associated obligations in other secured funding arrangements or derivative contracts;
- make ineligible or lower the liquidity value of pledged securities and weaken the Group's competitive position in certain markets;
- restrict its access to the debt capital and funding markets; and
- restrict the range of counterparties willing to enter into transactions with it.

Furthermore, as a consequence of the Group's operations being focused on the Irish market, any downgrade of Ireland's sovereign credit rating or the perception that such a downgrade may occur, would be likely to depress consumer confidence, impair the Group's access to private sector funding, increase its cost of funding and weaken the Group's financial position. In addition, instability within global financial markets might lead to instability in Ireland, which could have a materially adverse impact on the Group's performance.

14 *The Group faces risks associated with the level of, and changes in, interest rates, as well as certain other market risks*

The following market risks arise in the normal course of the Group's banking business: interest rate risk, credit spread risk (including sovereign credit spread risk), foreign exchange rate risk, equity risk and inflation risk. Unexpected events such as conflict between Russia and Ukraine and the COVID-19 pandemic can significantly increase market volatility which may impact and increase the likelihood and effect of any or all of these risks. Such events typically result in a withdrawal of market liquidity and an increase in risk aversion which may result in sharp falls in the prices of assets such as equity and fixed income securities and may lead to capital losses on the Group's trading book and through its fair-valued investment securities in its banking book. See also Risk Factor 3 "*—The Group's business has been and will continue to be adversely affected by the economic and social impact of policies designed to contain the spread of COVID-19 in the Group's core markets*". The Group's earnings are exposed to interest rate risk including basis risk, i.e. an imperfect correlation in the adjustment of the rates earned and paid on different products with otherwise similar repricing characteristics. Elevated inflation can affect the affordability of the Group's products to customers in this way. For example, the announcement from the ECB to raise interest rates in July 2022 due to inflation (with potentially further increases in 2022) could lead to an increase in default or re-default rates among customers with variable rate obligations without sufficient improvements in customers' earning levels. Widening credit spreads could adversely impact the value of the Group's hold-to-collect-and-sell bond positions.

Trading book risks predominantly result from supporting client businesses with small residual discretionary positions remaining. Credit valuation adjustment and funding valuation adjustments to derivative valuations arising from customer activity have potentially the largest trading book derived impact on earnings.

Changes in foreign exchange rates, particularly the euro-sterling rate, affect the value of assets and liabilities denominated in foreign currency and the reported earnings of the Group's non-Irish subsidiaries. Any failure to manage market risks to which the Group is exposed could have a material adverse effect on its business, financial conditions and prospects.

15 *The Group's strategy may not be optimal and/or successfully implemented which may negatively affect the Group's business, results of operations, financial condition or prospects*

The Group reviewed its strategy during 2020 and presented the outcome of its review to the market in December 2020. The review has identified several strategic objectives for its business. The various elements of the Group's strategy may be individually unnecessary or collectively incomplete. The Group's strategy may also prove to be based on flawed assumptions regarding the pace and direction of future change across the banking sector.

The negative effects of the COVID-19 pandemic, coupled with additional demands on the Group's business to manage the impact of customers migrating to AIB due to the exits of KBC and Ulster Bank from the Irish market, may have a more detrimental impact on the Group's resources and ability to implement its strategic objectives than currently assumed, including the integration of acquired businesses and/or loan portfolios. Finally, the Group may not be successful in implementing its strategy in a cost-effective manner. The Group's business, results of operations, financial condition and prospects could be materially adversely affected if any or all of these strategy-related risks were to materialise.

The Group operates in competitive markets in Ireland and the UK, with market share and associated profits depending on a combination of factors including product range, quality and pricing, reputation, brand performance and relative sales and distribution strength, among others.

Medium-term competitive risks include, but are not limited to:

- more intense price-based competition from incumbent providers;
- an increase in the use of intermediaries in the residential mortgage market;
- the emergence of new, lower-cost, competitors in the Irish residential mortgage market, particularly new entrants from the FinTech sector;
- sustained disintermediation of traditional banks, including the Group, from specialist and generalist product lines;
- the internationalisation of supply and demand for low-complexity products such as deposits;
- the successful establishment of virtual banks; and
- the introduction of Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market, which may enable the emergence of payment aggregators, which could in turn significantly reduce the relevance of traditional bank platforms and weaken brand relationships.

In addition, the Central Bank is focused on the promotion of higher levels of competitive intensity in the banking market, in common with regulators in other European jurisdictions. Residential mortgage interest rates in Ireland are higher than Eurozone norms and this, together with the low incidence of switching residential mortgage providers, is an area of focus for the Central Bank. The entry of bank and non-bank competitors into the Group's markets may put additional pressure on the Group's income streams and/or result in pressure to maintain market share, which may lead to reduced pricing and/or increase credit risk, which could have a negative impact on the asset quality of the Group's loan portfolios.

Finally, as at 30 June 2022, the Minister holds a circa 63.49 per cent. shareholding in the Issuer, and through the relationship framework which governs the Group's day to day engagement with the Minister as a shareholder (the "AIB Relationship Framework"), could exert a significant level of influence over the Group. The Minister for Finance has been reducing the State's shareholding in recent months and it has fallen from circa 71 per cent. in March 2022. Under the AIB Relationship Framework, while the authority and responsibility for strategy and commercial policies (including business plans and budgets) and the conduct of the Group's day-to-day operations rests in all cases with the AIB Board and its management team, AIB Group plc, and, where relevant, Allied Irish Banks, p.l.c. ("AIB Bank") are required, in connection with certain specified aspects of the Group's activities, to consult with the Minister. The AIB Relationship Framework also grants the Minister the right, at all times, to nominate up to two non-executive directors for appointment to the AIB Board.

The composition of the Irish Government is subject to change depending on the ability of the Irish Government to arrive at and maintain an agreed position on its programme, policies and actions, the outcome of elections

for the Oireachtas (being the Irish legislature) and support by the Oireachtas for that programme and those policies and actions. Such changes in Irish Government policy may include changes to AIB's Relationship Framework, which could result in a change in Group strategy directly or negatively affect its implementation. See also Risk Factor 5 "*—The Group may be adversely affected by the budgetary and taxation policies of the Irish, UK and other governments through changes in taxation law and policy*" on risks to the Group posed by changes in government budgetary and taxation policy.

16 *Damage to the Group's brand or reputation could adversely affect its relationships with customers, staff, shareholders and regulators, and negatively impact the Group's business, results of operations, financial condition or prospects*

Damage to the Group's brand or reputation could adversely affect its relationships with customers, staff, shareholders and regulators, which may impact on its ability to attract and retain customers and conduct business with counterparties. The Group's relationships with such stakeholders could be adversely affected by any circumstance that causes real or perceived damage to the Group's brands or reputation. In particular, any regulatory investigations (such as the Tracker Mortgage Examination, which resulted in a fine of €96.7 million in June 2022), inquiries, litigation, actual or perceived misconduct or poor market practice in relation to customer-related issues could damage the Group's brands and/or reputation. Any damage to the Group's brand and/or reputation could have a material adverse effect on the Group's business, results of operations, financial conditions or prospects.

Governance, Operations and Internal Controls

17 *The Group may be subject to privacy or data protection failures, cybercrime and fraudulent activity in relation to relevant data subject (i.e. customer) personal data, which could result in investigations by regulators, liability to data subjects and/or reputational damage, which could negatively impact the Group's business, results of operations, financial condition or prospects*

The Group processes significant volumes of personal data relating to relevant data subjects (i.e. customers) (including name, address, identification and banking details) as part of its business, some of which may also be classified under legislation as special category personal data. The Group therefore must comply with strict data protection and privacy laws and regulations, including the European Communities (Electronic Communications Networks and Services) (Privacy and Electronic Communications) Regulations 2011, as amended (the "ePrivacy Regulations"), Regulation 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (the "GDPR") and the Data Protection Act 2018, as amended. The GDPR introduced substantial changes to data protection law, including an increased emphasis on businesses being able to demonstrate compliance with their data protection obligations, which required significant investment by the Group in its compliance strategies. In addition, relevant supervisory authorities are given the power to issue fines of up to 4 per cent. of an undertaking's annual global group turnover or €20 million (whichever is the greater) for failure to comply with certain provisions of the GDPR. The Presidency of the Council of the European Union released revised text of the proposed new ePrivacy Regulation (Regulation concerning the Respect for Private Life and the Protection of Personal Data in Electronic Communications and Repealing Directive 2002/58/EC (Regulation on Privacy and Electronic Communications)) on 6 March 2020.

The Group also faces the risk of a breach in security of its systems, for example, from increasingly sophisticated attacks by cybercrime groups. The Group's data protection policy is part of the Compliance Risk Management Framework and defines the Group's approach to the effective management of its data protection risks. The

policy aims to ensure that the Group complies with the spirit and the letter of all laws, codes and regulations that apply to the Group in relation to data protection and privacy laws. This policy applies to all staff, contractors, consultants, agents or other third parties which have access to personal data either directly or indirectly, in the capacity of a data controller and/or data processor. In addition, the Group continues to enhance security measures to help prevent cybercrime. Notwithstanding such efforts, the Group is exposed to the risk that relevant data subject personal data could be wrongfully appropriated, lost or disclosed, stolen or processed in breach of data protection and privacy laws and regulations including as a result of human error.

The Group relies on remote access services through the internet, or otherwise, by relevant data subjects including customers, employees and third-party service providers, and these services have seen increased use as a result of the COVID-19 pandemic. Failure of any of the foregoing parties to access the Group's systems on a systemic or large-scale basis could impact the Group's ability to operate. Remote access also increases inherent exposure to cybercrime, systems compromises or information leaks, in spite of any information security technology, protocols, policies or other controls which may be in place.

The impact on the Group's Operational Risk profile, arising from the future of work/hybrid remote working arrangement, continues to be assessed. To date any impact on the operational capacity of the Group to deliver services to relevant data subjects has been in line with expectations.

Any of the abovementioned events could result in the loss for the Group of the goodwill of its customers and deter new customers from availing of the services and products provided by the Group, which could have a material adverse effect on the Group's business, financial condition, results of operation and prospects.

18 *The Group faces operational risks – including information technology, cyber, change, continuity management, outsourcing and cloud computing, products, and property protection and insurance risks, which could negatively impact the Group's business, results of operations, financial condition or prospects*

Operational risk is the risk arising from inadequate or failed internal processes, people and systems, or from external events. This includes legal risk but excludes strategic and reputational risk.

Examples of the types of risks that the Group faces in this regard include, but are not limited to:

Change Risk: The Group's strategy will drive change across the organisation. It is critical that this change, and the risks associated with it, is managed in a consistent, effective and appropriate manner. It is essential that not only the risks within a programme or project to implement change are considered, but also the risks that the change may introduce to the wider operational risk profile, both during and after the lifecycle of the change. A lack of a strategic, coordinated and comprehensive approach to managing change could lead to significant business disruption, customer detriment, financial loss or reputational damage.

Continuity & Operational Resilience Risk: The current or prospective risk that critical business services operated by the Group, cannot be maintained or recovered in a timely fashion, in the event of a disruption, could have an adverse effect on the Group's results and on its ability to deliver appropriate customer outcomes or to achieve organisational objectives.

Examples of such events could be the improper functioning of information technology and/or communications systems as a result of technical failures, human error, unauthorised access, cybercrime, natural hazards or disasters, including climate events or similarly disruptive events.

Physical Safety & Property Risk: The Group's provision of products and services are dependent on staff and property infrastructure. The current or prospective risk of the loss or damage to the Group's property assets as well as the safety of staff and customers could affect the performance of these services negatively impacting its business, financial condition or prospects. For example, the Group is reliant on its branch network to distribute

its products and a small number of key locations provide back-office services. Damage to any of these properties could impact the Group's business or result in additional financial costs.

The Group has made a number of changes to how staff and property infrastructure are managed, including the introduction of a hybrid working model for the majority of staff and buildings being suitably configured in line with Government guidelines. If the hybrid working model is not managed appropriately, it could lead to disengagement of staff from on-going activities, ultimately resulting in a diminished service to customers. The on-going situation is kept under review as we return to the office environment.

Products and Proposition Risk: The Group looks to develop appropriate products and propositions. The current or prospective risk resulting from poor risk assessment, inappropriate governance, or inadequate approach to products and propositions at the point of development, introduction, or at through-the-lifecycle reviews could affect the performance of these services. The Group provides products which are covered by consumer protection legislation. A failure to meet regulatory standards in consumer protection and/or customer needs, could result in regulatory sanction and take a significant amount of resources to rectify, such as the Tracker Mortgage Examination. This could have an adverse effect on the Group's results and on its ability to deliver appropriate customer outcomes or to achieve its organisational objectives.

Fraud Risk: The current or prospective fraud risks relate to and may result from the dishonest and false representation by any person, internal, external or third parties including acts or omissions with the intention to make gain or cause loss. This encompasses acts of theft which may be directly from the Group or from the Group's customers. Theft from the Group's customers could result in financial loss and compensation payments and may also result in regulatory sanction, should it be established that the theft was a result of the Group's inadequate internal controls. This could have an adverse effect on the Group's results and on its ability to deliver appropriate customer outcomes or to achieve organisational objectives.

Third Party Risk: The Group outsources a number of activities to outsource service providers and has a wide range of 3rd Party suppliers from which it procures services. The Group relies on a number of these providers for the provision of critical activities in serving customers. If these providers do not perform their services or fail to provide services to the Group or renew their licences with the Group, the Group's business could be disrupted and it could incur unforeseen costs and reputational damage. There is an active Third Party Management process in the Group which manages these risks and looks specifically at on-going performance of suppliers and risks arising from any concentrations that may arise. The Group is engaged with key suppliers to ensure on-going service capacity and any contingency plans are in place. Service from suppliers has remained consistent and in line with previous periods.

Information Security (including Cyber) Risk: The Group faces risk associated with financial loss, disruption or damage to the reputation of the organisation from failure, unauthorised or erroneous use of its information systems.

IT Risk: The Group is reliant on its technical infrastructure for the provision of systems and services to support critical processes and operations. The failure of production infrastructure, applications, networking, storage, information assets and resources, and all supporting components, processes and procedures could have an adverse effect on the Group's ability to deliver services to customers and to achieve organisational objectives.

Data Risk: The Group faces risks associated with failing to appropriately manage and maintain data. This could have an adverse effect on quality or accessibility of the data, resulting in poor decision making and inaccurate or inadequate internal and external reporting.

Legal Risk: The Group faces the risk of sanctions, material financial loss or loss to reputation as a result of failure to comply with new or existing laws, changes to laws, as a result of a defective transaction, disputes or

litigation by or against the Group and failure to take appropriate measures to protect intellectual property and its real estate assets.

The Group maintains insurance policies to cover a number of risk events. These include financial policies (comprehensive crime/computer crime, professional indemnity/civil liability, employment practices liability, and directors' and officers' liability) and a suite of general insurance policies to cover such matters as property and business interruption, terrorism, combined liability and personal accident. There can be no assurance, however, that the level of insurance the Group maintains is appropriate for the risks to its business or adequate to cover all potential claims.

19 *If a poor or inappropriate culture develops across the Group's business, this may adversely impact its performance and impede the achievement of its strategic goals*

The Group must continually develop and promote an appropriate culture that drives and influences the activities of its business and staff and its dealings with customers in relation to managing and taking risks and ensuring risk considerations continue to play a key role in business decisions. It is senior management's responsibility to ensure that the appropriate culture is embedded throughout the organisation. As was demonstrated by many banks during the financial crisis, if an inappropriate culture develops, then a strategy or course of action could be adopted that results in poor customer outcomes. If the Group is unable to maintain an appropriate culture, this could have a negative impact on the Group's business, result of operations, financial condition and prospects.

20 *The Group may be unable to recruit and retain appropriately skilled and experienced management and staff which could have a negative impact on the Group's business, result of operations, financial condition and prospects*

The Group may be unable to recruit and retain appropriately skilled and experienced staff to ensure the stability of the business in the long-term. In particular the Group is restricted in the remuneration it can offer to senior management which creates a risk that the Group may not be able to attract and retain the right skills and experience within key senior management roles. The Group's performance is heavily dependent on the talents and efforts of highly skilled individuals, and the continued ability of the Group to compete effectively and implement its strategy depends on its ability to attract new employees and retain and motivate existing employees.

Competition from within the financial services industry, including from other financial institutions, as well as from businesses outside the financial services industry for key employees is intensifying. The elevated people risk profile, particularly with respect to the recruitment and retention of senior management, is likely to continue for the foreseeable future.

Under the terms of the recapitalisation of the Group by the Irish Government, the Group is required to comply with certain executive pay and compensation arrangements, including a cap on salaries as well as a ban on bonuses and similar incentive-based compensation applicable to employees of Irish banks who have received financial support from the Irish Government. As a result of these restrictions, as well as the limits on certain types of remuneration paid by credit institutions and investment firms set forth in CRD, and in the increasingly competitive markets in Ireland and the UK, the Group may not be able to attract, retain and remunerate highly skilled and qualified personnel, and any such failure to so attract could have a material impact on the Group's financial condition or results of operations.

21 *A deterioration in employee relations could adversely affect the Group’s business, result of operations, financial condition and prospects*

A significant proportion of the Group’s employees are members of trade unions. The Group adheres to established industrial relations mechanisms in each jurisdiction in which the Group operates. The Group seeks to ensure transparency, fairness and collaboration in all its dealings with employees. In the event that the Group becomes subject to industrial action or other labour conflicts, including strikes or other forms of industrial actions, this may lead to a reduced level of service provided by the Group to its customers, which may result in reputational damage impacting its business result of operations, financial condition and prospects.

22 *The Group uses models across many of its activities and if these models prove to be inaccurate, or are used incorrectly then the Group’s management of risk may be ineffective or compromised and/or the value of its financial assets and liabilities may be overestimated or underestimated*

The Group uses models across many, though not all, of its activities including, but not limited to, capital management, credit grading, loan loss provisioning, valuations, liquidity, pricing and stress testing. The Group also uses financial models to determine the fair value of derivative financial instruments, financial instruments through profit or loss, certain hedged financial assets and financial liabilities and financial assets at fair value through other comprehensive income (“FVOCI”). IFRS 9 requires the Group to move from an incurred loss model to an expected loss model, requiring it to recognise not only credit losses that have already occurred but also losses that are expected to occur in the future.

Since the Group uses risk measurement models based on historical observations, there is a risk that it underestimates or overestimates exposure to various risks to the extent that future market conditions deviate from historical experience. Furthermore, as a result of evolving regulatory requirements, the importance of models across the Group’s business has been heightened and their importance may continue to increase, in particular because of reforms introduced by the Basel Committee on Banking Supervision. If the Group fails to identify a model or if the Group’s models do not accurately estimate its exposure to various risks, it may experience unexpected losses. The Group may also incur losses, for example, as a result of decisions made based on inaccuracies in the build or implementation of these models, as a result of poor data quality or an incomplete understanding by users. Model risk levels may also rise as a result of a significantly changing environment, as models are built using historical data. Models are kept under regular review to ensure that they remain representative of the current environment. For example, a model factor selected at development may no longer be a key driver in the current environment.

If the Group’s models are not effective in estimating its exposure to various risks or determining the fair value of its financial assets and liabilities or if its models prove to be inaccurate, its business, financial condition, results of operations and prospects could be materially adversely affected.

The Group’s credit models are subject to ongoing regulatory reviews and inspections, which may give rise to additional capital requirements, replacement of internal ratings-based (“IRB”) models with a standardised approach or reputational risk for the Group.

The Group requires approval from the ECB in order to implement new IRB models or to change existing approved IRB models. It is also subject to reviews and inspections from the ECB and other regulatory bodies in relation to the models.

23 *The Group is subject to the risk that the funding position of its defined benefit pension schemes could deteriorate, requiring it to make additional contributions*

The Group faces the risk that the funding position of its defined benefit pension schemes will deteriorate, requiring it to make additional contributions, adversely affecting its capital position. The Group maintains a number of defined benefit pension schemes for current and former employees. All defined benefit schemes were closed to future accruals from 31 December 2013 and staff transferred to defined contribution schemes for future pension benefits. In relation to these schemes, the Group faces the risk that the funding position of the schemes will deteriorate over the longer term. This may require the Group to make additional contributions above what is already planned to cover its pension obligations towards current and former employees. Furthermore, pension deficits as reported are a deduction from capital under CRD. Accordingly, any increase in the Group's pension deficit may adversely affect its capital position. There could also be a negative impact on industrial relations if the funding level of the schemes were to deteriorate.

Each scheme has a separate trustee board and the Group has agreed funding plans to deal with deficits where they exist. As part of any funding agreement, the Group engages with each trustee regarding an appropriate investment strategy to reduce the risk in that scheme. Irish schemes that are deemed to have a deficit under the funding standard as provided under Section 44 of the Pensions Act 1990, as amended (the "Funding Standard") must prepare funding plans to address this situation in a timely manner and submit them to the Irish Pensions Authority for approval.

Actuarial valuations of the AIB Group Irish Pension Scheme and the AIB Group UK Pension Scheme are carried out on a triennial basis by the schemes' actuary, Mercer. The most recent valuation of the Irish scheme was carried out on 30 June 2021 and reported the scheme to be in surplus. No deficit funding is anticipated at this time as the Irish scheme continues to meet the Funding Standard. The most recent valuation of the UK scheme was carried out on 31 December 2020. The Group and the Trustee of the UK scheme previously agreed funding payments under an arrangement agreed in December 2019 which is described below.

In December 2019, the Group agreed a revised funding arrangement for the UK scheme with the scheme trustee to support the purchase of the pensioner buy-in policy in respect of the pensioner members and an assured payment policy ("APP") in respect of the deferred members. A contribution of £18.5 million was made in 2021. Under this funding arrangement, the Group also expects to make payments of £18.5 million each year during 2022 to and 2023, with a final balancing payment which, based on the latest estimate provided by the insurer, is currently expected to be approximately £60 million, to be made between 2024 and early 2025. The final balancing payment could increase or decrease depending on movements in market conditions and insurer pricing as well as potential corrections to membership data that might subsequently be identified.

Pension risk is monitored and controlled in line with the requirements of the Group's pension risk framework and policy. The surplus or deficit calculated in accordance with IAS 19 'Employee Benefits' is monitored on a monthly basis by the Group's risk team and is currently reported monthly in both the financial risk report to the Group Assets and Liability Committee ("ALCo") and the Group Chief Risk Officer ("CRO") report. A pension capital at risk exposure is assessed on a monthly basis and is reported versus a "Group Risk Appetite Statement" watch trigger in the CRO report. Pension risk is also included in the quarterly internal stress test. The output of quarterly stress tests is reviewed by ALCo and on an annual basis a report on the internal capital adequacy assessment process is produced which is a comprehensive analysis of the Group's capital position in base and stress scenarios over a three year horizon. This document is reviewed and approved by the Board and is submitted to the ECB/Central Bank Joint Supervisory Team. While the Group has taken certain risk mitigating actions, a level of volatility associated with pension funding remains due to potential financial market fluctuations and possible changes to pension and accounting regulations.

Regulatory and legal risks

- 24 *The Group is required to comply with a wide range of laws and regulations. The constantly evolving and increasing complex legal and regulatory landscape significantly increases the risks associated with compliance with such laws and regulations. If the Group fails to comply with these laws and regulations, it could become subject to regulatory actions***

A failure by the Group to comply with all applicable laws, regulations, rules, standards and codes of conduct may result in regulatory sanctions, material financial loss or loss to reputation.

The legal and regulatory landscape in which the Group operates is constantly evolving and the risks associated with compliance with laws and regulations is increasing. As new laws or regulatory schemes are introduced, the Group may be required to invest significant resources in order to comply with the new legislation or regulations. Furthermore, the laws and regulations to which the Group is already subject could change as a result of changes in interpretation or practice by courts, regulators or other authorities, resulting in higher compliance costs and resource commitments, and/or a failure by the Group to implement the necessary changes to its business within the time period specified.

The Issuer (which is the parent company of the Group) is incorporated and has its head office in Ireland. While the Central Bank continues to regulate certain areas of the Group's business, including consumer protection in Ireland, it is the ECB (together with support from the Central Bank) that has primary responsibility for the prudential supervision of the Group. The Group faces risks associated with an uncertain and rapidly evolving prudential regulatory environment, pursuant to which it is required, among other things, to maintain adequate capital resources and to satisfy specified capital ratios at all times. The Group's borrowing costs and capital requirements could be affected by prudential regulatory developments, including the CRD IV and CRD V, the Capital Requirements Regulation II (Regulation (EU) 2019/876) ("CRR II") which includes amendments to the Capital Requirements Regulation (Regulation (EU) No. 575/2013) (as so amended, the "CRR") and amendments which have been made to the BRRD. The agreed text was published in the Official Journal on 7 June 2019. CRD V and BRRD II have been transposed into Irish law with the majority of provisions applying from 28 December 2020. CRR II has applied since 28 June 2021.

On 28 April 2020, the European Commission proposed certain legislative amendments in order to maximise the ability of banks to lend and absorb losses related to the COVID-19 pandemic and alleviate the immediate impact of COVID-19 developments. The amendments were proposed in a draft Regulation of the European Parliament and of the Council amending Regulations (EU) No 575/2013 and (EU) 2019/876 as regards certain adjustments in response to the COVID-19 pandemic (the "CRR Amendment Regulation"). The measures include adapting the timeline of the application of IFRS 9 on a bank's capital and modifying the method of excluding certain exposures from the calculation of the leverage ratio. The European Commission also proposed to advance the date of application of agreed measures that change the regulatory treatment of certain salary and pension backed loans and prudently valued software and incentivise banks to finance small and medium sized enterprises and infrastructure projects. On 19 June 2020, the European Parliament adopted the CRR Amendment Regulation. The CRR Amendment Regulation (Regulation (EU) No. 2020/873) became applicable on 27 June 2020.

It is also possible that additional capital and liquidity requirements or guidance and other requirements, whether based on an interpretation of current rules or the application of new rules or guidance proposed by EU legislators, could be imposed on the Group. Such an instance may occur as a result of the SREP carried out under the SSM or stress testing by the ECB and the EBA. Additional requirements could include a revision of the level of Pillar 2 add-ons, as the Pillar 2 add-on requirements or guidance are a point-in-time assessment and could therefore be subject to change over time, or changes to the combined buffer requirements applicable. See

Risk Factor 11 “—*The Group may have insufficient capital to meet increased minimum regulatory requirements or to support its business, which could negatively impact its business, results of operations, financial condition or prospects*”.

The Group also faces risks and challenges due to interest rate benchmark reform, replacement of LIBOR (from 1 January 2022, publication of most LIBOR settings ended), reform of EURIBOR and discontinuation of EONIA. For example, conduct risk could arise for the Group as a result of changes to customers’ terms and conditions for banking products that reference discontinued interest rate benchmarks. For further detail regarding changes to benchmarks, see Risk Factor 47 “—*The regulation and reform of “benchmarks” may adversely affect the value of Notes linked to or referencing such “benchmarks”*”.

The EBA Guidelines on Loan Origination and Monitoring have applied since 30 June 2021, with further dates for regulatory implementation, the first bringing additional requirements applying since June 2022 and further requirements to be met by 2024, and specify the internal governance arrangements for granting and monitoring of credit facilities throughout their lifecycle. A programme has been mobilised within the Group to oversee the implementation of these guidelines which aim to ensure that institutions have robust and prudent standards for credit risk taking, management and monitoring, and that newly originated loans are of high credit quality.

The Group is subject to the Central Bank macro-prudential measures which are subject to annual review and therefore could create further lending restrictions, increasing existing deposit financing thresholds for borrowers. See Risk Factor 8 “—*Loan-to-value (“LTV”)/Loan-to-income (“LTI”) related regulatory restrictions on residential mortgage lending may restrict the Group’s mortgage lending activities and balance sheet growth generally*”.

The new EU regulation on the minimum coverage for NPEs, as well as the ECB’s guidance on expectations for the provisioning of new NPEs should facilitate the disposal of NPEs further down the line, if required. The Group’s regulators have stated that banks should be incentivised to build up their provisions as early as possible, thus preventing larger losses at a later stage. The Group has put in place a conservative, forward looking and comprehensive provisioning approach and intends to manage NPEs in accordance with its regulatory obligations.

In addition to the above, the Group is also subject to regulatory reviews, such as those on the residential mortgage and retail banking sectors. Such reviews may require the Group to modify its business to satisfy new or amended regulatory requirements.

To support the effectiveness of bail-in and other resolution tools, Article 130(1) of the BRRD requires that from 1 January 2016 Member States apply the BRRD’s provisions requiring EU credit institutions and certain investment firms to maintain MREL, subject to the provisions of the MREL regulatory technical standards.

The MREL requirements are determined on a case-by case basis taking into account (i) resolvability; (ii) capital adequacy; (iii) sufficiency of eligible liabilities; (iv) participation in a deposit guarantee scheme; (v) business risks (business model, funding, risk profile); and (vi) systemic risk (interconnectedness). The SRB has provided the Group with its default formula for the MREL target calibration under the new BRRD II legislative framework to be complied with by 1 January 2022. The Group continues to monitor changes in MREL requirements together with developments in the SRB’s MREL policy, which has the potential to impact the Group’s MREL target.

In addition and in the wake of the COVID-19 pandemic, future changes to the Group’s capital requirements may also impact the Group’s MREL requirements. See Risk Factor 12 “—*Constraints on the Group’s access to liquidity and funding including a loss of confidence by depositors or curtailed access to wholesale funding markets, may result in the Group being required to seek alternative sources of funding markets and/or may*

result in the Group not being able to meet its obligations as they fall due without incurring unacceptable costs and being required to seek alternative sources of funding”.

The Group operates in the UK through its subsidiary, AIB Group (UK) p.l.c. The Group must comply with the FCA’s conduct of business rules in so far as they apply to its business carried out in the UK. In the US, the Group is subject to federal and state banking and securities law supervision and regulation as a result of the banking activities conducted by AIB Bank’s branch in New York. Thus, the Group is required to design and implement policies that ensure compliance with legislation promulgated by the FCA and the Prudential Regulatory Authority in the UK and the relevant regulatory authorities in the US.

Failure by the Group to meet regulatory expectations, including in relation to governance, behaviour and culture, or repeated breaches of regulation could adversely impact regulatory confidence in how the Group conducts its business. Failure to engage appropriately with regulators, risks damaging relations with statutory authorities, and could lead to increased regulatory oversight, intrusive supervision and/or restrictions in the Group’s authorisations curtailing its ability to operate some of its business. These outcomes could have a material adverse effect on the Group’s business, financial condition, results of operations and prospects.

Group entities are required to submit data and information to regulatory authorities on a scheduled or ad hoc basis which are necessary for effective regulatory oversight and supervision. There is a risk that some data required to complete the returns, some of which is required to be manually populated, may not be sufficiently reliable. This could result in inaccurate returns being provided to regulatory authorities or submissions of returns being delayed. If any failings in regulatory reporting existed and were to be considered as material by regulatory authorities, it could result in the Group being subject to sanction or fines for failure to provide accurate returns or failure to submit returns within required timeframes, reputational damage and the Group being required to conduct data rectification.

There is also a risk that pressures from the media, consumer groups and/or politicians could influence the agenda of the ECB, the Central Bank, the FCA or the Prudential Regulation Authority (“PRA”). For instance, a wide-ranging review of competition within the Irish mortgage sector by the Competition and Consumer Protection Commission of Ireland (“CCPC”) took place in 2017 as part of the programme for the Irish Government (a similar review having been completed on the UK banking sector in 2016), and in June 2017, the CCPC published its report on “options for the Irish mortgage market”. The report, which followed an extensive public consultation process outlined a range of options and areas for further study to assist the Irish Government develop a better-functioning, competitive and stable mortgage market. The issues of “mortgage switching behaviour” and “consumer attitudes to switching” were some of the areas identified in the report as requiring further regulatory focus. In this regard, in August 2017, the Central Bank published a consultation paper entitled “Enhanced Mortgage Measures: Transparency and Switching” proposing to amend the Consumer Protection Code 2012 (“CPC”) by introducing enhanced transparency measures for fixed rate interest rate mortgage holders. In June 2018, the Central Bank, having considered the responses received from the published consultation paper announced that it proposed to introduce new and amend certain existing provisions of the CPC to give effect to these enhanced protections by publishing an addendum to the CPC which became effective from 1 January 2019.

In July 2018, the Central Bank published the outputs of its review of behaviour and culture in the five main retail banks in Ireland, including the Group. The report recommends the introduction of legislation to support an individual accountability framework, which would set conduct standards for staff and ensure clearer lines of accountability within firms. As a part of such regulatory reviews as those on the mortgage and retail banking sectors, as well as the introduction of the Senior Executive Accountability Regime in Ireland, the Group may be required to modify its business and the pricing of its products to satisfy new or amended regulatory requirements.

Adverse regulatory action or adverse judgments in litigation could result in a monetary fine or penalty, adverse monetary judgment or settlement and/or restrictions or limitations on the Group's operations or result in a material adverse effect on the Group's reputation. The Group may settle litigation or regulatory proceedings prior to a final judgment or determination of liability to avoid the cost, management efforts, negative business, regulatory or reputational consequences of continuing to contest liability, even when the Group believes that it has no liability or when the potential consequences of failing to prevail would be disproportionate to the costs of settlement. Furthermore, the Group may, for similar reasons, reimburse counterparties for their losses even in situations where the Group does not believe that it is legally compelled to do so.

Additionally, the Group may be subject to future regulatory requirements related to sustainable finance. "Sustainable finance" generally refers to the process of taking due account of environmental and social considerations when making investment decisions, leading to increased investment in longer-term and sustainable activities. The threat and consequences of climate change has necessitated a strong focus on legislative change promoting sustainability at EU level.

These legislative proposals and requirements include:

- introducing a 'green supporting factor' in the EU prudential rules for banks;
- amendments to MiFID II and the Insurance Distribution Directive to include sustainability considerations into the advice offered to individual clients;
- the EBA Guidelines on Loan Origination and Monitoring which require institutions that originate or plan to originate green credit facilities to develop specific green lending policies and procedures covering granting and monitoring of such credit facilities, which have applied since 30 June 2021;
- EU Regulation on Sustainability-Related Disclosures in the Financial Services Sector ("SFDR") which has applied since 10 March 2021 and Irish SI No. 146/2021 enacted on 29 March 2021 which gave effect to certain provisions under the SFDR; and
- taxonomy/ EU labels for green financial products establishing a classification system and a list of environmentally sustainable economic activities.

There is a risk that the Group, which will be impacted by each of the above proposals, will not engage the requisite expertise to direct the implementation of these changes or that the required expertise will not be readily available. Failure to implement this comprehensive package of measures successfully and within the required timeframes could result in regulatory sanction, reputational damage and competitive disadvantage as a result of not having available suitable products being sought by customers. The Group would also risk mis-selling by its possible failure to provide suitable products to match a consumer's environmental preferences.

25 *The Group is subject to increasing regulation and supervision following the introduction of the Single Supervisory Mechanism and the bank recovery and resolution framework, which may strain its resources*

A significant number of regulations have been issued by the various regulatory authorities that regulate the Group's business. The Eurozone's largest banks, including the Group, are under the direct supervision of, and are deemed to be authorised by, the European Central Bank ("ECB") since the introduction on 4 November 2014 of the Single Supervisory Mechanism ("SSM").

The main aims of the SSM are to ensure the safety and soundness of the European banking system and to increase financial integration and stability in Europe.

A Single Resolution Mechanism ("SRM") has been introduced, including an SRB, which focuses on resolution planning and enhancing resolvability, to avoid the potential negative impacts of a bank failure on the economy

and financial stability. The requirements of the SRM are set out in the Single Resolution Mechanism Regulation (Regulation (EU) No. 806/2014 of 15 July 2014), as amended (the “SRM Regulation”) and the Banking Recovery and Resolution Directive (Directive 2014/59/EU), as amended (“BRRD”). The SRM Regulation has been fully applicable from 1 January 2016 and the SRB has also been fully operational since that date. The BRRD has been implemented in Ireland pursuant to the European Union (Bank Recovery and Resolution) Regulations 2015, as amended (the “BRRD Regulations”). The BRRD Regulations, other than regulations 79 to 94, came into effect on 15 July 2015. Regulations 79 to 94 came into effect on 1 January 2016. The establishment of the SRM is designed to ensure that supervision and resolution are exercised at the same level for countries that share the supervision of banks within the SSM. The single resolution fund will be financed by bank levies raised at national level. Regulation (EU) 2019/877 of 20 May 2019, amending the SRM Regulation, applied from 28 December 2020.

The overarching goal of the bank recovery and resolution framework established by the BRRD/SRM package is to break the linkages between national banking systems and sovereigns. The framework is intended to enable resolution authorities to resolve failing banks with a lower risk of triggering contagion to the broader financial system, while sharing the costs of resolution with bank shareholders and creditors and also minimising cost to taxpayers. Among other provisions, the BRRD requires banks to produce a comprehensive recovery plan that sets out detailed measures that could be taken to restore the viability of the institution in the event of extreme stress. Furthermore, one or more of the Group’s regulators may require the Group to make changes to the legal structure of the Group pursuant to its implementation of requirements under the SRM Regulation, the BRRD or other applicable law or regulation.

The Group will have to meet the cost of all levies that are imposed on it in relation to funding the bank resolution fund established under the SRM or those that are imposed on it under other applicable compensation schemes relating to banks or other financial institutions in financial difficulty. In addition, the challenge of meeting this degree of regulatory change will place a strain on the Group’s resources. The challenge of meeting tight implementation deadlines while balancing competing resource priorities and demands adds to the regulatory risk of the Group. These may also impact significantly on the Group’s future product range, distribution channels, funding sources, capital requirements and consequently, reported results and financing requirements.

26 The Group is subject to conduct risk, including changes in laws, regulations and practices of relevant authorities and the risk that its practices are challenged under current regulations or standards, and if it is deemed to have breached any of these laws or regulations, it could suffer reputational damage or become subject to challenges by customers or competitors, or sanctions, fines or other actions

The Group is exposed to conduct risk, which the Group defines as the risk that inappropriate actions or inactions by AIB cause poor and unfair customer outcomes or negatively impact on market integrity. Certain aspects of the Group’s business may be determined by regulators in various jurisdictions or by courts not to have been conducted in accordance with applicable local or, potentially, overseas laws and regulations, or in a fair and reasonable manner as determined by the local ombudsman. Regulators want senior leaders to drive effective cultures that focus on the organisation values and conduct that puts the customer first; they expect to see conduct promoted in remuneration policies and disciplinary processes.

The Group is cognisant of its responsibilities regarding wholesale market conduct risk which has been subject to increased regulatory scrutiny in recent years. Domestic and European regulators have provided guidance as to how regulated entities should manage wholesale market conduct risk, particularly in relation to dealing with the impact of external events, managing the increasing complexity in securities markets and the rules that govern them and ensuring meaningful transparency for investors and other market participants, in particular on

costs and fees. As such, the Group continues to respond to changes in this environment and strengthen regulatory practices.

If the Group fails to comply with any relevant laws, regulations, or regulatory expectations, it may suffer reputational damage and may be subject to challenges by customers or competitors, or sanctions, fines or other actions imposed by regulatory authorities. There is also a risk that failure to recognise the impact of the COVID-19 pandemic on vulnerable customers or those in financial difficulties could lead to claims for conduct matters. The Group's practices may also be challenged under current regulations and standards. In such circumstances, the Group may be required to redress customers, may be subject to regulatory sanctions, material financial loss or loss to reputation, which may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Risks may also arise for the Group in relation to employee conduct. Regulators expect to see desired behaviours and conduct re-enforced at all stages of the employee lifecycle, from recruitment, to training and promotion. Poor employee conduct can result in mis-selling, inappropriate actions where a conflict of interest arises, internal fraud or otherwise not acting in a customer's best interest. Such actions may result in the bank having to make redress to impacted customers, potential regulatory sanction, adverse media coverage and potential reputational damage.

In September 2015, the Central Bank wrote to the Group to inform the Group that it had embarked on the Tracker Mortgage Examination. In December 2015, the Central Bank confirmed to the affected lenders that the objective of the Tracker Mortgage Examination was to assess compliance with both contractual and regulatory requirements relating to tracker mortgages and in circumstances where customer detriment is identified from the Tracker Mortgage Examination, to provide appropriate redress and compensation in line with the Central Bank's 'Principles for Redress'. The Central Bank concluded its enforcement investigation in June 2022 and the Group agreed to pay a fine of €96.7 million. The fine was settled prior to 30 June 2022, which brought the Central Bank's Tracker Mortgage Examination to a close.

In 2020, following a Financial Services and Pensions Ombudsman ("FSPO") decision in relation to a complaint by a customer from the '06-09 Ts & Cs who never had a tracker cohort, found that the Group had breached the terms of the customer's mortgage loan contract and directed it to remedy the matter in what the FSPO believed was a fair and proportionate manner. The Group accepted the decision in full. Furthermore, the Group decided to apply the remedy to all other customers within this cohort, and payments to customers were substantially completed by December 2020.

The Group continued to engage with stakeholders during 2020 and 2021 and a number of related issues also exist that have yet to be resolved, including tax liabilities arising that the Group will be required to discharge on behalf of impacted customers. Notwithstanding the near completion of payments to customers based on the FSPO decision, the level of provision required for these other costs has been assessed at €79 million at 31 December 2021 (31 December 2020: €80 million), following utilisations of €1 million up to June 2022.

These issues are subject to uncertainty with a range of outcomes possible and the final outcome being higher or lower depending on the finalisation of such issues.

The Group is also required to manage potentially heightened conduct and regulatory risks associated with strategic growth, such as the acquisition of Goodbody Stockbrokers UC ("Goodbody"). Additional regulatory requirements need to be considered along with the conduct implications of managing a different customer base, business portfolio and product suite. As a result, effective integration with appropriate alignment and oversight between the Group and any such subsidiary or joint venture is required to mitigate these risks.

27 *The Group is subject to anti-money laundering, counter-terrorist financing, anti-corruption and sanctions regulations and, if it fails to comply with these regulations, it may face administrative sanctions, criminal penalties and/or reputational damage*

The Group is subject to laws and regulations aimed at preventing money laundering, anti-corruption and the financing of terrorism. Monitoring compliance with anti-money laundering (“AML”), Countering the Financing of Terrorism (“CFT”) and anti-corruption and sanctions rules can put a significant financial burden on banks and other financial institutions and requires significant technical capabilities. In recent years, enforcement of these laws and regulations against financial institutions has become more intrusive, resulting in several landmark fines against financial institutions. In addition, the Group cannot predict the nature, scope or effect of future regulatory requirements to which it might be subject or the way existing laws might be administered or interpreted. Furthermore, there is a greater focus by regulators on the overall effectiveness of financial institutions’ efforts to tackle financial crime beyond issues of mere technical compliance which requires constant enhancement of and investment in their overall financial crime response

The 5th EU Anti-Money Laundering Directive (“MLD5”), transposed in part into Irish law by the Criminal Justice (Money Laundering and Terrorist Financing) Act 2021, emphasises a “risk-based approach” to AML and CFT and imposes obligations on Irish incorporated bodies (such as AIB) to take measures to compile information on beneficial ownership.

Moreover, global money laundering cases have received increased scrutiny, with a number of major European banks implicated in such matters. A further 7th EU Anti-Money Laundering Directive is currently being discussed in order to deal with the fallout from these banking cases. The Group will need to continue to monitor and reflect the changes under developing legislation in its own policies, procedure and practices, and to update its framework to take account of the risk-based approach and the specific manner in which these requirements are transposed into national law by the transposing legislation in Ireland and the UK, together with any related industry guidance from regulators in each jurisdiction. Moreover, global money laundering cases have received increased scrutiny, with a number of major European banks implicated in such matters. Given the scale, nature and complexity of the financial sanctions regimes in the UK, EU and US, there remains an increased risk that the Group could find itself transacting with customers who could become subject to such sanctions and potentially face the consequence of secondary US sanctions as a result of this.

Although the Group has policies and procedures that are designed to comply with applicable AML/CFT, anti-corruption and sanctions rules and regulations, it cannot guarantee that such policies and procedures completely prevent situations of money laundering, terrorist financing, breaches of sanctions or corruption, including actions by the Group’s employees, agents, third party suppliers or other related persons for which the Group might be held responsible. Any such events may have severe consequences, including litigation, sanctions, fines and reputational consequences, which could have a material adverse effect on the Group’s business, financial condition, results of operations and prospects.

28 *The Irish legislation and regulations in relation to mortgages, as well as judicial procedures for the enforcement of mortgage, custom, practice and interpretation of such legislation, regulations and procedures, may result in higher levels of default by the Group’s customers, delays in the Group’s recoveries in its mortgage portfolio and increased impairments*

In instances where the Group seeks to enforce security on commercial or residential property (in particular over a borrower’s principal dwelling house (“PDH”)), the Group may encounter significant delays arising from judicial procedures, which often entail significant legal and other costs. Custom, practice and interpretation of Irish legislation, regulations and procedures may also contribute to delays or restrictions on the enforcement of security. The courts or legislature in Ireland may have particular regard to the interests and circumstances of

borrowers in disputes relating to the enforcement of security above or sale of their loans which is different to the custom and practice of courts in other jurisdictions. As a result of these factors, enforcement of security or recovery of delinquent loans in Ireland may be more difficult, take longer and involve higher costs for lenders as compared to other jurisdictions, or it may not be feasible for courts to enforce security. The CPC is designed to protect the interests of consumers (as defined in the CPC) and is applicable (in part) to the activities of the Group. The CPC sets out specified information which must be provided to borrowers throughout the lifecycle of the mortgage product. The CPC requires the Group to, *inter alia*, act fairly, in the best interests of its customers and the integrity of the market, and to comply with the letter and spirit of the CPC. There is a risk that the Group may be found to be in breach of CPC provisions due to unforeseen market developments or scenarios arising, potentially leading to regulatory sanction and customer restitution.

The Land and Conveyancing Law Reform (Amendment) Act 2019 (“LCLRA”) which came into force on 1 August 2019 provides further protections for homeowners in residential mortgage difficulties. Courts must take into account a range of factors set out in the LCLRA when considering whether or not to grant an order for possession in respect of a borrower's PDH and may take these factors into account when considering whether to make any other order it considers appropriate in the circumstances. While many of the now statutory-imposed considerations are ones a court already had taken into account, the LCLRA reinforces the special status of a PDH in residential mortgage arrears proceedings in Ireland and the Irish Government’s policy objective that repossession of a defaulting borrower’s PDH should be an action of last resort. In enforcement proceedings affecting a PDH, lenders must now be prepared to demonstrate reasonable conduct towards seeking a sustainable solution with the borrower. As a result, the Group may face certain additional restrictions on its ability to collect or enforce mortgages that are in arrears. This could result in delays in the Group’s recoveries in respect of its mortgage portfolio and increased impairments. Legislation has also been introduced with regard to loans sold to third parties under the Consumer Protection (Regulation of Credit Servicing Firms) Act 2018, which regulates third party loan acquirers and may give rise to further implications for future loan sales undertaken by the Group.

Furthermore, the CCPC conducted a study on the mortgage market in Ireland. A report was published in June 2017 outlining options for the government in relation to the market structure, legislation and regulation to lower the cost of secured mortgage lending and improve competition and consumer protection.

It is unclear whether any legislation in respect of the foregoing (either in the proposed form or a different form) will be enacted or whether further legislative initiatives to regulate the Irish mortgage market will be introduced. If enacted, any further legislation could potentially impact the Group.

The Irish Government may also seek to influence how credit institutions set interest rates on mortgages, may amend the Personal Insolvency Act 2012 to reduce the entitlements currently afforded to mortgage holders thereunder or may enact other legislation or introduce further regulation that affects the rights of lenders in other ways which could have a material adverse effect on the Group’s business, financial condition and prospects. Furthermore, the laws and regulations to which the Group is already subject could change as a result of changes in interpretation or practice by courts, regulators or other authorities.

In common with other residential mortgage lenders, the Group faces increased supervisory engagement and focus by the Irish Government, the Oireachtas and regulators, such as the Central Bank and the CCPC, on its loan book, in particular its residential mortgage book, with respect to such matters as the interest rates it charges on loans. This could result in increased regulation of the Group’s loan book which may impact the Group’s level of lending, interest income and net interest margin and/or increased operational costs.

Any of the foregoing could have a material adverse effect on the Group’s business, results of operations, financial condition and prospects.

29 *The BRRD contains resolution tools and other measures that may have a material adverse effect on the Group and Noteholders*

While the SRB has indicated its Preferred Resolution Strategy (“PRS”) for the Group is single point of entry bail-in through AIB Group plc, the BRRD is designed to provide relevant authorities with a credible set of tools to intervene sufficiently early and quickly in an unsound or failing credit institution so as to ensure the continuity of the institution’s critical financial and economic functions, while minimising the impact of a credit institution’s failure on the economy and financial system.

The BRRD also equips the resolution authority with certain resolution powers (the “Resolution Tools”) in circumstances where, in addition to certain other conditions being satisfied, either AIB Group plc, as the financial holding company of the Group, or certain of its subsidiaries is failing or is likely to fail to:

- transfer to a purchaser shares, other instruments of ownership and/or all specified assets, rights or liabilities of the credit institution (known as the “sale of business tool”);
- transfer all or specified assets, rights or liabilities of the credit institution to a bridge institution which is wholly or partially owned by public authorities (known as the “bridge institution tool”); transfer assets, rights or liabilities to a legal entity which is wholly or partially owned by public authorities for the purpose of sale or otherwise ensuring that the business is wound down in an orderly manner, to be applied in conjunction with another resolution tool (known as the “asset separation tool”); and/or
- write down the claims of unsecured creditors (including the Noteholders) of an institution and convert debt to equity or other instruments of ownership (including the Notes), with, in broad terms, the first losses being taken by shareholders and thereafter by subordinated creditors (including the holders of Subordinated Notes) and then senior creditors (including the holders of Senior Notes), with the objective of recapitalising an institution (known as the “General Bail-In Tool”).

The BRRD also provides for a Member State as a last resort, after having assessed and exhausted the above resolution tools to the maximum extent possible while maintaining financial stability, to be able to provide extraordinary public financial support through additional financial stabilisation tools. These consist of the public equity support and temporary public ownership tools. Any such extraordinary financial support must be provided in accordance with the EU state aid framework and is subject to the condition that a contribution to loss absorption and recapitalisation equal to an amount not less than 8 per cent. of total liabilities, including own funds of the institution under resolution, has been made by the shareholders and the holders of other instruments of ownership, the holders of relevant capital instruments and other eligible liabilities through write down, conversion or otherwise.

An entity will be considered as failing or likely to fail when it is, or is likely in the near future to be, in breach of its requirements for continuing authorisation; its assets are, or are likely in the near future to be, less than its liabilities; it is, or is likely in the near future to be, unable to pay its debts as they fall due; or it requires extraordinary public financial support (except in limited circumstances).

The SRB may exercise the Resolution Tools with respect to the Group. In addition, the Bank of England, as resolution authority for AIB Group (UK) p.l.c. (“AIB UK”), could resolve the UK operations under the Banking Act in the UK, many of the provisions of which relating to resolution are similar to those in the BRRD, which could result in losses being transferred up to AIB through its share ownership and intercompany debt. The PRS is a group-wide concept involving a single point of entry through AIB Group plc and is executed by the SRB in consultation with the ECB and national resolution authorities.

Amongst other provisions, the BRRD contains a statutory write-down and conversion power to write down or to convert into equity the Issuer’s capital instruments (which would include the Subordinated Notes) if certain

conditions are met (the “Write-Down Tool”). The Write-Down Tool would be applicable, in particular, if the resolution authority determines that, unless the Write-Down Tool is applied, the Issuer or the Group will no longer be viable or if a decision has been made to provide the Issuer or the Group with extraordinary public financial support without which the Issuer or the Group will no longer be viable.

In respect of the Write-Down Tool, which was implemented for Additional Tier 1 instruments and Tier 2 instruments (each as defined in the European Union (Bank Recovery and Resolution) Regulations 2015, as amended) with effect from 15 July 2015, and the General Bail-In Tool, which was implemented in Ireland on 1 January 2016, the resolution authority has the power, upon certain trigger events, to cancel existing shares, to write down eligible liabilities (i.e. own funds instruments and, in the case of the General Bail-In Tool, other subordinated debt and senior debt, subject to exceptions in respect of certain liabilities) of a failing relevant entity or to convert such eligible liabilities of a failing relevant entity into equity or other instruments of ownership at certain rates of conversion representing appropriate compensation to the affected holder for the loss incurred as a result of the write down and conversion. Any such compensation may not compensate that holder for the losses it has actually incurred and there may be a considerable delay in the recovery of such compensation. Compensation payments (if any) may also be made considerably later than when amounts may otherwise have been payable under the Notes. Any shares issued to holders of Subordinated Notes may also be subject to any future application of the General Bail-In Tool. Where a relevant entity meets the conditions for resolution, the resolution regulator and/or authority will be required to apply the Write-Down Tool before applying the Resolution Tools. Any write down or conversion will, broadly, observe the following order: CET1 instruments will be reduced first, followed by, in order, Additional Tier 1 instruments and Tier 2 instruments. If further reductions are required under the General Bail-In Tool, these shall first apply to other subordinated claims and then bail-in-able senior claims, each in accordance with the normal insolvency hierarchy. This application may result in such holders losing some or all of their investment.

Any write down or conversion of amounts in accordance with the Write-Down Tool will not constitute an event of default under the terms of the relevant instruments. Consequently, any amounts so written down will be irrevocably lost and the holders of such instruments will cease to have any claims thereunder, regardless whether or not the credit institution’s financial position is restored. Pursuant to the BRRD, resolution authorities must ensure when applying the Resolution Tools that creditors do not incur greater losses than they would have incurred if the credit institution had been wound down in normal insolvency proceedings. Furthermore, one or more of the Group’s regulators may require the Group to make changes to the legal structures and/or business model of the Group pursuant to its implementation of requirements under the SRM Regulation, the BRRD or other applicable law or regulation.

The Resolution Tools could be used to impose losses on holders of Senior Notes and could result in holders of Senior Notes losing some or all of their investment. The exercise of any such power or any suggestion or anticipation of such exercise could, therefore, materially adversely affect the value of the Senior Notes.

The powers set out in the BRRD will impact how relevant entities are managed as well as, in certain circumstances, the rights of creditors. Under the BRRD, holders of Notes may be subject to write down or conversion into equity on any application of the General Bail-In Tool or in the case of Subordinated Notes non-viability loss absorption, which may result in such holders losing some or all of their investment.

In addition, the BRRD and the SRM Regulation may severely affect the rights of the holders of Subordinated Notes which may result in the loss of the entire investment represented by the Subordinated Notes in the event of non-viability. The exercise of any such power or any suggestion or anticipation of such exercise could, therefore, materially adversely affect the value of the Subordinated Notes. Furthermore, the exercise of the Write-Down Tool in respect of the Subordinated Notes or any suggestion or anticipation of such exercise could materially adversely affect the value of the Subordinated Notes.

30 *The SRB or SSM may take actions which require the Group to change, or otherwise result in the Group changing, its legal structure, or take other actions which could have a significant impact on the Group's operations, structure, costs and/or capital requirements*

SRB role in resolution planning

Pursuant to the SRM Regulation, on 1 January 2016, the SRB became responsible for drawing up the Group's resolution plan providing for resolution actions that may be taken if the Group were to fail or be likely to fail. In drawing up the Group's resolution plan, the SRB identifies any material impediments to the Group's resolvability. Where necessary, the SRB may instruct that actions are taken to remove such impediments.

These actions may include (but are not limited to):

- legal restructuring of the Group, which could lead to high transaction costs, or could make the Group's business operations or its funding mix less optimally composed or more expensive;
- issuing additional liabilities at various levels within the Group to ensure that there is sufficient loss-absorbing and recapitalisation capacity in place and that adequate arrangements are in place to meet the Group's funding and liquidity needs throughout the resolution. This may result in higher capital and funding costs for the Group, and thus adversely affect the Group's profits and its ability to pay dividends;
- reviewing and amending the Group's contracts for the purposes of ensuring (i) continuity of business operations, and (ii) that such contracts do not cause any impediments to the resolvability of the Group. This may result in additional costs and operational complexity for the Group; and
- requiring the Group to enhance its data infrastructure and management information systems to facilitate an expeditious valuation of its assets and liabilities over the course of the resolution event.

If the SRB is of the view that the measures proposed by the Group would not effectively address the impediments to resolvability, the SRB may direct the Group to take alternative measures as outlined in the SRM Regulation.

The SRB has communicated to all banks under its remit areas of focus where potential impediments to resolvability could arise. The Group has initiated programs to work to mitigate any such potential impediments. In addition, the SRB has communicated that its preferred resolution strategy for the Group is single point of entry bail-in through the Issuer.

SSM role in Recovery planning

The BRRD sets out functions of the SSM (as consolidated supervisor of the Group) with respect to the drawing up and maintenance by AIB on a Group basis of a recovery plan which must set out measures to be taken by AIB to restore its financial position following a significant deterioration of that position. An assessment by the SSM of such recovery plan proposed by the Group may result in the Group being required to address any material deficiencies in the recovery plan or any material impediments to its implementation. Failure by the Group to satisfy such direction may result in the SSM taking measures against the Group, including, but not limited to, directing the Group to do one or more of the following:

- reduce its risk profile;
- enable timely recapitalisation measures;
- review its strategy and structure;
- make changes to its funding strategy so as to improve the resilience of its business lines and critical functions; and/or

- make changes to its governance structure.

Any further changes to be implemented in respect of the SRM Regulation and the BRRD may have an effect on the Group's business, financial condition or prospects. Failure by the Group to implement those changes and requirements may result in regulatory action such as increased regulatory capital levels, monetary fines or other sanctions and penalties. Depending on the specific nature of the changes and requirements and how they are enforced, such changes and requirements could have a significant impact on the Group's operations, structure, costs and/or capital requirements.

31 *The Group's financial results may be negatively affected by changes to, or the application of, accounting standards*

The Group reports its results of operations and financial position in accordance with the International Financial Reporting Standards, as adopted by the EU ("IFRS"). Changes to IFRS or interpretations thereof may cause its future reported results of operations and financial position to differ from current expectations, or historical results to differ from those previously reported due to the adoption of accounting standards on a retrospective basis. Such changes may also affect the Group's regulatory capital.

The Group monitors potential changes to accounting standards and when these are finalised, it determines the potential impact and discloses significant future changes in its financial statements. Any changes to, or application of, accounting standards may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

32 *Risk of litigation arising from the Group's activities*

The Group operates in a legal and regulatory environment that exposes it to potentially significant litigation and regulatory risks. Disputes and legal proceedings in which the Group may be involved are subject to many uncertainties, and the outcomes of such disputes are often difficult to predict, particularly in the early stages of a case or investigation. For example, litigation has been served on the Group by customers that are pursuing claims in relation to the Tracker Mortgage Examination (see Risk Factor 26 "*—The Group is subject to conduct risk, including changes in laws, regulations and practices of relevant authorities and the risk that its practices are challenged under current regulations or standards, and if it is deemed to have breached any of these laws or regulations, it could suffer reputational damage or become subject to challenges by customers or competitors, or sanctions, fines or other actions*" for further information). In the future, further legal claims may also be served, and further complaints may be referred by customers to the FSPO for adjudication in relation to the Tracker Mortgage Examination. These outcomes are uncertain and unpredictable.

Adverse regulatory action or adverse judgments in litigation or FSPO decisions could result in a monetary fine or penalty, adverse monetary judgment or settlement and/or restrictions or limitations on the Group's operations or result in a material adverse effect on the Group's reputation.

During the period from 2002 to 2006 the Group sold a series of investment property funds, known as Belfry, which subsequently incurred losses to c. 2,500 individual investors (c. £214 million invested). The Group settled claims from certain of those investors in 2021 which resulted in a €25 million charge including amounts for legal and settlement costs. Following this, the Group instigated a programme to review the suitability of advice outcomes for individual investors to determine if redress may be due in certain instances. Based on an initial assessment, a provision was also recorded for €75 million in June 2021. Following the approval by the Board in June 2022 of the customer treatment methodology and the close out of the individual case assessments, the provision for the cost of redress has been reassessed and increased to €148 million. Associated costs, required to conclude the redress programme, of €7 million have separately been provided for at 30 June 2022. Payments will be made to impacted investors in the second half of 2022. The provisions represent the Group's best

estimate at 30 June 2022. Notwithstanding that the programme is significantly advanced, the final cost is subject to uncertainty as individual investors will have the right to appeal the outcome of their case assessment to an independent appeals panel.

Risks Related to the Issuance of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

33 *Limited remedies for non-payment in respect of Subordinated Notes and certain Senior Notes*

The sole remedy against the Issuer available to the Trustee or any Noteholder for recovery of amounts owing in respect of or arising under any Subordinated Notes will be the institution of proceedings for the winding up of the Issuer in Ireland but not elsewhere and/or proving in any Winding-Up of the Issuer.

Similarly, in respect of any Senior Notes where the relevant Final Terms specify “Restricted Events of Default” as being applicable, the sole remedy against the Issuer available to the Trustee or any Noteholder for recovery of amounts owing in respect of or arising under such Senior Notes will be the institution of proceedings for the winding up of the Issuer in Ireland but not elsewhere and/or proving in any Winding-Up of the Issuer.

As the remedies available to holders of Subordinated Notes or of Senior Notes with restricted events of default are restricted as described above, the enforcement rights of holders in respect of these Notes are extremely limited.

34 *Notes subject to optional redemption by the Issuer*

An optional redemption feature is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, or during any period in which there is an actual or perceived increase in the likelihood that the Issuer may elect to redeem the Notes in the future, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period.

The Issuer may redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor would generally not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate.

35 *Subordinated Notes subject to redemption for regulatory reasons*

Subordinated Notes may be redeemed for regulatory reasons in accordance with provision “*Description of the Notes—Redemption, Repurchase, Substitution and Variation—Capital Disqualification Event Redemption of Subordinated Notes*” upon the occurrence of a Capital Disqualification Event (as defined in “*Description of the Notes—Certain Definitions*”). In the event of a redemption for regulatory reasons, there can be no assurance that an investor will be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Subordinated Notes being redeemed. In addition, there can be no assurance that the market value of the Subordinated Notes immediately prior to notice of the redemption for regulatory reasons being given will not be higher than the price at which they can be redeemed. Conversely, the market price of Subordinated Notes may be affected following the occurrence of a Capital Disqualification Event or as a result of the perception that the right to redeem for regulatory reasons may be triggered in the future.

36 *Certain Senior Notes subject to redemption following a Loss Absorption Disqualification Event*

As the implementation of any further amendments to MREL under the BRRD is subject to the adoption of further secondary legislation and implementation in Ireland, there can be no assurance that Loss Absorption Notes will qualify in full towards the Issuer's, or the Regulatory Group's (as defined in "*Description of the Notes—Certain Definitions*"), minimum requirements for (A) own funds and eligible liabilities, and/or (B) loss absorbing capacity instruments, in each case as such minimum requirements are applicable to the Issuer and/or the Regulatory Group.

Further, if at any time a Loss Absorption Disqualification Event (as defined in "*Description of the Notes—Certain Definitions*") occurs and is continuing in relation to any Series of Loss Absorption Notes, and if the relevant Final Terms specify that the Issuer has the option to redeem such Senior Notes upon the occurrence of a Loss Absorption Disqualification Event, the Issuer may redeem all, but not some only, of the Senior Notes of such Series in accordance with "*Description of the Notes—Redemption, Repurchase, Substitution and Variation—Loss Absorption Disqualification Event Redemption of Loss Absorption Notes*" at the applicable Early Redemption Amount, together with any accrued but unpaid interest up to (but excluding) the date fixed for redemption.

In the event of such a redemption, there can be no assurance that an investor will be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Senior Notes being redeemed. In addition, there can be no assurance that the market value of the Senior Notes immediately prior to notice of the redemption being given will not be higher than the price at which they can be redeemed. Conversely, the market price of Senior Notes may be affected following the occurrence of a Loss Absorption Disqualification Event or as a result of the perception that such right to redeem may be triggered in the future.

37 *Redemption for Taxation Reasons*

On the occurrence of a tax event (as described in "*Description of the Notes—Redemption, Repurchase, Substitution and Variation—Redemption for Tax Reasons*" or, as applicable, the Subordinated Notes), the Issuer may, at its option (but subject to certain conditions, including, in the case of Subordinated Notes, "*Description of the Notes—Redemption, Repurchase, Substitution and Variation—Preconditions to Redemption and Purchase of Subordinated Notes*" and, in the case of Loss Absorption Notes, "*Description of the Notes—Redemption, Repurchase, Substitution and Variation—Preconditions to Redemption, Purchase, Substitution or Variation of Loss Absorption Notes*") redeem all, but not some only, of any relevant Series of Notes at the applicable early redemption amount, together with any accrued but unpaid interest up to (but excluding) the date fixed for redemption.

38 *Substitution or Variation of Notes*

If, in the case of any series of Subordinated Notes, "Substitution and Variation" is specified as being applicable in the relevant Final Terms, then following the occurrence of a Tax Event or Capital Disqualification Event, the Issuer may, subject as provided in provision "*Description of the Notes—Preconditions to Redemption and Purchase of Subordinated Notes*" and without the need for any consent of the Noteholders, substitute all (but not some only) of such series of Subordinated Notes for, or vary the terms of such series of Subordinated Notes so that they remain or become, Tier 2 Compliant Notes (as defined in the terms and conditions of the Subordinated Notes, see "*Description of the Notes—Certain Definitions*").

If, in the case of any series of Loss Absorption Notes, "Substitution and Variation" is specified as being applicable in the relevant Final Terms, then following the occurrence of a Loss Absorption Disqualification Event, the Issuer may, subject as provided in provision "*Description of the Notes—Preconditions to Redemption, Purchase, Substitution or Variation of Loss Absorption Notes*" of the Senior Notes and without the

need for any consent of the Noteholders, substitute all (but not some only) of such series of Senior Notes or Loss Absorption Notes, as applicable, for, or vary the terms of such series of Notes so that they remain or become, Loss Absorption Compliant Notes (as defined in the terms and conditions of the Loss Absorption Notes, see “*Description of the Notes—Certain Definitions*”), in the case of Loss Absorption Notes, or Tier 2 Compliant Notes, in the case of Subordinated Notes.

While Tier 2 Compliant Notes or Loss Absorption Compliant Notes, as the case may be, must otherwise contain terms that are not materially less favourable to Noteholders than the original terms of the relevant Notes, there can be no assurance that the terms of any Tier 2 Compliant Notes or Loss Absorption Compliant Notes, as the case may be, will be viewed by the market as equally favourable to Noteholders, or that such Notes will trade at prices that are equal to the prices at which the Notes would have traded on the basis of their original terms.

No assurance can be given as to whether any of these changes will negatively affect any particular holder. In addition, the tax and stamp duty consequences of holding such substituted or varied Notes could be different for some categories of Noteholders from the tax and stamp duty consequences for them of holding such Notes prior to such substitution or variation.

39 *Fixed/Floating Rate Notes*

Fixed/Floating Rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such a feature to convert the interest rate may affect the secondary market in, and the market value of, such Notes. If the Notes are converted from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Notes are converted from a floating rate to a fixed rate, the fixed rate in such circumstances may be lower than then prevailing market rates.

40 *Resettable Notes*

In the case of any Notes that are Resettable Notes, the rate of interest on such Resettable Notes will be reset by reference to the then prevailing Mid-Swap Rate, as adjusted for any applicable margin, on the reset dates specified in the relevant Final Terms. This is more particularly described in “*Description of the Notes—Interest—Interest on Resettable Notes—Fallback Provisions for Resettable Notes*”. The reset of the rate of interest in accordance with such provisions may affect the secondary market for, and the market value of, such Resettable Notes. Following any such reset of the rate of interest applicable to Resettable Notes, the new rate may be lower than the previous rate of interest.

41 *Notes issued at a substantial discount or premium*

The market values of Notes issued at a substantial discount or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of such securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities and such greater price volatility may result in an investor losing some, or all, of its initial investment in the Notes.

42 *The Issuer’s obligations under the Subordinated Notes*

The Issuer’s obligations under the Subordinated Notes will be unsecured and subordinated and will rank junior in priority to the claims of Senior Creditors (as defined in “*Description of the Notes—Certain Definitions*”). Although Subordinated Notes may pay a higher rate of interest than comparable Notes which are not subordinated, there is an increased risk that an investor in Subordinated Notes will lose all or some of his

investment should the Subordinated Notes become subject to the Write-Down Tool when the Issuer is failing or likely to fail or the Issuer becomes insolvent or subject to the Resolution Tools. See Risk Factor 29 “—*The BRRD contains resolution tools and other measures that may have a material adverse effect on the Group and Noteholders*”.

43 *No limitation on issuing senior or pari passu securities*

There is no restriction on the amount of securities or other liabilities which the Issuer (or other members of the Group) may issue or incur and which rank senior to, or *pari passu* with, Subordinated Notes. The issue of any such securities or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by holders of Subordinated Notes on a Winding-Up of the Issuer.

44 *Limitation on gross-up obligation under Subordinated Notes and Loss Absorption Notes*

The Issuer’s obligation to pay additional amounts in respect of any withholding or deduction for or on account of Irish taxes under the terms of the Subordinated Notes or the Loss Absorption Notes applies only to payments of interest due and payable under the Subordinated Notes or the Loss Absorption Notes and not to payments of principal (which term, for these purposes, includes any premium, final redemption amount, early redemption amount, optional redemption amount, amortised face amount and any other amount (other than interest) payable in respect of Subordinated Notes or Loss Absorption Notes). As such, the Issuer would not be required to pay any additional amounts under the terms of the Subordinated Notes or the Loss Absorption Notes to the extent any withholding or deduction for or on account of Irish tax is applied to payments of principal. Accordingly, if any such withholding or deduction were to apply to any payments of principal under any Subordinated Notes or Loss Absorption Notes, holders of such Subordinated Notes or such Loss Absorption Notes would, upon repayment or redemption of such Subordinated Notes or such Loss Absorption Notes, be entitled to receive only the net amount of such redemption or repayment proceeds after deduction of the amount required to be withheld. Therefore, holders may receive less than the full amount due under such Subordinated Notes or such Loss Absorption Notes, and the market value of such Subordinated Notes or such Loss Absorption Notes may be adversely affected as a result.

45 *No rights of set-off*

Subject to applicable law, no holder of a Subordinated Note or a Senior Note where the relevant Final Terms specify “Waiver of Set-off” as being applicable may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer in respect of, arising under or in connection with such Note and each holder of such Note shall, by virtue of its holding of any such Note, be deemed to have waived all such rights of set-off and therefore any such Noteholder will not be able to exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer in respect of, arising under or in connection with the Notes or the Coupons relating thereto, or the Indenture. This could have an adverse impact on the counterparty risk for such Noteholders in the event that the Issuer were to become insolvent.

46 *The market continues to develop in relation to risk-free rates (including SOFR and SONIA) as reference rates for Floating Rate Notes*

Investors should be aware that the market continues to develop in relation to risk-free rates, such as SOFR and SONIA, as reference rates in the capital markets for U.S. dollar or sterling bonds, as applicable, and their adoption as alternatives to the relevant interbank offered rates such as U.S. dollar or sterling LIBOR. In particular, market participants and relevant working groups have been working together to design alternative reference rates based on risk-free rates, including applying term versions of certain risk-free rates (which seek

to measure the market's forward expectation of an average of these reference rates over a designated term, as they are overnight rates) or different measures of such risk-free rates. For example, on 2 March 2020, the Federal Reserve Bank of New York, as administrator of SOFR, began publishing the SOFR Compounded Index and on 3 August 2020, the Bank of England, as the administrator of SONIA, began publishing the SONIA Compounded Index.

The use of risk-free rates such as SOFR and SONIA as a reference rate for Eurobonds continues to develop both in terms of the substance of the calculation and in the adoption of market infrastructure for the issuance and trading of bonds referencing these risk-free rates. In particular, investors should be aware that several different SOFR methodologies have been used in SOFR and SONIA linked notes issued to date and no assurance can be given that any particular methodology will gain widespread market acceptance.

The market or a significant part thereof may adopt an application of risk-free rates that differs significantly from that set out in the terms and conditions applicable to the Notes. If the relevant risk-free rates do not prove to be widely used in securities such as the Notes, the trading price of such Notes linked to such risk-free rates may be lower than those of Notes referencing rates that are more widely used. Furthermore, the Issuer may in the future also issue Notes referencing SONIA, SONIA Compounded Index, SOFR or SOFR Compounded Index that differ materially in terms of interest determination when compared with any previous SONIA, SONIA Compounded Index, SOFR or SOFR Compounded Index referenced Notes issued by it under this Programme. The development of risk-free rates for the Eurobond markets could result in reduced liquidity or increased volatility, or could otherwise affect the market price of any Notes that reference a risk-free rate issued under this Programme from time to time.

In addition, the manner of adoption or application of risk-free rates in the Eurobond markets may differ materially compared with the application and adoption of risk-free rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of such reference rates across the bond, loan and derivatives markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing such risk-free rates.

Risk-free rates such as SOFR and SONIA differ from interbank offered rates in a number of material respects. For instance, risk-free rates such as SOFR and SONIA are backwards-looking, compounded, risk-free overnight rates, whereas interbank offered rates are expressed on the basis of a forward-looking term and includes a risk-element based on inter-bank lending. As such, investors should be aware that interbank offered rates and risk-free rates such as SOFR or SONIA may behave materially differently as interest reference rates for the Notes. Furthermore, SOFR is a secured rate that represents overnight secured funding transactions, and therefore will perform differently over time to an unsecured rate. For example, since publication of SOFR began in April 2018 daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmarks or other market rates.

Risk-free rates have a limited history. For instance, publication of SOFR and SONIA (in its current form) began in April 2018. The future performance of risk-free rates such as SOFR and SONIA may therefore be difficult to predict based on the limited historical performance. Risk-free rate levels during the term of the Notes may bear little or no relation to their historical levels. Prior observed patterns, if any, in the behaviour of market variables and their relation to risk-free rates such as correlations, may change in the future. Investors should not rely on hypothetical or actual historical performance data as an indicator of the future performance of such risk-free rates nor should they rely on any hypothetical data

The Issuer has no control over its determination, calculation or publication of risk-free rates such as SOFR or SONIA. There can be no guarantee that such rates will not be discontinued, suspended or fundamentally altered in a manner that is materially adverse to the interests of investors in Floating Rate Notes linked to the relevant

rate. In particular, the New York Federal Reserve and the Bank of England (or a successor), as administrator of SOFR (and the SOFR Compounded Index) and SONIA (and the SONIA Compounded Index), respectively, may make methodological or other changes that could change the value of SOFR or SONIA or their related indices, including changes related to the method by which SOFR or SONIA or a related index is calculated, eligibility criteria applicable to the transactions used to calculate SOFR or SONIA, or timing related to the publication of SOFR or SONIA or a related index. In addition, the administrator may alter, discontinue or suspend calculation or dissemination of SOFR or SONIA or a related index (in which case a fallback method of determining the interest rate on the Notes will apply). The administrator has no obligation to consider the interests of Noteholders when calculating, adjusting, converting, revising or discontinuing SOFR or SONIA or a related index.

Investors should consider these matters when making their investment decision with respect to any Notes which reference any risk-free rates, including SONIA or SOFR.

47 *The regulation and reform of “benchmarks” may adversely affect the value of Notes linked to or referencing such “benchmarks”*

Interest rates and indices which are deemed to be “benchmarks” (such as a Reference Rate), are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to or referencing such a “benchmark”. Regulation (EU) 2016/1011 (the “EU Benchmarks Regulation”) was published in the Official Journal of the European Union on 29 June 2016 and became applicable from 1 January 2018. The EU Benchmarks Regulation applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. It, among other things, (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities (such as the Issuer) of “benchmarks” of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

Regulation (EU) 2016/1011 as it forms part of UK domestic law by virtue of the EUWA (the “UK Benchmarks Regulation”) applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the UK. It, among other things, (i) requires benchmark administrators to be authorised or registered (or, if non-UK-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by UK supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-UK based, not deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and the UK Benchmarks Regulation could have a material impact on any Notes linked to or referencing a “benchmark” (such as Floating Rate Notes and Resettable Notes), in particular, if the methodology or other terms of the “benchmark” are changed in order to comply with the requirements of the EU Benchmarks Regulation and/or the UK Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the “benchmark”.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of “benchmarks”, could increase the costs and risks of administering or otherwise participating in the setting of a “benchmark” and complying with any such regulations or requirements.

The potential elimination of any benchmark (including, for example, EURIBOR), or changes in the manner of administration of any benchmark, could require an adjustment to the terms and conditions, or result in other

consequences, in respect of any Notes linked to such benchmark. Such factors may have the following effects on certain “benchmarks”: (i) discourage market participants from continuing to administer or contribute to the “benchmark”, (ii) trigger changes in the rules or methodologies used in the “benchmark” or (iii) lead to the disappearance of the “benchmark”. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to or referencing a “benchmark”.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation and/or the UK Benchmarks Regulation in making any investment decision with respect to any Notes linked to or referencing a “benchmark”.

The “Description of the Notes” provide for certain fallback arrangements in the event that a published benchmark (excluding SOFR), such as EURIBOR or other relevant reference rates (including, without limitation, mid-swap rates) and including any page on which such Benchmark may be published (or any successor service)), becomes unavailable or a Benchmark Event otherwise occurs, including the possibility that the rate of interest could be set by reference to a successor rate or an alternative reference rate and that such successor rate or alternative reference rate may be adjusted (if required), all as determined by the Issuer in consultation with an Independent Adviser, acting in good faith in a commercially reasonable manner. Any adjustment spread could be positive, negative or zero. In making such determinations, it is possible that the interests of the Issuer might not align with those of Noteholders. No Successor Rate or Alternative Rate will be adopted, nor will the applicable Adjustment Spread be applied, nor will any Benchmark Amendments be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the then current or future qualification of the Notes as (i) Tier 2 Capital, or (ii) own funds and eligible liabilities or loss absorbing capacity instruments for the purposes of the Relevant Regulator or by the Loss Absorption Regulations in the case of Notes that are Loss Absorption Notes, as applicable, or in the case of Loss Absorption Notes, could reasonably be expected to result in the Relevant Regulator treating the next Interest Payment Date or Reset Date, as the effective maturity dates of the Notes, rather than the relevant Maturity Date.

Where the original benchmark is SOFR, the Benchmark Replacement provisions in the terms and conditions specify a “waterfall” of alternative rates that may become the Benchmark Replacement. These alternative rates are uncertain and no market convention currently exists, or may ever exist, for their determination. For example, the ISDA Fallback Rate, which is the rate referenced in the ISDA Definitions that is to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor, has not been established as of the date hereof. Even after the ISDA Fallback Rate is initially determined, ISDA Definitions and the ISDA Fallback Rate may change over time. Uncertainty surrounding the establishment of market conventions related to the calculation of the ISDA Fallback Rate and other alternative rates, and whether any of the alternative rates is a suitable replacement or successor for the original Reference Rate, may adversely affect the value of and return on Notes referencing SOFR as the original Reference Rate.

In certain circumstances the ultimate fallback for the purposes of calculation of interest for a particular Interest Period may result in the rate of interest for the last preceding Interest Period being used. This may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the Relevant Screen Page or the last ISDA rate calculable by the Calculation Agent, or, in the case of Resettable Notes, the application of the Reset Rate for a preceding Reset Period or the application of the Initial Rate of Interest applicable to such Notes on the Interest Commencement Date. In addition, due to the uncertainty concerning the availability of successor rates and alternative reference rates and the involvement of an Independent Adviser, the relevant fallback provisions may not operate as intended at the relevant time.

Any such consequences could have a material adverse effect on the trading market for, liquidity of, value of and return on any such Notes. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant reference rate could affect the ability of the Issuer to meet its obligations under the

Floating Rate Notes or Resetable Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Floating Rate Notes or Resetable Notes or could impact the availability and cost of hedging instruments and borrowings or cause a potential mismatch with any hedging instruments or borrowing arrangements already in place relating to such Notes. Investors should consider these matters when making their investment decision with respect to the relevant Floating Rate Notes or Resetable Notes.

Risks Related to Notes Generally

Set out below is a brief description of certain risks relating to the Notes generally:

48 *The Issuer is a holding company*

The Notes issued by the Issuer are the obligation of the Issuer only. The Issuer is a holding company and conducts substantially all of its operations through its subsidiaries, and accordingly the claims of the Noteholders under the Notes issued by the Issuer will be structurally subordinated to the creditors of the Issuer's subsidiaries. The Issuer's subsidiaries are separate and distinct legal entities, and have no obligation to pay any amounts due or to provide the Issuer with funds to meet any of the Issuer's payment obligations under the Notes. The Issuer's rights to participate in the assets of any subsidiary if such subsidiary is liquidated will be subject to the prior claims of such subsidiary's creditors and any preference shareholders, except in the circumstance where the Issuer is also a creditor of such subsidiary with claims that are recognised to be ranked ahead of or *pari passu* with such claims. Accordingly, if one of the Issuer's subsidiaries were to be wound up, liquidated or dissolved; (i) the holders of Notes issued by the Issuer would have no right to proceed against the assets of such subsidiary, and (ii) the Issuer would only recover any amounts (directly, or indirectly through its holdings of other subsidiaries) in the liquidation of that subsidiary in respect of its direct or indirect holding of ordinary shares in such subsidiary, if and to the extent that any surplus assets remain following payment in full of the claims of the creditors and preference shareholders (if any) of that subsidiary.

As well as the risk of losses in the event of a Group subsidiary's insolvency, the Issuer may suffer losses if any of its loans to, or investments in, its subsidiaries are subject to statutory write-down and conversion powers or if the subsidiary is otherwise subject to resolution proceedings. The Issuer may in the future make loans to AIB Bank and its other subsidiaries, with the proceeds received from the Issuer's issuance of debt instruments. Where securities issued by the Issuer have been structured so as to qualify as capital instruments under CRD IV, the terms of the corresponding on-loan to AIB Bank may be structured to achieve equivalent regulatory capital treatment for such subsidiary. Accordingly, loans to AIB Bank may contain contractual mechanisms that, upon the occurrence of a trigger related to the prudential or financial condition of the Group or such subsidiary, would automatically result in a write-down or conversion into equity of such loans.

The Issuer retains its absolute discretion to restructure such loans to (or any other investments in) any of its Group subsidiaries, including AIB Bank, at any time and for any purpose including, without limitation, in order to provide different amounts or types of capital or funding to such subsidiary as part of meeting regulatory requirements, including the implementation of MREL or the total loss absorbing capacity in respect of the Group and the relevant subsidiaries. A restructuring of a loan or investment made by the Issuer in a Group subsidiary could include changes to any or all features of such loan, including its legal or regulatory form, how it would rank in the event of resolution and/or insolvency proceedings in relation to the Group subsidiary, and the inclusion of a mechanism that provides for an automatic write-down and/or conversion into equity upon specified triggers. Any restructuring of the Issuer's loans to any of the Group subsidiaries may be implemented by the Issuer without prior notification to, or consent of, the Noteholders.

49 *Modification, waivers and substitution*

The terms and conditions of the Senior Notes and the Subordinated Notes will contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions will permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority. Given the ability of permitted majorities to bind minorities, a Noteholder could find that an amendment is made to the Notes, which binds all Noteholders, that it did not support.

The Trustee may, without the consent of Noteholders, agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of Notes or (ii) the substitution of a successor in business of the Issuer, a subsidiary of the Issuer or a successor in business thereof as principal debtor under any Notes in place of the Issuer, in the circumstances described in “*Description of the Notes—Waivers*”.

In addition, pursuant to the provision “*Description of the Notes—Benchmark Discontinuation*”, certain changes may be made to the interest calculation provisions of the Floating Rate Notes or Reset Notes in the circumstances set out in the provision “*Description of the Notes—Interest*”, without the requirement for consent of the Trustee or the Noteholders. See Risk Factor 47 “*The regulation and reform of “benchmarks” may adversely affect the value of Notes linked to or referencing such “benchmarks”*” above.

50 *European Monetary Union*

The Eurozone sovereign debt crisis has led to continuing and increased speculation that one or more Eurozone countries might abandon the euro as its national currency and even, although generally thought of as an extreme circumstance, the possible disappearance of the euro as a currency. There is a great deal of legal uncertainty surrounding these possibilities but it is likely, in the event that Ireland were to abandon the euro as its national currency, that contracts denominated in euro, including the Notes, would be redenominated into whatever currency replaced the euro as the national currency of Ireland with the possibility of consequent foreign exchange risk and the other uncertainties attendant on such an eventuality constituting risks relating to Notes denominated in euro.

51 *Change of law*

The Terms and Conditions of the Notes are based on New York law and, in respect of subordination, waiver of set-off (where applicable) and the Loss Absorption Powers on Irish law, in each case in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to New York law or Irish law or administrative practice after the date of issue of the relevant Notes. Such changes in law may include, but are not limited to, the introduction of a variety of statutory resolution and loss absorption tools which may affect the rights of holders of the Notes. Such tools may include the ability to write off sums otherwise payable on the Notes.

Risks Related to the Market Generally

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

52 *Interest rate risks*

Investment in Fixed Rate Notes or Resettable Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of Fixed Rate Notes or Resettable Notes, as the case may be.

53 *The secondary market generally*

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid and may be sensitive to changes in financial markets. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This may particularly be the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. In addition, liquidity may be limited if the Issuer makes large allocations to a limited number of investors. Illiquidity may have a severe adverse effect on the market value of Notes. If a market for the Notes does develop, the trading price of the Notes may be subject to wide fluctuations in response to many factors, including those referred to in this risk factor, as well as stock market fluctuations and general economic conditions that may adversely affect the market price of the Notes. Publicly traded notes from time to time experience significant price and volume fluctuations that may be unrelated to the operating performance of the companies that have issued them, and such volatility may be increased in an illiquid market. If any market in the Notes does develop, it may become severely restricted, or may disappear, if the financial condition deteriorates such that there is an actual or perceived increased likelihood of the Issuer being unable to pay interest on the Notes in full, or of the Notes being subject to loss absorption under an applicable statutory loss absorption regime. In addition, the market price of the Notes may fluctuate significantly in response to a number of factors, some of which are beyond the Issuer's control, including:

- actual or expected variations in the Group's operating performance;
- any shortfall in revenue or net profit or any increase in losses from levels expected by market commentators;
- increases in capital expenditure compared with expectations;
- any perception that the Group's strategy is or may be less effective than previously assumed or that the Group is not effectively implementing any significant projects;
- changes in financial estimates by securities analysts;
- changes in market valuations of similar entities;
- announcements by the Group of significant acquisitions, strategic alliances, joint ventures, new initiatives, new services or new service ranges;
- regulatory matters, including changes in regulatory regulations or Central Bank requirements;
- additions or departures of key personnel; and
- future issues or sales of Notes or other notes.

Any or all of these events could result in material fluctuations in the price of Notes which could lead to investors losing some or all of their investment.

The issue price of the Notes might not be indicative of prices that will prevail in the trading market, and there can be no assurance that an investor would be able to sell its Notes at or near the price which it paid for them, or at a price that would provide it with a yield comparable to more conventional investments that have a developed secondary market.

Moreover, although the Issuer and any subsidiary of the Issuer can (subject to regulatory approval and compliance with prevailing prudential requirements) purchase Notes at any time, they have no obligation to do so. Purchases made by the Issuer or any member of the Group could affect the liquidity of the secondary market of the Notes and thus the price and the conditions under which investors can negotiate these Notes on the secondary market.

In addition, Holders should be aware of the prevailing and widely reported global credit market conditions (which continue, to some extent, at the date of the Base Prospectus), whereby there has been a general lack of liquidity in the secondary market which, if it were to continue or worsen in future, could result in investors suffering losses on the Notes in secondary resales even if there were no decline in the performance of the Notes or the assets of the Issuer. In addition, recent regulatory actions by the United States Securities and Exchange Commission under Rule 15c2-11 of the United States Securities and Exchange Act of 1934 (the “Exchange Act”) may restrict the ability of brokers and dealers to publish quotations on the Notes on any interdealer quotation system or other quotation medium after January 3, 2023, which may materially adversely affect the liquidity and trading prices for the Notes. The Issuer cannot predict whether these circumstances will change and whether, if and when they do change, there will be a more liquid market for the Notes and instruments similar to the Notes at that time.

Although application has been made for the Programme to be listed and admitted to trading on Euronext Dublin, there is no assurance that such application will be accepted or that an active trading market in any Notes issued under the Programme (whether listed on Euronext Dublin or not) will develop.

54 *Exchange rate risks and exchange controls*

The Issuer will pay principal and interest on the Notes in the Specified Currency (as defined in “*Description of the Notes—Certain Definitions*”). This presents certain risks relating to currency conversions if an investor’s financial activities are denominated principally in a currency or currency unit (the “Investor’s Currency”) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor’s Currency) and the risk that authorities with jurisdiction over the Investor’s Currency may impose or modify exchange controls. An appreciation in the value of the Investor’s Currency relative to the Specified Currency would decrease (i) the Investor’s Currency-equivalent yield on the Notes, (ii) the Investor’s Currency-equivalent value of the principal payable on the Notes and (iii) the Investor’s Currency-equivalent market value of the Notes in the Investor’s Currency.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal.

55 *Credit ratings may not reflect all risks*

One or more independent credit rating agencies may assign credit ratings to an issue of Notes. The ratings may not reflect the potential impact of all risks related to structure, market, the additional factors discussed above and other factors that may affect the value of the Notes. Further, one or more credit rating agencies may from time to time release unsolicited credit ratings reports in relation to the Notes without the consent or knowledge of the Issuer. The Issuer does not have any control over such reports or analyses and any adverse credit rating of the Notes could adversely affect the value of Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

In general, EU regulated investors are restricted under the EU CRA Regulation from using credit ratings for regulatory purposes unless such ratings are issued by a credit rating agency established in the EU and registered

under the EU CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the EU CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances).

UK regulated investors are restricted under Regulation (EC) No 1060/2009 as it forms part of UK domestic law by virtue of the EUWA (the “UK CRA Regulation”) from using credit ratings for regulatory purposes unless such ratings are issued by a credit rating agency established in the UK and registered under the UK CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-UK credit rating agencies, unless the relevant credit ratings are endorsed by a UK-registered credit rating agency or the relevant non-UK rating agency is certified in accordance with the UK CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances).

If the status of the rating agency rating the Notes changes for the purposes of the EU CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EU or the UK, as applicable, and the Notes may have a different regulatory treatment, which may impact the value of the Notes and their liquidity in the secondary market.

56 *The Issuer is exposed to changing methodology by rating agencies*

The Issuer is exposed to changes in the rating methodologies applied by rating agencies. Any adverse changes of such methodologies may result in a change in the ratings given to the Issuer or the Notes which in turn may materially and adversely affect the Issuer’s operations or financial condition and capital market standing.

57 *Legal investment considerations may restrict certain investments*

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Notes are investments in which it may legally invest, (2) the Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to any purchase or pledge by it of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents shall be incorporated in, and form part of, this Base Prospectus:

- (a) the unaudited condensed consolidated interim financial statements of the Issuer prepared in accordance with International Accounting Standard 34, “Interim Financial Reporting” as at and for the six months ended 30 June 2022, together with the review report thereon as set out on pages 79 to 122 and page 124 (the “2022 Half-Yearly Financial Statements”), (ii) the section titled “Our Strategy” on page 13 and (iii) the sections listed in the “*Operating and Financial Review and Risk Management*” section of this Base Prospectus, in each case of the interim financial report of the Issuer for the six months ended 30 June 2022 (the “2022 Half-Yearly Financial Report”), which has been previously published;
- (b) the audited consolidated financial statements of the Issuer prepared in accordance with IFRS, as adopted by the European Union for the financial year ended 31 December 2021, together with the audit report thereon as set out on pages 217 to 366 (the “2021 Financial Statements”), (ii) the sections titled “Board of Directors” and “Executive Committee” on pages 36 to 41, (iii) the section titled “Our Strategy” on pages 18 to 25, and (iv) the sections listed in the “*Operating and Financial Review and Risk Management*” section of this Base Prospectus, in each case of the annual financial report of the Issuer for the year ended 31 December 2021 (the “2021 Annual Financial Report”), which has been previously published;
- (c) the audited consolidated financial statements of the Issuer prepared in accordance with IFRS, as adopted by the European Union for the financial year ended 31 December 2020, together with the audit report thereon as set out on pages 215 to 360 (the “2020 Financial Statements” and, together with the 2022 Half-Yearly Financial Statements and the 2021 Financial Statements, the “Financial Statements”), and (ii) the sections listed in the “*Operating and Financial Review and Risk Management*” section of this Base Prospectus, in each case of the annual financial report of the Issuer for the year ended 31 December 2020 (the “2020 Annual Financial Report”), which has been previously published;
- (d) the 30 June 2022 Pillar 3 disclosures of the Group, which have been previously published;
- (e) the 31 December 2021 Pillar 3 disclosures of the Group, which have been previously published;
- (f) the terms and conditions of the Notes as contained in pages 134 to 171 of the base prospectus dated 2 April 2019 in respect of the Programme; and
- (g) the terms and conditions of the Notes as contained in pages 224 to 263 of the base prospectus dated 2 October 2018 in respect of the Programme,

save that any statement contained herein, or in a document all or the relative portion of which is incorporated by reference herein, shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained herein or in any such document, all or the relative portion of which is deemed to be incorporated by reference herein, modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Base Prospectus.

AIB will provide, without charge, to each person to whom a copy of this Base Prospectus has been delivered, upon the written request of any such person, a copy of any or all of the documents which, or portions of which, are incorporated herein by reference. Written requests for such documents should be directed to AIB at its registered office set out at the end of this Base Prospectus.

The documents referred to above are available electronically on AIB’s website via the following links:

- <https://aib.ie/content/dam/frontdoor/investorrelations/docs/resultscentre/annualreport/aib-group-plc-half-yearly-financial-report-2022.pdf>
- <https://aib.ie/content/dam/frontdoor/investorrelations/docs/resultscentre/annualreport/2021/aib-group-plc-2021-annual-financial-report-3-march-2022.pdf>
- <https://aib.ie/content/dam/frontdoor/investorrelations/docs/resultscentre/annualreport/aib-group-plc-2020-annual-financial-report.pdf>
- <https://aib.ie/content/dam/frontdoor/investorrelations/docs/resultscentre/pillar3/AIB-Group-plc-Q2-2022-Pillar-3-Disclosures.pdf>
- <https://aib.ie/content/dam/frontdoor/investorrelations/docs/resultscentre/pillar3/aib-group-plc-q4-2021-pillar-3-disclosures.pdf>
- <https://aib.ie/content/dam/frontdoor/investorrelations/docs/debt-investors/aib-gmnt-programme-update-2019.pdf>
- <https://aib.ie/content/dam/aib/investorrelations/docs/debt-investors/aib-gmnt-2018-final-base-prospectus.pdf>

The Issuer’s website and its contents are not otherwise incorporated into, and do not form part of, this Base Prospectus.

AVAILABLE INFORMATION

AIB has agreed that, for so long as any Notes are “restricted securities” as defined in Rule 144(a)(3) under the Securities Act, AIB will during any period that it is neither subject to section 13 or 15(d) of the Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder furnish, upon request, to any holder or beneficial owner of such restricted securities or any prospective purchaser designated by any such holder or beneficial owner or to the Trustee for delivery to such holder, beneficial owner or prospective purchaser, in each case upon the request of such holder, beneficial owner, prospective purchaser or Trustee, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

SUPPLEMENTARY INFORMATION

If at any time AIB shall be required to prepare a supplement to this Base Prospectus pursuant to Article 23 of the Prospectus Regulation, AIB will prepare and make available an appropriate supplement to this Base Prospectus as required by the Central Bank and Article 23 of the Prospectus Regulation.

AIB has given an undertaking to the Dealers that if at any time during the duration of the Programme a significant new factor, material mistake or inaccuracy arises or is noted relating to the information included in this Base Prospectus which is capable of affecting an assessment by investors of any Notes and whose inclusion would reasonably be expected by them to be found in this Base Prospectus, for the purpose of enabling them to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of AIB and/or of the rights attaching to such Notes, AIB shall update or prepare an amendment or supplement to this Base Prospectus or publish a replacement base prospectus for use in connection with any subsequent offering of the Notes and shall supply to each Dealer such number of copies of such supplement hereto as such Dealer may reasonably request.

PRESENTATION OF INFORMATION

Presentation of financial information

The financial information incorporated by reference in this Base Prospectus consists of the 2022 Half-Yearly Financial Statements, the 2021 Financial Statements and the 2020 Financial Statements. The 2021 Financial Statements and the 2020 Financial Statements have been prepared in accordance with IFRS, as adopted by the European Union and audited by Deloitte Ireland LLP (“Deloitte”). The 2022 Half-Yearly Financial Statements have been prepared in accordance with IAS 34, as adopted by the European Union.

Alternative Performance Measures

In addition to the financial information prepared in accordance with IFRS, this Base Prospectus includes certain alternative performance measures (“APMs”) as defined in the guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority on 5 October 2015 (ESMA/2015/1415) (the “ESMA APM Guidelines”). The ESMA APM Guidelines define an APM as a financial measure of historical or future performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework.

AIB uses certain APMs, which have not been audited, for a better understanding of its financial performance. These measures are considered additional disclosures and in no case replace the financial information prepared under IFRS. Moreover, the way AIB defines and calculates these measures may differ from the way similar measures are calculated by other companies. Accordingly, they may not be comparable.

In the “Operating and Financial Review” in the 2022 Half-Yearly Financial Report, the 2021 Annual Financial Report and the 2020 Annual Financial Report, incorporated by reference herein, AIB’s results of operations are presented on a management basis with exceptional items reported separately. Exceptional items are items that management believes obscure the underlying performance trends in the business. See “*Operating and Financial Review—Alternative performance measures*” and “*Operating and Financial Review—Reconciliation between IFRS and management performance summary income statements*” in the 2022 Half-Yearly Financial Report, the 2021 Annual Financial Report and the 2020 Annual Financial Report, incorporated by reference herein, for a description of exceptional items that management believes obscure the underlying performance trends in the business and a reconciliation to each resulting APM from the most directly reconcilable IFRS line item.

For further information, including a complete list of APMs, including definitions and reconciliations, see “*Operating and Financial Review—Alternative performance measures*” and “*Operating and Financial Review—Reconciliation between IFRS and management performance summary income statements*” in the 2022 Half-Yearly Financial Report, the 2021 Annual Financial Report and the 2020 Annual Financial Report, as incorporated by reference herein.

Currency presentation

Unless otherwise indicated, all references to the “Euro”, “euro” or “€” are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the treaty establishing the European Community, as amended. All references in this Base Prospectus to “sterling”, “pounds sterling”, “GBP”, “£” or “pence” are to the lawful currency of the United Kingdom. All references to “dollars”, “\$” or “U.S.\$” are to the lawful currency of the United States.

The Group presents its financial statements in euro.

Unless otherwise indicated, the financial information contained in this Base Prospectus has been expressed in euro.

Rounding

Percentages and certain amounts in this Base Prospectus, including financial, statistical and operating information, have been rounded. Thus, the figures shown as totals may not be the precise sum of the figures that precede them.

Market, economic and industry data

Certain information in this Base Prospectus has been sourced by the Group from industry publications, data and reports compiled by professional organisations and analysts and data from other external sources. The Issuer confirms that all third-party information contained in this Base Prospectus has been accurately reproduced and, so far as the Issuer is aware and able to ascertain from information published by that third-party, no facts have been omitted that would render the reproduced information inaccurate or misleading.

Where third-party information has been used in this Base Prospectus, the source of such information has been identified.

Certain of the aforementioned third-party sources may state that the information they contain has been obtained from sources believed to be reliable. However, such third-party sources may also state that the accuracy and completeness of such information is not guaranteed and that the projections they contain are based on significant assumptions. As the Group does not have access to the facts and assumptions underlying such market data, statistical information and economic indicators contained in these third-party sources, it is unable to verify such information.

Forward-looking statements

This Base Prospectus contains certain forward-looking statements with respect to the financial condition, results of operations and business of the Group and certain of the plans and objectives of the Group. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as “aim”, “anticipate”, “target”, “expect”, “estimate”, “intend”, “plan”, “goal”, “believe”, “may”, “could”, “will”, “seek”, “continue”, “should”, “assume” or other words of similar meaning. Examples of forward-looking statements include, among others, statements regarding the Group’s future financial position, capital structure, income growth, loan losses, business strategy, projected costs, capital ratios, estimates of capital expenditures, and plans and objectives for future operations. Because such statements are inherently subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking information. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. These are set out in “*Risk Factors*”. In addition to matters relating to the Group’s business, future performance will be impacted by the direct and indirect impacts of the COVID-19 pandemic, the direct and indirect consequences of the Russia-Ukraine war on European and global macroeconomic conditions, the impact of higher inflation on customer sentiment and by Irish, UK and wider European and global economic and financial market considerations. Any forward-looking statements made by or on behalf of the Group speak only as of the date they are made. The Group cautions that the list of important factors in “*Risk Factors*” is not exhaustive. Investors and others should carefully consider the foregoing factors and other uncertainties and events when making an investment decision based on any forward-looking statement.

The Issuer undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to the Issuer or to persons acting on its behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Base Prospectus.

Definitions

Certain terms used in this Base Prospectus, including all capitalised terms and certain technical and other terms, are defined and explained in “*Definitions*” and “*Glossary of Technical Terms*”.

No incorporation of website information

The Base Prospectus will be made available to the public in Ireland and the United Kingdom at www.aib.ie. Notwithstanding the foregoing, the contents of the Issuer’s website, any website mentioned in this Base Prospectus or any website directly or indirectly linked to these websites have not been verified and do not form part of this Base Prospectus, and investors should not rely on such information.

USE OF PROCEEDS

An amount equal to the net proceeds from the issue of any Tranche of Notes will be applied by the Issuer for the general funding purposes of the Issuer. If in respect of a particular Tranche of Notes, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

CAPITALISATION AND INDEBTEDNESS

The following table sets out AIB's capitalisation and indebtedness as at 30 June 2022, which have been derived from the 2022 Half-Yearly Financial Statements. As at the date of this Base Prospectus, there has been no material change in the Group's capitalisation since 30 June 2022.

| | As at 30 June 2022 <hr style="border: 0.5px solid black;"/> <i>(€ millions)</i> |
|----------------------------------------------------|-----------------------------------------------------------------------------------------------|
| Indebtedness | |
| <i>Current Debt⁽¹⁾</i> | |
| Debt securities in issue⁽²⁾ | |
| Secured..... | 1,000 |
| Unsecured..... | 253 |
| Total current debt | <hr style="border: 0.5px solid black;"/> 1,253 |
| <i>Non current Debt</i> | |
| Debt securities in issue⁽²⁾ | |
| Secured..... | 25 |
| Unsecured..... | 5,434 |
| | <hr style="border: 0.5px solid black;"/> 5,459 |
| Subordinated liabilities | |
| Dated (unsecured)..... | 1,557 |
| Total non current debt | <hr style="border: 0.5px solid black;"/> 7,016 |
| Total Indebtedness | <hr style="border: 0.5px solid black;"/> 8,269 |
| Capitalisation | |
| Share capital..... | 1,671 |
| Share premium..... | — |
| Other reserves..... | 10,138 |
| Additional Tier 1 securities ⁽³⁾ | 1,115 |
| Total capitalisation | <hr style="border: 0.5px solid black;"/> 12,924 |
| Total capitalisation and indebtedness | <hr style="border: 0.5px solid black;"/> 21,193 |

Notes:

(1) Maturity up to one year.

(2) Maturity analysis of debt securities in issue is based on expected maturity.

(3) Additional Tier 1 securities with a par value of €1,125 million.

Indirect and contingent indebtedness, which comprises of (i) guarantees and irrevocable letters of credit, and (ii) other contingent liabilities, totalled €764 million at 30 June 2022. For information on AIB's indirect and contingent indebtedness, see note 31 of the 2022 Half-Yearly Financial Statements.

INFORMATION ON AIB

Information in this “Information on AIB” section should be read in conjunction with the more detailed information contained in this Base Prospectus, including the financial and other information contained in “Operating and Financial Review”.

Overview

The Issuer is a public limited company incorporated in Ireland on 8 December 2016 under the Companies Act 2014, with registration number 594283. AIB is a financial services group operating predominantly in Ireland and the United Kingdom, providing a comprehensive range of services to retail, business and corporate customers with market-leading positions across key segments. AIB is the principal brand of the Group across all geographies in which it operates. Two of the Group’s subsidiaries also operate in Ireland, EBS, a challenger brand, and Haven, a mortgage broker channel. The Group also operates in Great Britain as Allied Irish Bank (GB), and in Northern Ireland, under the trading name of AIB Northern Ireland (“AIB NI”).

AIB offers a full suite of products for retail customers, including mortgages, personal loans, credit cards, current accounts, insurance, pensions, financial planning, investments, savings and deposits. Its products for business and corporate customers include finance and loans, business current accounts, deposits, foreign exchange and interest rate risk management products, trade finance products, invoice discounting, leasing, credit cards, merchant services, payments and corporate finance.

AIB operates through the following business segments: Retail Banking, AIB Capital Markets (“Capital Markets”), AIB UK and Group. For additional information on these segments, see “—AIB’s Business” below.

AIB’s profit/(loss) before taxation was a profit of €537 million and €291 million for the six months ended 30 June 2022 and 2021, respectively, and a profit of €629 million, a loss of €931 million and a profit of €499 million for the years ended 31 December 2021, 2020 and 2019, respectively. As at 30 June 2022, AIB had total assets of €132.9 billion and equity of €12.9 billion and as at 31 December 2021, total assets of €127.9 billion and equity of €13.7 billion.

History

AIB has a long history of operating in Ireland, with its predecessor organisations having been part of the Irish banking sector for almost 200 years. AIB Bank was incorporated as a limited company on 21 September 1966 and was subsequently re-registered as a public limited company on 2 January 1985. In 1996, AIB’s retail operations in the United Kingdom were integrated and the resulting entity was renamed AIB Group (UK) p.l.c., with two distinct trading names: Allied Irish Bank (GB) in Great Britain and AIB NI in Northern Ireland.

Following measures and capital investments by the Irish Government in response to the global financial crisis in 2008, the Irish Government owned 99.8 per cent. of the ordinary shares in the capital of AIB. In June 2017, the Irish Government and AIB Bank completed a secondary offering of ordinary shares (the “IPO”), reducing the Irish Government’s holding to 71.12 per cent. Admission to the Official Lists together with admission to trading on the main markets for listed securities on the Irish Stock Exchange (now known as the Irish Stock Exchange plc, trading as Euronext Dublin) and the London Stock Exchange commenced on 27 June 2017.

In December 2017, AIB completed a reorganisation in which AIB Bank’s shares were cancelled, with one share of the Issuer being issued for every AIB Bank share held at such time. On 11 December 2017, the entire issued ordinary share capital of AIB Group plc, comprising 2,714,381,237 ordinary shares, was admitted to the Official Lists of each of the Irish Stock Exchange (now known as the Irish Stock Exchange plc, trading as Euronext Dublin) and the FCA and to trading on the main markets of the Irish Stock Exchange (now known as the Irish Stock Exchange plc, trading as Euronext Dublin) and the London Stock Exchange. As at 31 December 2021,

the Irish Government maintained a 71.12 per cent. shareholding in AIB Group plc. In December 2021, the Minister for Finance announced the planned sell down of a part of the State's shareholding in the Issuer through a pre-arranged trading plan which has reduced the shareholding to 63.49 per cent. as at 30 June 2022.

Strategy

AIB's strategic ambition is to be at the heart of customers' financial lives by comprehensively meeting their (personal and business) life-stage needs, and consistently doing the right thing. Key to delivering on this ambition are the on-going strategic initiatives designed to address product gaps, generate efficiencies and cost savings, all of which makes for a capital accretive business. The strategy positions AIB for growth with AIB playing a pivotal role in transitioning for a low carbon economy. Additional detail regarding AIB's strategy and the five strategic pillars, please refer to the "Our Strategy" Section of the 2022 Half-Yearly Financial Report and the 2021 Annual Financial Report, as incorporated by reference herein.

AIB's Business

AIB offers a full suite of products for retail customers, including mortgages, personal loans, credit cards, current accounts, insurance, pensions, financial planning, investments, savings and deposits and merchant services. Its products for business and corporate customers include finance and loans, business current accounts, deposits, foreign exchange and interest rate risk management products, trade finance products, invoice discounting, leasing, credit cards, payments and corporate finance.

AIB operates through the following business segments: Retail Banking, Capital Markets, AIB UK and Group Segment.

Retail Banking

Retail Banking is the leading provider of financial products and services to personal and SME customers in Ireland based on market share across core personal and SME products which are delivered through its number one digital bank in Ireland and its transformed branch network. The segment serves over 2.5 million customers, including over 1.65 million digitally active customers. Retail Banking has an expanded reach via EBS, Haven, AIB Merchant Services, Payzone and Nifti

Retail Banking comprises Homes, Consumer, SME, Wealth and Financial Solutions Group ("FSG") in a single integrated segment, focused on meeting the current, emerging and future needs of the Group's personal and SME customers.

Homes and Consumer are respectively responsible for meeting the homes needs of customers in Ireland across the AIB, EBS and Haven brands and delivering innovative and differentiated products, propositions and services to meet the Group's customers' everyday banking needs delivered through an extensive range of physical and digital channels.

SME provides financial services to micro and small SMEs through a sector-led strategy and local expertise with an extensive product and proposition offering across a number of distribution channels.

FSG is a dedicated workout unit to which the Group has migrated the management of the vast majority of its non-performing exposures (NPEs), with the objective of delivering the Group's strategy to reduce NPEs to c.3 per cent. by end 2023.

The three core markets in which Retail Banking operates are Homes-Mortgages, SME-Business Banking and Consumer-Personal Banking, as discussed below.

Homes - Mortgages

AIB is the number one mortgage provider in Ireland with the largest market share of mortgage drawdowns in 2021 (based on mortgage data published by Banking & Payments Federation Ireland) in a growing market enabled by AIB's multi-brand strategy which includes EBS and Haven.

AIB offers a range of mortgage products across the different categories of mortgage customers, including first time buyers, movers, switchers and top ups, as well as buy-to-let mortgages. The product range includes variable and fixed rate products, as well as split rates, which provides customers with the option of dividing their borrowings between fixed and variable rates. All three of AIB's brands now offer competitive green mortgage fixed rates, supporting the Group's ambition of a low carbon economy.

AIB delivers its products and propositions through a multi-brand strategy that offers customers choice, value and fairness. As part of this strategy, EBS and Haven each offer their own respective range of mortgage products to customer segments.

The AIB mortgage brand offer focuses on long term value with competitive low standard variable rate ("SVR") options, which are the lowest rates in the market of the pillar banks. The AIB brand also offers a range of competitive fixed rates, as well as a green five-year fixed rate.

EBS is a challenger brand, focusing on competitive low fixed rate mortgage products. New EBS mortgage customers can avail of cash back offers on certain fixed rate products, and in February 2022 EBS also launched its competitive four-year fixed green rate.

The Haven brand is targeted at the intermediary/broker market. This offering includes competitive low variable and fixed mortgage rates and appeals to customers who value the broker channel when seeking a mortgage.

AIB continues to invest to deliver an optimal customer experience across all of its brands, focussing on automation to improve customer experience, reduce turnaround times and increase efficiency. AIB has also invested in a digital origination proposition which delivers channel flexibility for customers and supports the Group's existing distribution networks.

In June 2022, AIB entered into a binding agreement with NatWest Group plc and Ulster Bank Ireland DAC ("Ulster Bank") for the acquisition of a performing Ulster Bank tracker mortgage portfolio with an expected value of c. €5.7bn for a total consideration of €5.4bn, subject to obtaining the required customary regulatory approvals.

SME-Business Banking

Retail SME teams offer a full suite of products and services to micro, small and medium business customers including financing customers' debt requirements totalling up to €1m.

SME combines a sector led strategy underpinned by local market expertise to deliver number one market share positions across key SME banking products, including main business loans, main business current accounts, main leasing and main invoice discounting agreements based on number of products held (Source: Ipsos MRBI AIB SME Financial Services Monitor, March 2022). Products and services are delivered to customers through the Local Market Network and Direct Banking distribution channels as well as digitally through online and mobile capabilities.

Retail SME has a range of finance offerings for its business customers, including business loans, business overdrafts, start-up loans, asset finance, invoice discounting, prompt pay (which permits borrowers to spread the cost of one-off payments over a longer period), insurance premium finance and farmer/business credit lines. It also offers Visa business credit cards that are tailored to the needs of its business customers, including premier and executive Visa corporate credit cards. Through AIB Merchant Services, in partnership with First Data, AIB offers the largest merchant acquiring platform in the market. AIB is also focused on providing asset-based

lending to its SME/business customers, with a dedicated specialist Asset Finance Sales team working with AIB's Local Market Network.

AIB also offers its business customers a comprehensive range of deposit products and through collaboration with Group colleagues, investment, retirement and pensions products, including group pension schemes. All life and pension products are offered through AIB's relationship with Irish Life & Permanent pursuant to distribution agreements through specialist advisers within AIB's local markets and direct channels. AIB also offers high net worth customers an open architecture bespoke investment offering through a private banking channel.

AIB recognises that supporting its SME customers requires a detailed understanding of the challenges and opportunities facing specific sectors within the market and the businesses which operate within those sectors. AIB has a sectoral-led team comprising experts who previously worked in the relevant sectors, which include but is not limited to retail, exports, agriculture and technology. These experts support staff in dealing with customers and potential transactions within these sectors.

AIB's strong partnership with the Strategic Banking Corporation of Ireland ("SBCI") has formed a key support for Irish businesses through COVID-19 and beyond. AIB is considered a market leader in regard to providing SBCI funding in terms of both value and volume to SME business customers. AIB continues to work closely with the SBCI to deliver low-cost funding to its SME customers across all key sectors of the economy.

During 2022, AIB expects to continue to expand its SME capabilities through enhanced operational functionality for its credit product set; improving its mobile app capabilities; and enhancing its existing real-time automated credit decisioning capability.

In April 2022, the CCPC cleared the proposed acquisition of certain assets of Ulster Bank by the Group. These assets consist of a portfolio of performing commercial loans of Ulster Bank. In addition to the commercial loans, a number of Ulster Bank employees will also transfer to AIB.

Consumer - Personal Banking

AIB is the leading bank by market share position across key personal banking products including current accounts and personal loans (excluding car loans) based on number of products held (Source: Ipsos MRBI Personal Finance Market Pulse Q1 2022). This is achieved via digital innovation and relationship management expertise. AIB offers a full suite of services including daily banking, consumer credit, wealth management, savings and investments and general insurance.

AIB's distribution channels, which span from its extensive nationwide 170 physical branch network across to its ever-growing direct (telephone, internet and tablet banking) and mobile banking platforms, enable AIB to deliver its wide range of products and services to its customers. In 2021, AIB settled over 1 billion customer transactions, with over 96 per cent. completed via Digital Channels, Cards or Automated Payments.

AIB offers personal loans (i.e., green loans, car loans, home improvement loans, wedding loans, travel loans and education loans) together with a range of credit cards for personal customers and students. AIB also offers a comprehensive range of deposit products in addition to protection, investment and pension products through a relationship with Irish Life pursuant to distribution agreements. Consumer teams, in collaboration with group colleagues, offers all of its personal customers a free personalised financial review with a financial adviser to help plan for future financial goals such as retirement or children's education.

As of 30 June 2022, approximately 82 per cent. (up from 76 per cent. in 2021) of personal loans were applied for through the Digital Consumer Channel (mobile and online), with an additional 7 per cent. originating from the Intermediaries Digital Portal. Applications via Direct Banking was also 9 per cent. with only 2 per cent. applied for in branch.

Wealth & Insurance

AIB has dedicated wealth management services that deliver wealth propositions to AIB's customers. These propositions are tailored to the needs of specific customer segments, including a private banking offering for high-net-worth clients.

AIB has developed strategic partnerships with a range of providers to offer general insurance, investment, pension and life insurance offerings to customers. On the general insurance side, AIB offers personal customers home insurance (building and contents) and car insurance in partnership with AXA and travel insurance in partnership with Chubb Insurance. EBS offers personal customers home insurance in partnership with Allianz. AIB's home insurance policies cover main residence, investment or rental properties, holiday homes and homes under construction.

On the life insurance, investment and pension side, AIB and EBS offer life insurance, mortgage protection, income protection and illness cover through a relationship with Irish Life pursuant to distribution agreements. Both AIB and EBS also offer a range of pre- and post-retirement solutions, and AIB offers inheritance tax planning products, business protection and succession planning services to business customers. The suite of available products enables both firms to offer comprehensive financial planning advice to our customers. AIB does not carry the risk associated with the insurance products on its statement of financial position given the receipt of profit share and commission structure contained in the distribution agreement.

In 2021, AIB entered into a 50:50 joint venture agreement with Great West Life to develop a new life company in Ireland to exclusively service the AIB and EBS customer base. The company is expected to enter the market in late 2022.

FSG - Customers in Financial Difficulty

AIB has migrated the management of the vast majority of its non-performing exposures to FSG, AIB's standalone dedicated workout unit which supports personal and business customers in financial difficulty, leveraging on FSG's well-resourced operational capacity, workout expertise and skillset. FSG has developed a comprehensive suite of sustainable solutions for customers in financial difficulty and has devised a holistic "One Customer" approach through its customer treatment strategies.

FSG has continued to evolve its standalone operating model to support AIB's objective to reduce its NPEs to more normalised European banking norms, whilst continuing to support its customers through the restructuring lifecycle. It has a proven track record in delivery of significant NPE reduction, with NPEs reduced from c. €31 billion in 2013 to €2.4 billion (4.2 per cent. of total gross loans to customers) as of 30 June 2022 via customer engagement and restructuring activities, supplemented by NPE portfolio sales.

For further detail regarding AIB's forbearance solutions and loans subject to forbearance solutions, see the Risk Management Section of the 2021 Annual Report, as incorporated by reference herein.

Distribution Channels

Branch network and physical distribution

AIB's branch network is designed to ensure accountability, provide local expertise and increased market responsiveness. The goal of AIB's branch network is to be the best bank in the community. In addition to the 170 locations, AIB has a strategic partnership with the An Post network of approximately 920 locations nationwide. This partnership allows AIB customers to carry out daily transactions through post offices, such as lodgements, withdrawals, credit card and bill payments.

AIB also provides a network of automated teller machines ("ATMs") in addition to cash and cheque lodgement ("CCL") machines. The CCL machines allow customers to deposit cash and cheques amongst other services and have facilitated the migration of transactions from branch over the counter services. For example, 85 per

cent of in-scope branch transactions migrated to self-service CCL machines in 2021, compared to 79 per cent in 2020.

The way customers are choosing to interact with AIB has fundamentally changed and was hastened by the COVID-19 pandemic, with the Group's digitally active base now standing at 1.85 million customers. It is not only younger customers who are choosing digital; in 2021, AIB saw a 41 per cent increase in the number of active mobile banking customers aged 65 and over. AIB customers have also embraced new payment methods with a 218 per cent increase in digital wallet payments compared to pre-pandemic levels, with the value of these payments increasing by 382 per cent over the same period. In light of these trends, AIB is refocussing and remodelling its branch network. In 2021, AIB amalgamated 21 branches and transformed 22 branches to be dedicated to meeting customers' lending, mortgage and financial planning needs. AIB continues to work with An Post to complement our branch network model.

Direct Banking

AIB's direct channels include telephone, internet, mobile and tablet banking, offering a wide range of products and services to personal and business banking customers. The Direct Banking phone team operate from a number of locations with the service including the direct relationship management for personal and SME customers.

AIB has witnessed significant growth of both digital customer adoption and engagement levels and now have over 1.85 million customers digitally active. In particular, the investment in mobile banking has resulted in an increased number of customers using the AIB Mobile Banking app, with the frequency of logins up 15 per cent. year on year.

Recent updates to AIB Mobile Banking include enhanced payment capability with the introduction of a simplified person to person payment offering (without the need for account details), the ability to view a card pin, richer transaction information to better inform customers and additional profile management services, enabling customers to keep their information up to date. AIB plays an important role in facilitating customers as they set up new banking arrangements and has therefore made enhancements to its digital account opening capabilities which will now enable over 70 per cent of new personal customers to open current accounts on the AIB Mobile Banking app.

Customers can also apply for personal loans (including a green loan product which offers customers competitive rates to go green), credit cards, overdrafts, savings/deposits accounts and insurance on the AIB Mobile Banking app.

AIB also launched Ireland's first industry-standard open application programming interfaces ("APIs") that allows trusted third parties to interface with the AIB platform to offer services to customers. Open APIs are a way to allow trusted third parties to access customer's financial data, should the customer choose so, to offer new banking services directly, meaning innovative new solutions can be developed by external partners. AIB's API channel will increase the agility and speed with which we can deliver greater digital customer experiences.

iBB is an online service for AIB's business and corporate customers. These customers can access services such as payroll and supplier payments, multi-user access, higher value transactions and enhanced audit trails.

EBS

EBS is a wholly owned subsidiary of AIB. AIB operates EBS as a standalone challenger brand with its own distribution network of tied branch agents under an incentive-based remuneration model. EBS operates in Ireland and has a nationwide network of 66 locations and a direct telephone-based distribution division, EBS Direct. EBS is a predominantly mortgage-focused brand within the Group, helping thousands of people buy

their homes in Ireland. EBS also offers home insurance, savings and investments, financial planning and current accounts.

Haven

AIB also distributes mortgages through Haven, an indirect wholly owned subsidiary of AIB, through independent mortgage intermediaries. AIB employs a selective approach to establishing and operating its mortgage intermediary panel in order to maintain the high quality of its intermediary relationships and customer service, and employs a team of experienced business development managers to manage its relationships with mortgage intermediaries. The Haven brand exclusively distributes mortgages through intermediaries.

AIB Merchant Services

AIB Merchant Services is a joint venture with Fiserv, a global leader in FinTech and payments. It is one of Ireland's largest payment solution providers and one of Europe's largest e-commerce acquirers, with a global customer base.

Payzone

Payzone is a subsidiary of the Group. It is a leader in digital payments, providing comprehensive solutions to more than 7,500 retail stores, over 100 clients and over 400,000 app users across Ireland.

Nifti

NiftiBusiness and Nifti Personal Leasing promote sustainable mobility solutions for Irish businesses and consumers for car leasing solutions. NiftiBusiness assists companies in achieving their fleet management goals to support cash-flow management in a sustainable fashion.

Capital Markets

Capital Markets services AIB's large and medium sized business customers, as well as Private Banking clients. AIB's ambition is to be Ireland's leading capital markets provider delivering a full range of solutions to Irish business through a seamless relationship driven model.

A comprehensive product offering combined with deep sector expertise allows AIB to develop long-term, strategic relationships with its customers. Capital Markets' relationship driven model serves customers through sector specialist teams including corporate banking, real estate finance, energy, climate action & infrastructure and through the banking business team. In addition to traditional credit products, Capital Markets provides mezzanine finance, structured and specialist finance and equity investments, as well as Private Banking services through its Investment Banking team. To provide geographic and sector diversification, AIB selectively participates in European and US syndicated loans and bonds through its Syndicated & International Finance unit.

Capital Markets has pursued a lending model which is aimed at ensuring that learnings from past economic cycles are consistently applied. It is focused on a selective and risk-aware approach to new business origination using sector experts and multi-disciplinary teams.

Capital Markets directly manages the end-to-end delivery of traditional credit facilities and provides a range of solutions to AIB's corporate, larger business and institutional customers, including senior and subordinated term debt; revolving credit facilities; equity investments; trade finance products; cash management solutions; invoice discounting; foreign exchange and interest rate risk management products and, through Goodbody, advisory services for disposals, acquisitions, fundraisings, management buy outs and strategic shareholder advice.

Distribution Channels

Capital Markets operates a relationship management model with the objective of developing a deep and comprehensive understanding of its customers and their sectors and markets, enabling AIB to identify opportunities to meet a broader range of customer financial needs. Capital Markets provides a full suite of products and services across Ireland and selected products in the United Kingdom, Europe and the United States. Staff are based in Dublin and across Ireland, London and New York. To provide geographic and sector diversification, AIB selectively participates in European and U.S. syndicated loans and bonds, and in senior bonds issued by U.S. and European CLO securitisations. The activity of the U.S. based Syndicated & International Finance team is focused on public market loan syndications bonds to U.S. corporate borrowers, with the New York Branch comprising of a Treasury function, a Corporate Loan portfolio and a recently initiated Energy, Climate Change & Infrastructure business in support of the Group's ESG strategy.

Business Areas

Corporate Banking

Corporate Banking is the cornerstone of the Capital Markets customer franchise. It is primarily focused on domestic corporate customers with a senior debt requirement of at least €10 million. Corporate Banking teams provide senior debt and core banking products to a diversified portfolio of domestic companies. Within the corporate banking market, AIB targets a broad range of sectors, including hotels and leisure, food and agriculture, healthcare and student accommodation. Foreign direct investment is also an important segment of the corporate banking market for AIB.

AIB's customer relationship management teams are divided into specialist sector teams which work closely with its customers to gain a deep understanding of their banking requirements. AIB's Corporate Banking relationship management teams directly manage the end-to-end delivery of traditional credit facilities and leverage the expertise of the other customer facing units within Capital Markets (e.g., mezzanine financing) Treasury (e.g., foreign exchange) and Retail Banking (e.g., transactional banking and leasing), to provide the full range of solutions to AIB's corporate customers.

In addition to its relationship management teams, Corporate Banking has a dedicated new business team that engages with customers to which AIB does not currently provide banking services. Once an opportunity has been identified and the customer's needs are understood, the prospective customer is transferred to the relevant relationship management team.

Business Banking

The Business Banking team in Capital Markets is focused on providing products and services to AIB's medium-sized business customers with a debt requirement of between €1-€10 million. It is a key strategic business unit within AIB, given that it serves the lending, transaction and advisory requirements of growing privately owned, family owned and expanding medium sized SMEs.

It has both a Dublin and a nationwide regional footprint delivering a proactive customer centric relationship-based partnership approach to its customers. The Customer and Market engagement teams comprise both dedicated relationship managers nationwide as well as dedicated new business acquisition teams.

Core to its ambition of being a long term strategic trusted partner to its customers Business Banking collaborates with colleagues across Capital Markets to leverage the wider product and service offering. This positions Business Banking to offer the most complete, integrated and compelling banking proposition to medium SMEs in Ireland.

Business Banking also houses two enterprise-wide teams, namely the Commercial Finance and Sector Teams, both of which service business customers across Capital Markets and the wider SME customer base in AIB.

Real Estate Finance

AIB's Real Estate Finance team provides finance for commercial property investment and for property development and construction to domestic and international property investors. AIB's multi-disciplinary team, which comprises property lenders, chartered surveyors and engineers, has deep knowledge in providing finance to this specialist asset class. From an origination perspective, the Real Estate Finance team is primarily focussed on commercial real estate investors with senior debt requirements of greater than €10 million and land and development customers with senior debt requirements of greater than €1 million.

Energy, Climate Action & Infrastructure ("ECAI")

The ECAI team is one of the largest renewables finance teams in Ireland, with extensive experience in non-recourse project finance and broader infrastructure finance.

The team manages a large, diverse portfolio of primarily renewable assets in the power and energy sectors, including Offshore Wind Projects, Solar, Bioenergy Projects, Energy Efficiency Projects and Energy Storage Solutions. In addition, the team has invested in a number of infrastructure projects such as Digital Infrastructure, Transport, Public-Private Partnership Structures and Social Infrastructure.

Syndicated & International Finance

The Syndicated & International Finance team participates in public U.S. and European loan markets to provide senior secured debt to large and selected mid-capitalisation corporates with a bias towards defensive sector and companies with strong cash-flow generation. It also manages a structured investment portfolio with focus on AAA/AA rated CLOs managed by Tier 1 Global Asset Managers. The teams are based in Ireland and the United States with Dublin-based governance. The team takes a highly selective approach to asset selection and has strong risk-adjusted returns from a well-diversified portfolio. The liquid portfolio facilitates dynamic credit management.

Investment Banking

The activities of the Investment Banking team include mezzanine finance, structured finance, equity investments and private banking products and services.

AIB has a dedicated mezzanine team, enabling it to fulfil SME and corporate customers' subordinated finance requirements. AIB also specialises in providing bespoke structured finance solutions to its corporate customers and structured finance to support institutional clients' portfolio financing requirements.

AIB is a significant investor in seed, venture and growth capital funds with commitments totalling approximately €300 million to 26 active funds as at 31 December 2021. These funds have a combined size of approximately €2.8 billion and although largely focusing on providing equity finance to high growth Irish companies (with a particular focus on the technology, FinTech, macro and life sciences sectors), some have more of an international focus. In 2022, AIB set up the AIB Foresight SME Impact Fund, which will be managed by Foresight Group, a leading SME and sustainable infrastructure investment manager. AIB provided the cornerstone investment of €30 million to this fund, which aims to raise €75 million to invest in Irish SMEs to help accelerate their green transition. AIB also invests equity directly into established Irish companies to help support the Irish economy and generate a commercial return for AIB.

The AIB Private Banking team provides AIB's private banking customers with tailored high net worth ("HNW") lending products and services and facilitates introductions to Goodbody wealth consultants and specialists for investment, pension and financial planning.

Goodbody

AIB acquired Goodbody, which became part of the Capital Markets business in August 2021. Goodbody brings additional capability in wealth management, corporate finance, asset management and wider capital markets

propositions. Goodbody is a leading investment-led business, offering wealth management, asset management and investment banking services with quality advice. AIB's acquisition of Goodbody is a critical advancement in the Group's strategy to provide enhanced customer offerings, particularly in capital markets, corporate finance and wealth management.

AIB UK

AIB UK offers corporate, retail and business banking services in two distinct markets with different economies and operating environments: (i) Allied Irish Bank (GB) which is corporate focused, and (ii) AIB NI, which offers full banking services to business and personal customers across Northern Ireland. Both brands are supported by a single operations function. In addition, similar to the FSG unit under Retail Banking, AIB UK has units dedicated to managing customers experiencing financial difficulty.

AIB UK underwent significant changes in 2021. The decision was taken, and executed, to exit the SME market and to reduce the branch footprint in Northern Ireland. A new target operating model was implemented to support this strategic change, focussing on ensuring the creation of a more streamlined and sustainable platform to deliver business growth to its customers as they grow, on the back of Brexit and the COVID-19 pandemic.

Allied Irish Bank (GB) is a corporate-focussed bank targeting mid-tier corporates in chosen sectors where AIB has recognised expertise, who value a high-touch relationship model. Allied Irish Bank (GB) operates out of three locations providing banking services that include lending, treasury, trade facilities, asset finance and invoice discounting.

Allied Irish Bank (GB) has less than 1 per cent. of the corporate lending market in Great Britain. Given the size of this market, together with a sector focussed lending strategy in areas where AIB already has a strong reputation as sector specialists, there are clear opportunities to increase its presence and market share.

AIB NI is a long-established bank in Northern Ireland that provides a full range of transactional banking services supporting both personal and business banking customers. Personal products include mortgages, personal loans, credit cards, current accounts and savings with customer engagement through mobile, online, post office or traditional channels. Business Banking services include finance and loans, business current accounts, credit cards, payment solutions and savings.

In 2021, AIB NI rationalised its branch footprint to seven branches to reflect changing behaviours and to support broader, multi-channel access to simple products and services at a lower cost to serve for personal customers.

AIB NI aims to be a focussed challenger bank in Northern Ireland, offering business banking with a local market presence, digitally enabled personal products and services, and a competitive mortgage proposition via intermediary and direct channels. The overall proposition includes simplified products and an improved digital capability, with closer alignment over time to that offered by the retail operations of AIB in Ireland.

AIB UK is a bank registered in the United Kingdom and regulated by the FCA and the PRA. Although it is subject to a separate regulatory regime and has its own governance, AIB UK is closely aligned to AIB Bank in order to achieve the most efficient operating model.

Group

The Group segment comprises wholesale treasury activities and Group control and support functions. Treasury manages the Group's liquidity and funding positions and provides customer treasury services and economic research. The Group control and support functions include Technology, Operations, Finance, Risk, Legal, Corporate Governance & Customer Care, Human Resources, Corporate Affairs, Strategy & Sustainability and Group Internal Audit.

Competitive Landscape

The Irish banking sector as measured in assets, based on publicly available financial statements, is dominated by the two largest banks, AIB and Bank of Ireland. The decision by both KBC and Ulster Bank to exit the Irish Market increases the level of market concentration. Adoption of digital banking via online and mobile continues to increase and is now seen as being complementary to the traditional channels of branch banking and direct banking via call centres. The shift in customer behaviour towards digital has prompted the emergence of new competitors in the form of FinTechs with selective offerings in financial services. These new players are participating in aspects such as online transaction & payments, online trading, currency trading, crowdfunding and peer-to-peer lending. These shifts and trends were somewhat accommodated and accelerated by the COVID-19 pandemic which helped fast-track the adoption of online banking. Some FinTech names operating and active in the Irish market include CurrencyFair, LinkedFinance, Fundit, Realex, Revolut, N26, bunq, and PayPal. Other parties such as non-bank lenders have also become active in the Irish market, providing niche funding solutions to customers. Some of the principal non-bank lenders in the Irish market include Finance Ireland, Volkswagen Bank, BlueBay, the SCBI, Avant Money, Pepper and Dilosk.

Given the withdrawal of Ulster Bank and KBC Bank Ireland plc, in the Republic of Ireland only AIB and Bank of Ireland will operate as full service banks providing multiple products and services to customers with the newer entrants typically limiting their participation to mono-line products. Permanent TSB remains largely a mortgage bank with very little exposure outside of mortgages, while the credit unions have little participation beyond the personal loans segment.

Retail Ireland

SME

With respect to SME lending, AIB faces competition from both domestic and international credit institutions. AIB competes for business via product range, price, and innovation and does so across a full range of lending products, customer sizes or industry sectors.

The presence of alternative lenders is growing, and the emergence and popularity of digital banking has played a key role in altering the landscape with increased competition on price, with 38 per cent. of SME's using at least one FinTech. Pricing pressures are expected to continue particularly with the availability of government schemes delivered through the SBCI, as a pillar bank in the market AIB plays a key role in the distribution of such Government measures.

Consumer

Within transaction banking, the Irish market continues to evolve rapidly due to a number of factors, including:

- (i) Continued customer adoption and preference for digital payments and banking services;
- (ii) The exit of two long standing international full service banks from the Irish market, leading to a large migration of both personal and business accounts during 2022 and 2023; and
- (iii) Increased competition and penetration of digital services from FinTech / neo-banks, initially with a focus on transaction payments including peer-to-peer payments and international payments, and now expanding product offering to include personal lending and investments.

Personal lending activity is returning to pre-pandemic levels, with the market characterised by a number of factors:

- (i) AIB continues to successfully lead and grow its personal lending via digital channels, with c. 85 per cent. of all personal loans fulfilled end-to-end digitally;

- (ii) Increased competition emerging in the form of FinTech / neo-banks entering the personal lending sector, in addition to partnering with incumbents such as An Post, large retailers and car manufacturers; and
- (iii) Increased offerings from financial institutions focused on and incentivising sustainable / green lending opportunities.

Mortgages

The Irish mortgage market is undergoing a structural shift with two significant competitors, Ulster Bank and KBC Bank Ireland, in the process of exiting the Irish financial services market. In mortgage terms these 2 institutions represent c.25 per cent. of the market flow in mortgages. The remaining 3 bank lenders will be the main beneficiaries of this exit. Non-bank lenders play a small role in the mortgage market. The mortgage market is quite concentrated, and AIB is the market leader. The demographics of Ireland mean that significant population numbers are in the age cohort 25 years to 39 years, which is typically associated with household formation, and therefore there is pent up demand for housing which points to a strong mortgage market. The main challenge is the availability of housing supply to meet demand.

Capital Markets

Over the last number of years, we have seen an increased presence of alternative non-bank lenders competing aggressively on price and structure, and providing funding at a mid-tier corporate level. These alternative non-bank lenders are also active across SME, CRE and asset backed sectors. The recent withdrawal of Ulster Bank has given Corporate Banking an opportunity to increase its market share. However, our Business Banking team participate in a market segment that will remain competitive despite the withdrawal of Ulster Bank and KBC Bank Ireland.

In the Real Estate Finance market, the Commercial Real Estate and Land & Development lending environment remains very competitive with prime Private Rental Sector, office and industrial attracting a variety of debt funders. The Land & Development market has seen a significant increase in competition over recent years with many and varied institutions active in the market (including the state backed HBFi and ISIF backed Activate).

Deal activity in syndicated loans and CLO issuance in 2022 year to date is running well behind 2021 levels due to combined impacts of rising interest rates, high inflation rates, supply-chain issues, geo-political issues and labour shortages. Reduced investor appetite since the start of this year is reflected in below par pricing but this has improved somewhat in recent months across EU & US Credit markets.

The Energy, Climate Action and Infrastructure provides long term senior debt finance to Renewable Energy & Infrastructure assets in Ireland, UK, Europe and the US where demand and the outlook for investment remains strong, particularly in the area of renewable energy. While Irish and international institutions are active in the Irish market many of the international players will only focus on the larger projects. Challenges emerging in the market include construction cost inflation (including energy and commodity pricing) as well as the cost of long-term finance. These challenges are mitigated and/or managed by the use of fixed price contracts, interest rate hedging and for renewable energy assets increased energy pricing and/or revenues. Assets which are already operational and form the majority of our book are less impacted by these factors.

United Kingdom

AIB UK operates in two distinct markets, Great Britain (GB) and Northern Ireland (NI), with different economies and operating environments.

AIB UK's position in GB is as a niche business bank with a focus on select sectors targeting mid-tier corporates. In Northern Ireland, AIB UK operates as a focused challenger with a personal proposition, a business banking offering, and a mortgage proposition via direct and intermediary channels.

The principal competitors in the core GB market are the main high street banks (Lloyds, HSBC, Barclays, NatWest and Santander), which are full service providers of banking services targeting a similar customer base. The smallest of the high street banks is Santander with assets of c. £180 billion putting in context AIB UK’s role as a challenger and the task in competing with larger scale players. The next player behind Santander and above niche players such as AIB UK is Clydesdale Bank (Virgin) with assets of £90 billion. The principal competitor set are the main high street banks, plus others such as Clydesdale, and Handelsbanken, followed by a number of challenger players such as Shawbrook, Aldermore and OakNorth Bank. The larger main street banks have legacy challenges and can lack the focus to serve the mid-corporate market.

In Northern Ireland, AIB competes with the local established Northern Irish banks, include Danske, Ulster Bank, and Bank of Ireland. Additional competition stems from traditional GB based banks / building societies, including Halifax, Santander and Nationwide.

Employees

For the years ended 31 December 2021, 2020 and 2019, AIB had an average of 9,154, 9,356 and 9,855 employees on a full-time equivalent (“FTE”) basis, respectively, and 8,946 for the half year ended 30 June 2022. The following table sets forth a breakdown of average employees by segment for the half year ended 30 June 2022:

| | As at 30 June 2022 |
|----------------------|-------------------------------|
| Retail Banking | 4,103 |
| Capital Markets..... | 975 |
| AIB UK..... | 614 |
| Group Segment | 3,254 |
| Total | 8,946 |

Unions

AIB has a long-standing history of constructive working relations with all of its employee representative unions, which include the Financial Services Union (“FSU”), Services Industrial Professional and Technical Union (“SIPTU”) and Unite. The FSU is the main negotiating partner and represents more than one-third of AIB’s employees across Ireland and the UK.

Information Technology

The business of AIB is dependent upon IT infrastructure, services and systems. These systems support customer interactions with AIB and back-office functions, including:

- Direct customer and assisted channels: providing sales and services systems for retail and business in-branch banking customers, via direct banking (i.e., internet, tablet and mobile banking) and corporate banking products and services;
- Business and customer services: providing operational systems that support customers from centralised functions, including the customer call centre, operations and technology services;
- Payments and cards: providing processing conducted through a variety of banking systems and schemes, for domestic, international (SWIFT) and Euro (SEPA) payments; and

- Enterprise functions: supporting AIB's finance, risk and analytics and reporting systems.

A key strategic focus at present is our multiyear Core Banking Modernisation programme which will ensure we have leading technology across our key systems. AIB's primary core banking systems are internally developed and maintained by AIB and underpinned by the latest IBM mainframe technology, which was integrated within the last 12 months. The core systems are used across all areas of AIB's business.

AIB Technology is in the early stages of an operating model assessment which will see a shift to more modern, agile ways of working.

AIB has a business continuity arrangement in place with a third party that provides for data replication and an offsite backup in the event of an IT failure at the main campus.

SIGNIFICANT SHAREHOLDERS

Interests of significant shareholders

As at 30 June 2022, notifications had been received of the following interests in 3 per cent. or more of the Group's issued ordinary share capital:

| Shareholder | Number of Shares | Percentage of Total Voting Rights |
|---------------------------------------|-----------------------------|--------------------------------------------------|
| Irish Strategic Investment Fund | 1,697,373,677 | 63.49% |
| Wellington Management Group LLP | 100,927,422 | 3.77% |
| Orbis Investment Management Limited | 80,318,068 | 3.00% |

Save as disclosed above, the Group Directors are not aware of any person who, as at 30 June 2022, directly or indirectly, has a holding which exceeds the threshold of 3 per cent. of the total voting rights attaching to the issued ordinary share capital of the Group.

Save as disclosed above, as at 30 June 2022, the Group was not aware of any person or persons who directly, indirectly, jointly or severally exercise or could exercise control over the Group, nor is it aware of any arrangements the operation of which may, at a subsequent date, result in a change in control of the Group.

MANAGEMENT

Board of Directors and Executive Officers

The following is a list of directors and officers of the Issuer as at the date of this Base Prospectus. The business address of each of the directors and officers referred to below is c/o 10 Molesworth Street, Dublin 2, D02 R126, Ireland. The contact telephone number for the Issuer is: +353 (1) 660 0311.

| Name | Title |
|------------------------|------------------------------------------------|
| Jim Pettigrew | Chair and Non-Executive Director |
| Brendan McDonagh | Deputy Chair and Non-Executive Director |
| Helen Normoyle | Senior Independent Non-Executive Director |
| Anik Chaumartin | Non-Executive Director |
| Donal Galvin | Chief Financial Officer and Executive Director |
| Basil Geoghegan | Non-Executive Director |
| Tanya Horgan | Non-Executive Director |
| Colin Hunt | Chief Executive Officer and Executive Director |
| Sandy Kinney Pritchard | Non-Executive Director |
| Elaine MacLean | Non-Executive Director |
| Andy Maguire | Non-Executive Director |
| Ann O'Brien | Non-Executive Director |
| Fergal O'Dwyer | Non-Executive Director |
| Raj Singh | Non-Executive Director |
| Jan Sijbrand | Non-Executive Director |

Note: Carolan Lennon resigned as the Senior Independent Non-Executive Director on 30 June 2022. Helen Normoyle was appointed as the Senior Independent Non-Executive director on 1 July 2022.

As far as is known to AIB, no potential conflicts of interest exist between any duties to AIB of the persons listed under “*Board of Directors and Executive Officers*” above and their private interests and/or other duties.

The Board-approved Code of Conduct and Conflicts of Interest Policy sets out how actual, potential or perceived conflicts of interest are to be evaluated, reported and managed to ensure that Directors act at all times in the best interests of the Group and its stakeholders. Executive Directors, as employees of the Group, are also subject to the Group’s Code of Conduct and Conflicts of Interests Policy for employees.

For biographies of the Board members, please see pages 36 to 39 of the 2021 Annual Financial Report incorporated by reference herein.

Executive Committee

| Name | Title |
|-------------|-------------------------|
| Colin Hunt | Chief Executive Officer |

| Name | Title |
|------------------|----------------------------------------------------|
| CJ Berry | Chief Enterprise Development Officer |
| Cathy Bryce | Managing Director, AIB Capital Markets |
| Geraldine Casey | Chief People Officer |
| Fergal Coburn | Chief Technology Officer |
| Helen Dooley | Group General Counsel |
| Donal Galvin | Chief Financial Officer |
| Hilary Gormley | Managing Director, AIB Group (UK) p.l.c. |
| Michael Frawley | Chief Risk Officer |
| Andrew McFarlane | Chief Operating Officer |
| Jim O’Keeffe | Managing Director, Retail Banking |
| Mary Whitelaw | Chief Sustainability and Corporate Affairs Officer |

Biographies

Michael Frawley – Chief Risk Officer

Michael joined AIB as Chief Risk Officer in July 2022. A senior risk professional with a 25 year banking career spanning retail, commercial, wholesale, asset management, trade finance, strategy implementation and risk management experience, he also has extensive international experience from his previous roles at HSBC in the UK, Asia and the Americas. His most recent role prior to AIB was as Chief Risk Officer of Permanent TSB. Michael holds an MBA from Columbia Business School, New York and a B.Comm from University College, Cork.

Andrew McFarlane – Chief Operating Officer

Andrew joined AIB in July 2022 and has over 25 years’ experience working primarily in the financial services sector, in banks and management consulting firms. His international career has spanned Canada, Australia, England and Ireland and he has held posts such as Managing Director, Accenture Financial Services, Canada and more recently Executive Director of Modernisation & Corporate Strategy, and Chief External Relations Officer at Payments Canada. Andrew holds a Bachelor of Business (Banking & Finance) and a Graduate Diploma in Applied Finance and Investment.

CJ Berry - Chief Enterprise Development Officer

CJ joined AIB in 2002, bringing with him a wealth of experience across Irish, UK, US and European markets. During his 19 years in AIB, he has driven significant business development in our corporate and retail business, taking up the position of Interim Head of Group Strategy in July 2020. CJ served as Chief Operating Officer Designate from December 2020 until taking up his current role in July 2022. As Chief Enterprise Development Officer, CJ oversees AIB’s Corporate Development and Strategy formulation. He is an Economics & Philosophy Graduate from Trinity College, Dublin.

For biographies of the other members of the Executive Committee members, please see pages 40 to 41 of the 2021 Annual Financial Report incorporated by reference herein.

SELECTED CONSOLIDATED HISTORICAL FINANCIAL AND OPERATING INFORMATION

The tables below set out selected consolidated financial information of AIB for the six months ended 30 June 2022 and 2021 and for the years ended 31 December 2021, 2020 and 2019. The selected consolidated financial information of AIB, to the extent it has been extracted from the 2021 Financial Statements and the 2020 Financial Statements, has been prepared in accordance with IFRS, as adopted by the European Union and has been audited by Deloitte, independent auditors. The selected consolidated financial information of AIB, to the extent it has been extracted from the 2022 Half-Yearly Financial Statements, has been prepared in accordance with IAS 34, as adopted by the European Union.

The selected consolidated financial information presented below should be read in conjunction with “Operating and Financial Review and Risk Management”.

Selected Consolidated Income Statement Data

| | Six months ended 30 June | | Year ended 31 December | | |
|--------------------------------------------------------------------------------------|--------------------------|--------------|------------------------|----------------|----------------|
| | 2022 | 2021 | 2021 | 2020 | 2019 |
| | | | (€ millions) | | |
| Interest income calculated using the effective interest method | 1,022 | 970 | 2,003 | 2,050 | 2,291 |
| Other interest income and similar income..... | 40 | 40 | 81 | 77 | 79 |
| Interest and similar income | 1,062 | 1,010 | 2,084 | 2,127 | 2,370 |
| Interest expense | (167) | (129) | (290) | (255) | (294) |
| Net interest income | 895 | 881 | 1,794 | 1,872 | 2,076 |
| Dividend income..... | 1 | 1 | 3 | 26 | 26 |
| Fee and commission income..... | 373 | 289 | 640 | 564 | 543 |
| Fee and commission expense..... | (86) | (77) | (160) | (169) | (71) |
| Net trading income (loss)..... | 57 | 9 | 15 | (32) | (57) |
| Net gain on other financial assets measured at FVTPL..... | 30 | 70 | 78 | 86 | 140 |
| Net gain (loss) on derecognition of financial assets measured at amortised cost..... | 28 | (8) | 1 | 24 | (48) |
| Other operating income | 5 | 6 | 8 | 2 | 46 |
| Other income | 408 | 290 | 585 | 501 | 579 |
| Total operating income | 1,303 | 1,171 | 2,379 | 2,373 | 2,655 |
| Operating expenses..... | (901) | (808) | (1,679) | (1,544) | (1,935) |
| Impairment and amortisation of intangible assets..... | (108) | (95) | (198) | (214) | (146) |
| Impairment and depreciation of property, plant and equipment..... | (74) | (86) | (129) | (101) | (100) |
| Total operating expenses | (1,083) | (989) | (2,006) | (1,859) | (2,181) |
| Operating profit before impairment losses.. | 220 | 182 | 373 | 514 | 474 |
| Net credit impairment writeback/(charge) | 309 | 103 | 238 | (1,460) | (16) |
| Operating profit/(loss) | 529 | 285 | 611 | (946) | 458 |

| | Six months ended 30 June | | Year ended 31 December | | |
|---------------------------------------------|--------------------------|------|------------------------|-------|-------|
| | 2022 | 2021 | 2021 | 2020 | 2019 |
| | <i>(€ millions)</i> | | | | |
| Share of equity accounted investments | 5 | 6 | 21 | 15 | 20 |
| Profit/(loss) on disposal of property..... | 3 | — | (3) | — | 21 |
| Profit/(loss) before taxation | 537 | 291 | 629 | (931) | 499 |
| Income tax credit/(charge)..... | (60) | (17) | 16 | 190 | (135) |
| Profit/(loss) for the period | 477 | 274 | 645 | (741) | 364 |

Selected Consolidated Statement of Financial Position Data

| | As at 30 | As at 31 December | | |
|---------------------------------------------------------------|----------------|-------------------|-----------------------|---------------|
| | June | 2021 | 2020 | 2019 |
| Assets | | | | |
| Cash and balances at central banks | 44,561 | 42,654 | 25,550 | 11,982 |
| Items in course of collection | 88 | 44 | 43 | 57 |
| Disposal groups and non-current assets held for sale | 16 | 8 | 14 | 20 |
| Trading portfolio financial assets..... | 10 | 8 | — | — |
| Derivative financial instruments | 1,795 | 882 | 1,424 | 1,271 |
| Loans and advances to banks | 1,549 | 1,323 | 1,092 ⁽¹⁾ | 1,478 |
| Loans and advances to customers | 57,055 | 56,508 | 56,841 ⁽¹⁾ | 60,888 |
| Securities financing | 4,570 | 3,890 | 811 ⁽¹⁾ | — |
| Investment securities | 17,202 | 16,972 | 19,479 | 17,331 |
| Investments accounted for using the equity method | 136 | 127 | 98 | 83 |
| Intangible assets and goodwill | 953 | 996 | 937 | 917 |
| Property, plant and equipment | 543 | 631 | 725 | 803 |
| Other assets..... | 1,044 | 483 | 235 | 655 |
| Current taxation | 10 | 37 | 57 | 8 |
| Deferred tax assets | 2,933 | 2,834 | 2,711 | 2,666 |
| Prepayments and accrued income | 420 | 424 | 339 | 364 |
| Retirement benefit assets | 63 | 54 | 29 | 39 |
| Total assets | 132,948 | 127,875 | 110,385 | 98,562 |
| Liabilities | | | | |
| Deposits by central banks and banks | 10,548 | 10,382 | 4,495 ⁽¹⁾ | 823 |
| Customer accounts..... | 95,917 | 92,866 | 81,957 ⁽¹⁾ | 71,803 |
| Securities financing | 778 | 45 | 210 ⁽¹⁾ | — |
| Trading portfolio financial liabilities | 6 | 2 | — | — |

| | As at 30 June | As at 31 December | | |
|--------------------------------------------------------------|------------------|-------------------|----------------|---------------|
| | 2022 | 2021 | 2020 | 2019 |
| Derivative financial instruments | 1,986 | 1,062 | 1,201 | 1,197 |
| Debt securities in issue | 6,712 | 5,819 | 5,450 | 6,831 |
| Lease liabilities | 311 | 346 | 382 | 429 |
| Current taxation | 12 | 10 | 1 | 70 |
| Deferred tax liabilities | 34 | 53 | 44 | 109 |
| Retirement benefit liabilities | 25 | 54 | 68 | 60 |
| Other liabilities | 1,313 | 1,235 | 955 | 869 |
| Accruals and deferred income | 355 | 284 | 255 | 339 |
| Provisions for liabilities and commitments | 470 | 501 | 396 | 503 |
| Subordinated liabilities and other capital instruments | 1,557 | 1,556 | 1,550 | 1,299 |
| Total liabilities | 120,024 | 114,215 | 96,964 | 84,332 |
| Equity | | | | |
| Share capital | 1,671 | 1,696 | 1,696 | 1,696 |
| Reserves | 10,140 | 10,850 | 10,609 | 11,543 |
| Total shareholder's equity | 11,811 | 12,546 | 12,305 | 13,239 |
| Other equity interests | 1,115 | 1,115 | 1,115 | 496 |
| Non-controlling interests | (2) | (1) | 1 | 495 |
| Total equity | 12,924 | 13,660 | 13,421 | 14,230 |
| Total liabilities and equity | 132,948 | 127,875 | 110,385 | 98,562 |

⁽¹⁾ In 2021, the Group voluntarily changed its accounting policy for the presentation of certain financial instruments relating to securities financing and the comparatives for 2020 were restated accordingly. The footnoted numbers represent the restated 2020 comparative. The related 2019 numbers have not been restated. For further details, see note 1 (c) of the 2021 Financial Statements.

Key Financial Ratios

| | As at or for the six months ended 30 June | As at or for the year ended 31 December | | |
|---------------------------------------|----------------------------------------------|-----------------------------------------|-------|-------|
| | 2022 | 2021 | 2020 | 2019 |
| | | <i>(unaudited)</i> | | |
| CET1 fully loaded capital ratio | 15.3% | 16.6% | 15.6% | 17.3% |
| CET1 transitional capital ratio | 16.6% | 19.2% | 18.9% | 20.3% |
| Net interest margin | 1.48% | 1.58% | 1.94% | 2.37% |
| Cost/income ratio (IFRS basis) | 83% | 84% | 78% | 82% |
| Loan to deposit ratio | 59% | 61% | 69% | 85% |

As at 31 December 2019

| | Retail Banking | Capital Markets | AIB UK | Group | Total |
|------------------------|---------------------------|----------------------------|---------------------|--------------|--------------|
| | | | <i>(£ millions)</i> | | |
| Customer accounts..... | 48,636 | 11,347 | 10,364 | 1,456 | 71,803 |

OPERATING AND FINANCIAL REVIEW AND RISK MANAGEMENT

The discussion of the financial condition and results of operations of AIB below and incorporated by reference herein should be read in conjunction with the Financial Statements and the information relating to AIB's business included elsewhere in this Base Prospectus. AIB's financial information as at and for the years ended 31 December 2021, 2020 and 2019 has been audited by Deloitte, independent auditors.

Some of the information contained in the following discussion contains forward-looking statements that are based on assumptions and estimates and are subject to risks and uncertainties. Investors should read "Presentation of Information—Forward-looking statements" for a discussion of the risks and uncertainties related to these statements. Investors should also read the section entitled "Risk Factors" for a discussion of certain factors that may affect AIB's business, financial condition or results of operations.

The Group's 2022 Half-Yearly Financial Report, 2021 Annual Financial Report and 2020 Annual Financial Report, which have been previously published, contain financial information about AIB which is relevant to investors. The following list is intended to enable investors to easily identify the relevant items within the Group's 2022 Half-Yearly Financial Report, 2021 Annual Financial Report and 2020 Annual Financial Report. The list sets out the sections of these documents which are incorporated by reference into, and form part of, this section, "*Operating and Financial Review and Risk Management*", and only the parts of the documents identified in the table below are incorporated into, and form part of, this section, "*Operating and Financial Review and Risk Management*". The parts of these documents which are not incorporated by reference either are not relevant for investors or are covered elsewhere in this document.

2022 Half-Yearly Financial Report

The page numbers below refer to the relevant pages of the 2022 Half-Yearly Financial Report for:

- *Business Performance* –
 - *Financial performance*: page 4
- *Operating and Financial Review*: pages 18 to 32
- *Risk Management* –
 - *Update on risk management and governance*: page 37
 - *Credit Risk*: pages 38 to 74
 - *Liquidity and funding risk*: pages 75 to 78

2021 Annual Financial Report

The page numbers below refer to the relevant pages of the 2021 Annual Financial Report for:

- *Business Performance* –
 - *Financial Performance*: page 2
- *Economic Outlook*: pages 16 to 17
- *Operating and Financial Review*: pages 58 to 72
- *Risk Management* –
 - *Framework*: pages 78 to 82
 - *Credit Risk*:

- pages 84 to 144
- *Liquidity and Funding Risk*: pages 145 to 152
- *Capital Adequacy Risk*: page 153
- *Financial Risks*: pages 154 to 161
- *Business Model Risk*: page 162
- *Operational Risk*: page 163
- *Regulatory Compliance Risk* : pages 164 to 165
- *Conduct Risk*: pages 165 to 166
- *People and Culture Risk*: pages 167 to 168
- *Model Risk*: page 168

2020 Annual Financial Report

The page numbers below refer to the relevant pages of the 2020 Annual Financial Report for:

- *Overview of the Irish Economy*: pages 20 to 21
- *Operating and Financial Review*: pages 60 to 74
- *Risk Management*
 - *Framework*: pages 80 to 86
 - *Credit Risk*: pages 88 to 146
 - *Funding and Liquidity Risk*: pages 147 to 155
 - *Capital Adequacy Risk*: page 156
 - *Financial Risks*: pages 157 to 164
 - *Operational Risk*: page 164 to 165
 - *Regulatory Compliance Risk*: pages 165 to 166
 - *Conduct Risk*: pages 166 to 167
 - *People and Culture Risk*: pages 167 to 168
 - *Business Model Risk*: pages 168 to 169
 - *Model Risk*: pages 169 to 170

Key Factors Affecting Results of Operations

Economic Conditions in Ireland and the United Kingdom

AIB's activities in Ireland and the United Kingdom account for the majority of its business. As a result, the performance of the Irish economy is extremely important to AIB. Its operations in and its proximity to the United Kingdom also mean that it is influenced directly by political, economic and financial developments

there, as well as indirectly through the impact of such developments in the United Kingdom on the Irish economy.

Irish GDP rose by 7.6 per cent per annum on average between 2017-2019. Meanwhile, the unemployment rate declined over the same period from 7.4 per cent at the start of 2017, to 4.8 per cent by the end of 2019. At the same time, inflation was very subdued, averaging just 0.6 per cent per annum between 2017-2019. The Irish economy had also deleveraged substantially in the decade following the global financial crisis and public finances had returned to surplus.

In 2020 though, like elsewhere, the Irish economy faced significant challenges as measures were introduced to prevent the spread of COVID-19, with strict lockdown measures put in place. Despite Irish GDP rising by 6.2 per cent in 2020, boosted by Ireland's favourable export mix, the domestic economy contracted, with modified final domestic demand ("MFDD") declining by 6.1 per cent in 2020. The unemployment rate rose substantially, with the newly compiled COVID-19 adjusted unemployment rate rising to approximately 32 per cent in April 2020. An Exchequer deficit of €12.4bn was recorded in 2020, as the Government increased spending on healthcare and on supports for households and businesses.

In 2021, a strong rebound took hold, and Irish GDP increased by 13.6 per cent, while MFDD rebounded by 5.8 per cent. Exports remained a key driver of growth, rising by 14.1 per cent in 2021. Meanwhile, the unemployment rate trended lower over the course of 2021, as the large uptake of the COVID-19 vaccines allowed most restrictions to be eased in the second half of the year. A smaller Exchequer deficit of €7.4bn was recorded in 2021, largely due to a 20 per cent increase in tax receipts compared to 2020. Tax revenues in 2021 were up by 15 per cent on their 2019 level, i.e. the year before the pandemic struck.

Two key regulatory changes which impact the Irish economy have also taken place since 2019. Firstly, the UK and EU agreed on the TCA in late December 2020. The TCA allows for continuing tariff-free trade and quota-free trade in goods. It also prevented no-trade deal scenario, which would have been the worst-case Brexit outcome from an Irish economic perspective. However, the TCA does not provide the same economic advantages that the EU Single Market does. Furthermore, tensions have flared between the EU and the UK over the past 12 months over various issues, most notably the Protocol. In the event of a deep crisis, 12 months' notice must be given to terminate the TCA if either side wishes to do so. During this period, talks must be held to try and resolve differences and save the TCA.

Secondly, Ireland signed up to the OECD proposal of a minimum global corporate tax rate of 15 per cent, which is due to take effect in 2023. Ireland's current 12.5 per cent corporate tax rate has been in place for the last two decades, and has been a key factor in attracting foreign direct investment. The Department of Finance has budgeted for a €2bn decrease to Irish corporation tax receipts by 2025 due to changes to the global tax system. Nevertheless, Ireland is expected to remain an attractive location for foreign direct investment, as its main competitor for foreign direct investment, the UK, is now outside of the EU Single Market & Custom Union. Strong inflows of foreign direct investment into Ireland continued in 2021.

Overall, the Irish economy has shown resilience over the past few years, particularly in the face of the pandemic and Brexit. Looking ahead, GDP is forecast to grow by 9.1 per cent in 2022, before moderating to 4.8 per cent in 2023, and to 4.4 per cent in 2024 (Central Bank of Ireland, July 2022).

COVID-19 Pandemic

In 2020 the Group's business was adversely affected by the COVID-19 pandemic, which triggered a global recession. In Ireland, whilst the impact to the economy was mitigated to some extent by the continuing strength of exports, most notably from the multi-national sector, there was a marked contraction in the domestic economy. The pandemic also had a particularly severe impact on the UK economy. The impact of the pandemic on the Group's financial performance in 2020 was reflected in a significant increase in the net credit impairment charge due to the deterioration in the economic outlook and negative impact on credit quality, particularly in

sectors impacted by COVID-19 restrictions. It was also evident in lower new lending, a substantial increase in customer accounts and a reduction in income.

The Irish and UK economies rebounded strongly in 2021 aided by the successful vaccine rollout, sustained government supports for business and society's willingness to adapt to tough restrictions.

As the economic threat from COVID-19 recedes, the Group remains cautious in its assessment of the credit environment. While current credit conditions are relatively benign, a further deterioration in the global macroeconomic environment as a result of COVID-19 or any variant thereof may adversely affect the Group's credit risk profile.

For further details on the COVID-19 pandemic's impact on the Group, see *“Risk Factors—The Group's business has been and will continue to be adversely affected by the economic and social impact of policies designed to contain the spread of COVID-19 in the Group's core markets.”*

Russia-Ukraine Conflict

The impact of the ongoing conflict between Russia and Ukraine is still uncertain. The Group does not have any direct exposure to Ukraine, Russia or Belarus and exposures indirectly affected by the conflict are negligible.

Non-performing Exposures

The Group has made significant progress in reducing its non-performing exposures, with the level of non-performing exposures having reduced from €3.3 billion at 31 December 2019 (representing 5.4 per cent. of total gross loans to customers) to €2.4 billion at 30 June 2022 (representing 4.2 per cent. of total gross loans to customers). The Group continues to focus on reducing non-performing exposures through sustainable restructuring solutions and disposal of non-performing loan portfolios. In 2021, the Group completed a number of disposals of non-performing loan portfolios with a gross non-performing value of €1.0bn, and in 2022 it made a further disposal with a gross non-performing value of €0.4 billion.

Interest Rates

Net interest income represented 70 per cent. of the Group's total income in the half year ended 30 June 2022, as compared to 75 per cent. in the year ended 31 December 2021 and 79 per cent. in the year ended 31 December 2020. The Group's results are therefore dependent to a great extent on its net interest income. The Group's net interest margin, which is the difference between the yield on its interest-bearing assets and the cost of its interest-bearing liabilities, varies according to prevailing interest rates.

The Group has been negatively impacted by the enduring low / negative interest rate environment in recent years which has contributed to a reduction in net interest income. Conversely the Group stands to benefit as central banks increase interest rates in response to rising inflation.

Inorganic and other strategic transactions

The Group's results are impacted by its inorganic and other strategic transactions. These transactions include the following.

Joint Venture with Great-West Lifeco

On 23 June 2021, the Group announced that it has reached an agreement to form a joint venture with Canada Life Irish Holding Company Limited (“Canada Life”), a subsidiary of Great-West Lifeco Inc. It is intended that the business' operations will be conducted through a joint venture vehicle owned 50 per cent. by AIB and 50 per cent. by Canada Life. Through this strategic initiative, the Group intends to offer customers a range of life protection, pensions, savings and investment options enhanced by integrated digital solutions and with continued access to its qualified financial advisors. The joint venture will be incorporated under Irish law and

seek to become a life insurance undertaking regulated by the CBI and will be required to satisfy certain conditions prior to regulatory approval.

Ulster Bank corporate and commercial loans

On 28 June 2021, the Group confirmed that it had entered into a binding agreement with NatWest Holdings Limited and Ulster Bank for the acquisition of performing corporate and commercial loans for a total consideration of €4.1 billion, equivalent to 97.63 per cent. of par value, subject to customary regulatory approval. The exact size of the portfolio and consideration payable will depend on movements in the portfolio up to completion. On 29 April 2022 the Group confirmed the receipt of competition clearance from the CCPC for the acquisition of approximately €3.7 billion of performing corporate and commercial loans from Ulster Bank (estimated value based on the transaction had it completed on 31 December 2021). The Group has commenced the migration of loans on a phased basis which is expected to take place over 12 months and €178 million of the loans have been acquired by the Group by 30 June 2022.

Goodbody

On 1 September 2021 the Group announced that following receipt of all regulatory approvals, it had completed the acquisition of Goodbody, a leading Irish provider of wealth management, corporate finance and capital markets services.

Sale of SME portfolio in Great Britain

On 23 November 2021 the Group confirmed that, further to the strategic decision to withdrawal from SME lending in Great Britain, its subsidiary AIB UK has reached an agreement to sell approximately £0.6 billion of performing SME loans in Great Britain to Allica Bank Limited following a competitive sales process.

Ulster Bank performing tracker mortgage portfolio

On 1 June 2022 the Group confirmed that it had entered into a binding agreement with NatWest Group plc and Ulster Bank for the acquisition of a performing Ulster Bank tracker (and linked) mortgage portfolio with an expected value of approximately €5.7 billion for a total consideration of €5.4 billion, equivalent to 95.15 per cent. of par value. The exact consideration payable will depend on movements in the portfolio up to completion. The Group intends to engage a third-party service provider to administer the portfolio on its behalf. The Group will acquire an economic interest in the mortgage portfolio in the second half of 2022 with formal completion expected in 2023. The transaction remains subject to obtaining any necessary customary regulatory approvals.

Bank levies and regulatory fees

The Group incurs bank levy and regulatory fee costs on an annual basis, mainly in respect of the Irish bank levy and contributions to the Deposit Guarantee Scheme and the Single Resolution Fund.

The Irish bank levy fee, payable annually in October, is calculated based on each financial institution's Deposit Interest Retention Tax.

The Deposit Guarantee Scheme is a statutory deposit protection scheme administered by the CBI requiring credit institutions to pay an annual contribution based on their covered deposits and degree of risk.

The SRB is the central resolution authority within the European Banking Union, The Single Resolution Fund is an emergency fund that can be called upon in times of crisis. All banks across the twenty-one Banking Union countries must pay a fee annually by law to the Single Resolution Fund.

Restitution and Restructuring costs

Restitution costs in relation to legacy items continued during the periods under review. The main legacy items are the Tracker Mortgage Examination and the related FSPO decision as well as redress and other costs in respect of a series of investment property funds (known as Belfry) which were sold to individual investors

during the period from 2002 to 2006. In June 2022, the CBI announced the conclusion of the enforcement actions against AIB and EBS regarding their handling of tracker mortgages.

Restructuring costs reflect the implementation of the Group's revised strategy (Strategy 2023), including termination benefits, impairment and other costs associated with the reduction in the Group's property footprint, changes to the Retail network in the Republic of Ireland and the End-to-End Credit Processes as well as the exit from the SME market in Great Britain.

For further information on the restitution and restructuring costs please see the exceptional items discussion in the 2022 Half-Yearly Financial Report, which is incorporated by reference herein.

Recent Developments

The proposed acquisition by AIB Bank of a portfolio of performing residential mortgage assets, which are predominantly tracker mortgages of Ulster Bank, was notified to the CCPC on 25 August 2022.

Return on Tangible Equity

In assessing the capital efficiency of AIB, the return on tangible equity is a better reflection of performance given capital requirements and the nature and quantum of deferred tax assets recognised for unutilised tax losses in equity.

Return on tangible equity is defined as profit after tax less coupons paid on Additional Tier 1 Securities, divided by targeted CET1 capital (13.5 per cent. since 2021) on a fully loaded basis. The following table presents the basis of calculation of return on tangible equity for the six months ended 30 June 2022 and 2021 and for the years ended 31 December 2021, 2020 and 2019:

| | As at and for the six months ended 30 June | As at and for the year ended 31 December | | |
|---------------------------------------------------------------|-----------------------------------------------|-------------------------------------------------|----------------------------|----------------------------|
| | 2022 | 2021 | 2020 | 2019 |
| | | <i>(€ millions, unless otherwise indicated)</i> | | |
| | | <i>(unaudited)</i> | | |
| Profit/(loss) after tax | 477 | 645 | (741) | 364 |
| AT1 coupons paid..... | (33) | (65) | (76) | (37) |
| Attributable earnings (numerator)..... | 444 | 579 | (817) | 327 |
| | | | | |
| Average RWA | 53,471 | 52,469 | 52,289 | 51,631 |
| Average RWA * 13.5% CET1 target (denominator)..... | 7,255 | 7,083 | 7,320⁽¹⁾ | 7,228⁽¹⁾ |
| | | | | |
| Return on Tangible Equity | 12.3% | 8.2% | (11.2)% | 4.5% |

Note:

⁽¹⁾ RoTE based on a CET1 target of 14% for the years ended 31 December 2020 and 2019.

CAPITAL

The following table presents AIB's regulatory capital and capital ratios on a CRD transitional and fully loaded basis as at 30 June 2022 and 31 December 2021:

| | CRD IV transitional basis ⁽¹⁾ | | CRD fully loaded basis ⁽²⁾ | |
|--------------------------------------------------------------------------------------|-------------------------------------------------|------------------|---------------------------------------|------------------|
| | As at | | As at | |
| | 30 June 2022 | 31 December 2021 | 30 June 2022 | 31 December 2021 |
| | <i>(€ millions, unless otherwise indicated)</i> | | | |
| Common equity tier 1 capital | | | | |
| Equity..... | 12,928 | 13,664 | 12,928 | 13,664 |
| Less AT1 capital..... | (1,115) | (1,115) | (1,115) | (1,115) |
| Less proposed ordinary dividend | (291) | (122) | (291) | (122) |
| Regulatory adjustments: | | | | |
| Intangible assets..... | (556) | (552) | (556) | (552) |
| Cash flow hedging reserves | 690 | (149) | 690 | (149) |
| IFRS 9 CET1 transitional addback..... | 232 | 565 | — | — |
| Pension..... | (48) | (39) | (48) | (39) |
| Deferred tax..... | (2,221) | (1,977) | (2,759) | (2,801) |
| Calendar provisioning | (93) | (136) | (93) | (136) |
| Other | (102) | (37) | (102) | (37) |
| Total regulatory adjustments..... | (2,098) | (2,235) | (2,868) | (3,714) |
| Total common equity tier 1 | 9,424 | 10,102 | 8,654 | 8,713 |
| Additional Tier 1 capital | | | | |
| Additional Tier 1 issuance..... | 1,115 | 1,115 | 1,115 | 1,115 |
| Other | (3) | — | (3) | — |
| Total Additional Tier 1 Capital..... | 1,112 | 1,115 | 1,112 | 1,115 |
| Total Tier 1 Capital..... | 10,536 | 11,217 | 9,766 | 9,828 |
| Tier 2 capital | | | | |
| Subordinated debt | 1,500 | 1,500 | 1,500 | 1,500 |
| Instruments issued by subsidiaries that are given recognition in tier 2 capital..... | 29 | 24 | 31 | 28 |
| IRB Excess of provisions over expected losses eligible..... | 130 | 133 | 130 | 133 |
| IFRS 9 tier 2 transitional adjustment | (130) | (133) | — | — |
| Other | (3) | — | (3) | — |
| Total Tier 2 Capital..... | 1,526 | 1,524 | 1,658 | 1,661 |
| Total capital | 12,062 | 12,741 | 11,424 | 11,489 |
| Risk-weighted assets | | | | |
| Credit risk..... | 52,133 | 47,646 | 51,986 | 47,367 |

| | CRD IV transitional basis ⁽¹⁾ | | CRD fully loaded basis ⁽²⁾ | |
|-------------------------------------------------------|-------------------------------------------------|------------------|---------------------------------------|------------------|
| | As at | | As at | |
| | 30 June 2022 | 31 December 2021 | 30 June 2022 | 31 December 2021 |
| | <i>(€ millions, unless otherwise indicated)</i> | | | |
| Market risk | 330 | 446 | 330 | 446 |
| Operational risk | 4,211 | 4,435 | 4,211 | 4,435 |
| Credit valuation adjustment and settlement risk | 102 | 110 | 102 | 110 |
| Total risk-weighted assets | 56,776 | 52,637 | 56,629 | 52,358 |
| Common equity tier 1 ratio | 16.6% | 19.2% | 15.3% | 16.6% |
| Tier 1 ratio | 18.6% | 21.3% | 17.2% | 18.8% |
| Total capital ratio | 21.2% | 24.2% | 20.2% | 21.9% |

Notes:

- (1) Transitional ratios are calculated applying the transitional provisions set out in Part Ten of the CRR.
- (2) Fully loaded ratios are calculated applying all requirements of the CRR without applying the transitional requirements set out in Part Ten.

Capital Ratios at 30 June 2022

The fully loaded CET1 ratio decreased to 15.3 per cent. at 30 June 2022, compared to 16.6 per cent. at 31 December 2021. Following receipt of CCPC approval of the Ulster Bank corporate and commercial loan book acquisition, the Group has deemed that it has an irrevocable commitment to take on the corporate and commercial loan portfolio and therefore, has recognised additional RWAs as an adjustment pursuant to Article 3 of the CRR (“Application of stricter requirements by institutions”) at 30 June 2022. The overall impact is an increase in the Group’s RWAs of approximately €4.5 billion (approximately -1.3 per cent. CET1). Profit after tax of € 0.5 billion and calendar provisioning release is offset by a foreseeable charge in respect of dividends, a share buyback programme completed in May and a reduction in investment securities. The fully loaded capital ratio decreased to 20.2 per cent. at 30 June 2022 from 21.9 per cent. at 31 December 2021.

The amount of Additional Tier 1 Securities recognised on a fully loaded basis is € 1,112 million and the amount of Tier 2 instruments recognised is € 1,658 million at 30 June 2022.

Capital requirements

The Bank of England has announced the reintroduction of the UK Countercyclical capital buffer (“CCyB”) at 1 per cent. by December 2022 (equating to an estimated 0.15 per cent. Group requirement), increasing to 2 per cent. in the second quarter of 2023. The Central Bank of Ireland (“CBI”) is also reintroducing the CCyB for Irish exposures at 0.5 per cent. in 2023, potentially increasing to 1.5 per cent. in 2024. Other jurisdictional CCyB in place have a negligible impact on Group capital requirements.

The Group is required to maintain a CET1 ratio of 10.06 per cent. at 30 June 2022. This includes a Pillar 1 requirement of 4.5 per cent., a Pillar 2 requirement of 1.55 per cent., a capital conservation buffer of 2.5 per

cent., an O-SII buffer of 1.5 per cent. and a CCyB of 0.01 per cent. The minimum requirement for the total capital ratio is 14.77 per cent. This requirement excludes Pillar 2 guidance which is not publicly disclosed. The transitional CET1 and total capital ratios at 30 June 2022 are 16.6 per cent. and 21.2 per cent., respectively. Based on these ratios, the Group has a very significant buffer over maximum distributable amount trigger levels.

SUPERVISION AND REGULATION

1 Regulation of Banks in Ireland

1.1 General Supervision and Regulation of Banks in Ireland

As a credit institution that is incorporated in Ireland, each of AIB Bank, AIB Mortgage Bank, EBS and EBS Mortgage Finance is (i) authorised by and subject to the regulatory oversight of the Relevant Banking Regulator (as described below under “*Role of the Relevant Banking Regulator*”); and (ii) subject to regulation under general banking legislation in Ireland (the “Irish Banking Code”).

The Irish Banking Code consists primarily of the Central Bank Acts 1942 to 2018, as amended (the “Central Bank Acts”), including the Central Bank and Financial Services Authority of Ireland Act 2003, the Central Bank and Financial Services Authority of Ireland Act 2004 (the “2004 CBI Act”), the Central Bank Reform Act 2010, the Central Bank and Credit Institutions (Resolution) Act 2011, as amended (the “Bank Resolution Act”), the Central Bank (Supervision and Enforcement) Act 2013 (the “2013 CBI Act”), regulations made by the Minister for Finance under the European Communities Act 1972, as amended, regulatory notices, regulations and codes of conduct issued by the Central Bank and EU regulations relating to banking regulation.

The Central Bank Acts provide that banking business may only be carried on in Ireland by the holder of a local banking authorisation or a passported EEA banking authorisation on an EEA branch or cross border basis (as described below). The Relevant Banking Regulator may, in its discretion, grant or refuse a local banking authorisation under the Central Bank Acts or, as applicable, SSM Regulation and may attach conditions to any local banking authorisation on its issuance or subsequently. The Relevant Banking Regulator is empowered in specified circumstances, to revoke a local banking authorisation. Under the Central Bank Acts, holders of a local banking authorisation must maintain a minimum deposit with the Central Bank.

The CRD was implemented in Ireland by the European Union (Capital Requirements) Regulations 2014, as amended. The European Union (Capital Requirements) (No.2) Regulations 2014, as amended, give effect to a number of technical requirements in order that the CRR can operate effectively in Irish law. CRD IV permits a credit institution authorised for the purposes of CRD IV in an EEA Member State (its “Home State”) to do banking business in any other EEA Member State (the “Host State”) without having to obtain an official authorisation from the relevant regulator in the Host State. The authorisation from the competent authority of the Home State operates effectively as a “passport” to do banking business throughout the EEA.

1.2 SSM and SRM

Under the SSM, the ECB is the central prudential supervisor of certain financial institutions in the Eurozone, including AIB, and in those non-Eurozone but EU Member States that have chosen to join the SSM. The aims of the SSM are to ensure the safety and soundness of the European banking system and to increase financial integration and stability in Europe. The EU legislative measures which provide for the SSM are the SSM Regulation and the SSM Framework Regulation, which are given full effect in Irish law under the European Union (SSM) Regulations 2014.

The European institutions have also established the SRM under the SRM Regulation. The SRM applies to credit institutions covered by the SSM. In cases of the failure of a credit institution, the SRM will allow its resolution to be managed effectively through a single resolution board and a single resolution fund, financed by levies raised at national level.

1.3 Capital and Liquidity Requirements

In Ireland, the Relevant Banking Regulator requires credit institutions to manage their liquidity, on a consolidated group-wide basis, by applying a cash-flow maturity mismatch approach. This requires a credit institution to analyse its cash flows on a group-wide basis under various headings and to place them in pre-determined time bands depending on when the cash is received or paid out.

The CRD governs, amongst other things, the access by credit institutions to deposit-taking activities, while the CRR establishes the prudential requirements credit institutions need to respect.

CRD V and the CRR contain detailed prudential requirements for credit institutions and certain investment firms and include measures relating to:

- (i) minimum levels and quality of capital;
- (ii) liquidity;
- (iii) leverage ratio;
- (iv) the introduction of a single rule book;
- (v) enhanced governance;
- (vi) sanctions for non-compliance;
- (vii) capital buffers: CRD IV specifies a number of capital buffers on top of the minimum capital requirements — a capital conservation buffer (identical for all credit institutions in the EU, subject to transitional arrangements), a buffer in respect of global systemically important institutions, a buffer in respect of O-SII, a systemic risk buffer (not yet transposed into Irish law) and a CCyB (determined at national level); and
- (viii) maximum distributable amount restrictions which limit a credit institution's ability to make distributions on CET1 and additional tier 1 ("AT1") capital instruments or certain payments in respect of pensions and remuneration where a combined requirement as to the level of capital buffers referred to above is not met.

On 28 April 2020, the European Commission proposed certain legislative amendments in order to maximise the ability of banks to lend and absorb losses related to the COVID-19 pandemic and alleviate the immediate impact of COVID-19 developments. The amendments were proposed in a draft Regulation of the European Parliament and of the Council amending Regulations (EU) No 575/2013 and (EU) 2019/876 as regards certain adjustments in response to the COVID-19 pandemic (the "CRR Amendment Regulation"). The measures include adapting the timeline of the application of IFRS 9 on a bank's capital and modifying the method of excluding certain exposures from the calculation of the leverage ratio. The European Commission also proposed to advance the date of application of agreed measures that change the regulatory treatment of certain salary and pension backed loans and prudently valued software and incentivise banks to finance small and medium sized enterprises and infrastructure projects. On 19 June 2020, the European Parliament adopted the CRR Amendment Regulation. The CRR Amendment Regulation (Regulation (EU) No. 2020/873) became applicable on 27 June 2020.

1.4 Role of the ECB under the SSM

1.4.1 Framework of Supervision

Under the SSM Framework Regulation, the ECB is the single supervisory authority for all credit institutions, financial holding companies and mixed financial holding companies in the Eurozone and in those other Member States that participate in the EU banking union (the “Banking Union”).

In Ireland, the SSM Regulation and the SSM Framework Regulation were given full effect under the European Union (SSM) Regulations 2014, which amended the Central Bank Acts and certain other legislation relating to credit institutions so as to give that effect. The ECB is the direct supervisor of AIB Bank and AIB Bank is deemed to be authorised by the ECB under the SSM Regulation.

Although the ECB has been charged with the critical task of ensuring financial stability, certain functions remain at national level, as described in further detail below.

Under the SSM Framework Regulation, the ECB has established a framework for co-operation within the SSM between the ECB and national competent authorities (which includes the Central Bank) and with national designated authorities (together with national competent authorities, “national supervisory authorities”).

1.4.2 Direct and Indirect Supervision

Under the SSM, the ECB supervises any credit institution that meets certain threshold conditions (each a “Significant Credit Institution”):

- In Ireland, AIB Bank, EBS, AIB Mortgage Bank and EBS Mortgage Finance are Significant Credit Institutions for the purposes of the SSM and are subject to supervision and regulation by the ECB under the SSM; and
- A credit institution that is not a Significant Credit Institution is referred to as an “Other Credit Institution”.

1.4.3 Powers of the ECB

In performing its prudential supervisory role in respect of every credit institution in the Eurozone and in any other Member State that participates in the Banking Union, the ECB has two principal functions:

- to authorise, and withdraw the authorisation of, credit institutions; and
- to assess applications for the approval of the acquisition and disposal of qualifying holdings in credit institutions, subject to limited exceptions.

In respect of Significant Credit Institutions, the ECB is also empowered to (among other functions):

- impose prudential requirements on the Significant Credit Institution, including in respect of own funds, large exposures, liquidity requirements and other prudential regulatory matters;
- assess “passport” applications by the Significant Credit Institution (i.e., to provide services on a cross-border basis or to establish a branch) in a Member State that is outside the Banking Union;
- carry out supervisory reviews, including stress tests; and

- impose and assess compliance with governance and probity requirements, including “fit and proper” tests.

The ECB is vested under the SSM Regulation and the SSM Framework Regulation with a range of supervisory and investigatory powers for these purposes, including on-site inspections. The ECB is also empowered under those regulations to impose administrative penalties on credit institutions.

1.4.4 The Role of National Supervisory Authorities

Although every credit institution in the Eurozone is subject to the SSM, national supervisory authorities (which include the Central Bank) are responsible for the day-to-day supervision of Other Credit Institutions; the ECB in turn monitors the supervision of Other Credit Institutions by those national supervisory authorities. The ECB may issue general and specific instructions to national supervisory authorities and a national supervisory authority must notify the ECB of any supervisory decision at national level that has material consequences.

National supervisory authorities retain responsibility for every supervisory function that is not transferred specifically to the ECB. In addition, national supervisory authorities have a role in relation to certain macro-prudential tasks and tools, including setting requirements in respect of capital buffers such as the O-SII buffer and CCyB, subject to the power of the ECB under the SSM Regulation to apply higher requirements if the ECB deems it necessary.

1.4.5 Role of the EBA within the SSM

The EBA has a role in **developing** proposals for binding technical standards to build the single rulebook that applies in all Member States participating in the SSM with respect to the CRD IV, the BRRD and the Directive 2014/49/EU on deposit guarantee schemes (the “DGSD”) in order to enhance convergence in supervisory practices in the EU/EEA.

1.5 Role of the Relevant Banking Regulator

The role of the Central Bank with respect to the regulation of banking in Ireland is subject to the role of the ECB under the SSM.

The Relevant Banking Regulator is responsible for regulating and supervising a range of banking and financial services entities in Ireland, including credit institutions, and operates on the basis of consolidated regulation. The Relevant Banking Regulator can grant banking licences (ECB authorisations for the purposes of the SSM Regulations) in the case of Irish incorporated credit institutions or local authorisations in the case of Irish branches of credit institutions incorporated outside the EEA. The Relevant Banking Regulator carries out regular review meetings and periodically inspects holders of local banking authorisations. The Relevant Banking Regulator is also empowered by law to carry out inspections of the books and records of local banking authorisation holders and to obtain information from such holders about their banking and bank-related business. The Relevant Banking Regulator has a wide range of statutory powers to enable it to effectively regulate and supervise the activities of credit institutions in Ireland.

The Relevant Banking Regulator may prescribe ratios to be maintained between, and requirements as to the composition of, the assets and liabilities of holders of local banking authorisations, and make a range of regulations for the prudent and orderly conduct of banking business of such holders. CRD IV imposes minimum start-up and ongoing capital requirements for holders of an ECB banking authorisation and requires applicants for such an authorisation to notify the Relevant Banking Regulator of the identity of certain shareholders and the size of their holdings in the applicant.

AIB's operations in overseas locations are subject to the regulations and reporting requirements of the regulatory and supervisory authorities in the overseas locations, with the Relevant Banking Regulator having overall responsibility for their regulation and supervision. The Relevant Banking Regulator is required to supervise AIB on a consolidated basis (i.e., taking account of the activities and relationships of the entire group).

1.6 BRRD and SRM Regulation

The BRRD establishes a European framework dealing with pre-resolution and resolution mechanisms, loss absorbency and bail-in rules. The BRRD framework is intended to enable resolution authorities to resolve failing banks with a lower risk of triggering contagion to the broader financial system, while sharing the costs of resolution with bank shareholders and creditors. Among other provisions, the BRRD requires credit institutions to produce a full recovery plan that sets out detailed measures to be taken in different scenarios when the viability of the institution is at risk.

The BRRD introduces the Write-Down Tool. The Write-Down Tool would be applicable in particular if the resolution authority determines that unless the Write-Down Tool is applied, the credit institution will no longer be viable or if a decision has been made to provide the credit institution with extraordinary public financial support without which the credit institution or its group will no longer be viable.

The BRRD also equips the resolution authority with the following Resolution Tools in circumstances where the credit institution meets the conditions for resolution under BRRD:

- (i) the sale of business tool; and/or
- (ii) the bridge institution tool; and/or
- (iii) the asset separation tool; and/or
- (iv) the General Bail-In Tool.

BRRD also provides for a Member State as a last resort, after having assessed and exploited the above resolution tools to the maximum extent possible whilst maintaining financial stability, to be able to provide extraordinary public financial support through additional financial stabilisation tools. These consist of the public equity support and temporary public ownership tools. Any such extraordinary financial support must be provided in accordance with the EU state aid framework.

An institution will be considered as failing or likely to fail when: (i) it is, or is likely in the near future to be, in breach of its requirements for continuing authorisation; (ii) when its assets are, or are likely in the near future to be, less than its liabilities; (iii) when it is, or is likely in the near future to be, unable to pay its debts as they fall due; or (iv) when it requires extraordinary public financial support (except in limited circumstances).

In respect of the Write-Down Tool, and the General Bail-In Tool, the resolution authority has the power, upon certain trigger events, to cancel existing shares, to write down eligible liabilities (i.e., own funds instruments and, in the case of the General Bail-In Tool, other subordinated debt and even senior debt, subject to exceptions in respect of certain liabilities) of a failing credit institution or to convert such eligible liabilities of a failing credit institution into equity at certain rates of conversion representing appropriate compensation to the affected holder for the loss incurred as a result of the write-down and conversion.

Where a credit institution meets the conditions for resolution, the resolution regulator and/or authority will be required to apply the Write-Down Tool before applying the Resolution Tools. The write-down or conversion will follow the ordinary allocation of losses and ranking in insolvency.

The main aims of the SSM are to ensure the safety and soundness of the European banking system and to increase financial integration and stability in Europe.

Pursuant to the SRM Regulation, the SRB is responsible for drawing up AIB's resolution plan providing for resolution actions that may be taken if AIB would fail or would be likely to fail. In drawing up AIB's resolution plan, the SRB identifies any material impediments to AIB's resolvability. Where necessary, the SRB may instruct that actions are taken to remove such impediments.

These actions may include (but are not limited to):

- (i) legal restructuring of AIB, which could lead to high transaction costs, or could make AIB's business operations or its funding mix become less optimally composed or more expensive;
- (ii) issuing additional liabilities at various levels within AIB. This may result in higher capital and funding costs for AIB, and as a result adversely affect AIB's profits and its possible ability to pay dividends; and
- (iii) reviewing and amending AIB's contracts for the purposes of ensuring (i) continuity of business operations, and (ii) that such contracts do not cause any impediments to resolvability of AIB. This may result in additional costs and operational complexity for AIB.

If the SRB is of the view that the measures proposed by AIB would not effectively address the impediments to resolvability, the SRB may direct AIB to take alternative measures as outlined in the SRM Regulation.

AIB has adopted policies and procedures designed to comply with its obligations under BRRD and the SRM Regulation.

2 Current Regulation of Credit Institutions in the United Kingdom

AIB Group (UK) p.l.c.

AIB Group (UK) p.l.c. is a company incorporated in Northern Ireland and is authorised by the PRA and regulated by the FCA and the PRA under the Financial Services and Markets Act 2000 as amended from time to time ("FSMA") to carry on a wide range of regulated activities (including, among other things, accepting deposits and entering into a regulated mortgage contract as lender).

AIB Bank

AIB Bank is incorporated and has its head office in Ireland, and is authorised as a credit institution in Ireland by the ECB. Prior to December 2020, pursuant to the Banking Consolidation Directive (Directive 2006/48/EC), AIB Bank exercised its EU "passport" rights to provide banking, treasury and corporate treasury services in the UK through its London branch. Following the end of the transition period on 31 December 2020, AIB Bank has received temporary permission from the UK's temporary permissions regime to provide such services in the UK through its London branch.

Whilst in Ireland the Central Bank continues to regulate AIB Bank in certain areas, including consumer protection, the ECB (together with support from the Central Bank) has primary responsibility for the prudential supervision of AIB. However, AIB must comply with the FCA's and PRA's rules in so far as they apply to its activities carried out in the UK. In addition, the PRA has a responsibility to co-operate with the ECB and the Central Bank in ensuring that branches of Irish credit institutions in the United Kingdom (such as AIB Bank's London branch) maintain adequate liquidity and take sufficient steps to cover risks arising from their open positions on financial markets in the United Kingdom. See "*—Regulation of Banks in Ireland—General Supervision and Regulation of Banks in Ireland*" above for details of passporting.

2.1 Regulatory Oversight by the PRA and the FCA

FSMA is the principal piece of legislation governing the establishment, supervision and regulation of financial services and markets in the UK. The PRA and the FCA are the regulators in the UK responsible for the authorisation and supervision of regulated activities as defined in FSMA including as to restricted and prohibited conduct.

The FCA supervises the activities of banks, building societies, credit unions, insurers, investment firms and intermediaries, insurance and mortgage intermediaries, fund managers and consumer credit firms. It has a single strategic objective to ensure that the markets for financial services function well, underpinned by the following operational objectives:

- (i) securing an appropriate degree of protection for consumers;
- (ii) protecting and enhancing the integrity of the UK financial system; and
- (iii) promoting effective competition in the interests of consumers.

“Consumers” in this context has a wide meaning, covering any person who uses or may use financial services.

The PRA is responsible under FSMA for the authorisation and prudential supervision of certain banks, building societies, credit unions, insurers and major investment firms.

The PRA has two primary objectives: (i) a general objective to promote the safety and soundness of the firms it regulates, focusing on the adverse effects that they can have on the stability of the UK financial system; and (ii) an objective specific to insurance firms, to contribute to ensuring that policyholders are appropriately protected. Since 2014, the PRA has also had a secondary objective: to promote effective competition in the markets for services provided by PRA-authorized firms.

2.2 UK Banking Act 2009

Under the Banking Act 2009, substantial powers have been granted to the HM Treasury, the Bank of England and the PRA (the “UK Authorities”) as part of a special resolution regime (“SRR”). These powers enable the UK Authorities to deal with a UK bank (such as AIB Group (UK) p.l.c.), building society or other UK institution with permission to accept deposits pursuant to FSMA (each, a “relevant entity”) in circumstances in which the UK Authorities consider it is failing or is likely to fail and a threat is posed to the public interest or stability of the UK financial systems. The SRR consists of five pre-insolvency stabilisation options, an insolvency procedure and an administration procedure applicable to relevant entities which may be commenced by the UK Authorities. The stabilisation options provide for: (i) private sector transfer of all or part of the business of the relevant entity; (ii) transfer of all or part of the business of the relevant entity to a bridge bank established by the Bank of England; (iii) transfer of all or part of the business to an asset management vehicle; (iv) bail-in and recapitalisation (for example, by cancelling, reducing or deferring the equity liabilities of a relevant entity); and (v) temporary public ownership (nationalisation) of the relevant entity. In each case, the UK Authorities have been granted wide powers under the Banking Act 2009, including powers to modify contractual arrangements in certain circumstances and powers for HM Treasury to disapply or modify laws (with possible retrospective effect) to enable the powers under the Banking Act to be used effectively.

The purpose of the stabilising options is to address the situation where all or part of a business of a relevant entity has encountered, or is likely to encounter, financial difficulties, giving rise to wider public interest concerns. Accordingly, the stabilisation options may only be exercised if (i) the PRA is satisfied that a relevant entity (such as AIB Group (UK) p.l.c.) is failing, or is likely to fail; (ii) it is not reasonably likely that (other than potentially through the stabilising options) action will be taken that will result in

the relevant entity no longer failing or likely to fail; and (iii) the UK Authorities consider the exercise of the stabilisation options to be necessary, having regard to certain public interest considerations (such as the stability of the UK financial systems, public confidence in the UK banking system and the protection of depositors). It is therefore possible that one of the stabilisation options could be exercised prior to the point at which any insolvency proceedings with respect to the relevant entity could be initiated.

3 United States

AIB is subject to federal and state banking and securities law supervision and regulation in the United States as a result of the banking activities conducted by its branch in New York.

Under the U.S. International Banking Act of 1978, as amended (the “IBA”), AIB is a foreign banking organisation and is treated as a bank holding company, as such terms are defined in the statute, and, as such, is subject to regulation by the Federal Reserve Board (the “FRB”). The Bank Holding Company Act of 1956, as amended (the “BHCA”), imposes significant restrictions on AIB’s U.S. non-banking operations and on its holdings of equity in companies which directly or indirectly operate in the United States. As a bank holding company that has not elected to be a “financial holding company”, AIB is generally required to limit its direct and indirect activities in the United States to banking activities and activities that the FRB has determined to be “so closely related to banking as to be a proper incident thereto”. Under the BHCA, AIB is required to obtain the approval of the FRB before acquiring, directly or indirectly, the ownership or control of 5 per cent. or more of any class of voting securities of, among other things, any U.S. bank or bank holding company.

AIB continues to conduct limited corporate lending, treasury and other operations through its New York branch. AIB’s New York branch is supervised by the FRB and the New York State Department of Financial Services (the “NYDFS”). Under the IBA, AIB’s New York branch is subject to reporting and examination requirements of the FRB similar to those imposed on domestic banks, and most U.S. branches and agencies of foreign banks, including AIB’s New York branch, are subject to reserve requirements on deposits. Further, under the IBA, the FRB may terminate the activities of any U.S. branch or agency if it finds that:

- the foreign bank is not subject to comprehensive supervision on a consolidated basis in its home country and the home country supervisor is not making demonstrable progress in establishing arrangements for the consolidated supervision of the foreign bank;
- there is reasonable cause to believe that such foreign bank, or an affiliate, has violated the law or engaged in an unsafe or unsound banking practice in the United States and, as a result, continued operation of the branch or agency would be inconsistent with the public interest and purposes of the federal banking laws; or
- for a foreign bank that presents a risk to the stability of the U.S. financial system, the home country of the foreign bank has not adopted, or made demonstrable progress toward adopting, an appropriate system of financial regulation to mitigate such risk.

Also, under the New York Banking Law (the “NYBL”), the NYDFS may take possession of the business and property of a New York state-licensed branch under certain circumstances, including:

- violation of any law;
- conduct of business in an unauthorized or unsafe manner;
- capital impairments;
- suspension of payment obligations;

- initiation of liquidation proceedings against the foreign bank; or
- reason to doubt the foreign bank's ability to pay in full certain claims of its creditors.

Pursuant to the NYBL, when the superintendent takes possession of a New York branch of a foreign bank, it succeeds to the branch's assets, wherever located, and the non-branch assets of the foreign bank located in New York. In liquidating or dealing with a branch's business after taking possession of the branch, the Superintendent will accept for payment out of the branch's assets only the claims of creditors (unaffiliated with the foreign bank) that arose out of transactions with the branch (without prejudice to the rights of such creditors to be satisfied out of the other assets of the foreign bank) and only to the extent those claims represent an enforceable legal obligation against such branch as if such branch were a separate legal entity. After such claims are paid, together with any interest thereon, and the expenses of liquidation have been paid or properly provided for, the Superintendent would turn over the remaining assets to the foreign bank, or to its duly appointed liquidator or receiver.

Under U.S. federal banking laws, state-licensed branches (such as AIB's New York branch) may not, as a general matter, engage as a principal in any type of activity not permissible for their federally licensed counterparts, unless the FRB determines that the additional activity is consistent with sound banking practices. U.S. federal and state banking laws also generally subject state branches to the same single-borrower lending limits that apply to federal branches or agencies, which are substantially similar to the lending limits applicable to national banks. These single-borrower lending limits are based on the worldwide capital of the entire foreign bank.

Anti-money laundering, anti-terrorism and economic sanctions regulations have become a major focus of U.S. government policy relating to financial institutions and are rigorously enforced. Regulations applicable to AIB and its affiliates impose obligations to maintain appropriate policies, procedures and controls to detect, prevent and report money laundering. In particular, Title III of the USA PATRIOT Act, as amended, requires financial institutions operating in the United States to (i) give special attention to correspondent and payable-through bank accounts; (ii) implement enhanced due diligence and "know your customer" standards for private banking and correspondent banking relationships; (iii) scrutinise the beneficial ownership and activity of certain non-U.S. and private banking customers (especially for so-called politically exposed persons); and (iv) develop new anti-money laundering programmes, due diligence policies and controls to ensure the detection and reporting of money laundering. Such required compliance programmes are intended to supplement any existing compliance programmes under the Bank Secrecy Act and OFAC regulations.

OFAC administers and enforces economic and trade sanctions against targeted foreign countries, terrorists and international narcotics traffickers to carry out U.S. foreign policy and national security objectives. Generally, the regulations require blocking of accounts and other property of specified countries, entities and individuals, and the prohibition of certain types of transactions (unless OFAC issues a licence) with specified countries, entities and individuals. Banks, including U.S. branches of foreign banks, are expected to establish and maintain appropriate OFAC compliance programmes to ensure compliance with OFAC regulations.

Failure of a financial institution to maintain and implement adequate programmes to combat money laundering and terrorist financing could have serious legal and reputational consequences for the institution. AIB has implemented AML/CTF controls which aim to ensure that AIB and its employees adhere to the applicable AML/CTF obligations.

Other more recent federal laws and regulations, including the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 ("Dodd-Frank"), include provisions that place potentially significant limitations on non-U.S. banks operating in the United States, and also impact activity conducted outside the U.S.. AIB

monitors its ongoing business activities to ensure continued compliance with the applicable requirements under Title VII of Dodd-Frank with respect to OTC derivatives.

AIB does not trade with U.S. persons in interest rate or FX derivatives. In addition, the New York branch had submitted annual resolution plans under Section 165(d) of Dodd Frank, most recently in December 2018; however, the FRB have adjusted the scope of the submission, and the New York branch is no longer required to submit a resolution plan.

Final rules for implementing Section 619 of Dodd-Frank (the “Volcker Rule”) which implements restrictions on both (i) proprietary trading, and (ii) investments in “covered funds” such as private equity and hedge funds by financial institutions were issued in December 2013 by regulatory authorities. Banking organisations covered by the Volcker Rule were required to conform their activities to the Volcker Rule’s requirements by 21 July 2015, however AIB does not come under Section 619 of Dodd-Frank, as it does not trade out of its U.S. office.

TAXATION

The following is a summary of certain Irish tax consequences of the purchase, ownership and disposal of Notes. It applies to the absolute beneficial owners of Notes (including all amounts payable by the Issuer in respect of their Notes). However, it does not apply to certain classes of persons such as dealers in securities. The summary is not a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of Notes. The summary is based upon Irish laws and the practice of the Revenue Commissioners of Ireland, in effect on the date of this Base Prospectus. The summary does not constitute tax or legal advice and is of a general nature only. Prospective holders should consult their own tax adviser with respect to the applicable tax consequences of the purchase, ownership and disposal of Notes.

1 Irish Taxation

1.1 Withholding tax

There are two different types of Irish withholding tax relevant to payments on the Notes, namely Irish interest withholding tax and Irish encashment tax. However, there are broad exemptions available from these withholding taxes, which are described in the following paragraphs. As the Issuer is not a “relevant deposit taker” as defined in Section 256 of the Taxes Consolidation Act 1997, Irish deposit interest retention tax (“DIRT”) is not applicable to payments of interest made by it.

By way of background, Irish interest withholding tax can apply to interest payments at a rate of 20 per cent., unless an exemption is available. This interest withholding tax can also apply to any premium paid on notes (but does not apply to any discount on notes). An encashment tax at a rate of 25 per cent. can apply to certain categories of listed notes issued by companies.

1.1.1 Listed Notes

Listed Notes are Notes which have been admitted to the Official List of Euronext Dublin. Payments of interest in respect of Listed Notes may be made without any deduction of Irish tax by the Issuer, provided the Listed Notes remain quoted on Euronext Dublin and remain held in Euroclear and Clearstream, Luxembourg.

If Notes are quoted on another “recognised” stock exchange (instead of Euronext Dublin) but remain held in Euroclear and Clearstream, Luxembourg, the same treatment should apply. Broadly, a “recognised” stock exchange is understood to mean a stock exchange in a jurisdiction which is regulated by the appropriate regulatory authority of that jurisdiction and has substantially the same level of recognition in that jurisdiction as Euronext Dublin has in Ireland. If Notes are held in another “recognised” clearing system (instead of Euroclear and Clearstream, Luxembourg), the same treatment should apply. A list of “recognised” clearing systems for these purposes is included in Irish tax legislation and this list includes the Depository Trust Company of New York.

Irish encashment tax may apply where a collecting agent in Ireland obtains payment of interest (whether in Ireland or elsewhere) on Listed Notes. In these circumstances, the collecting agent may be required to deduct Irish encashment tax from such interest or realisation proceeds at the rate of 25 per cent. An exemption from this Irish encashment tax is available if the holder is not tax resident in Ireland and has provided a declaration in the prescribed form to the collecting agent. An exemption also applies where the payment is made to a company and that company is beneficially entitled to the income and is or will be within the charge to Irish corporation tax in respect of the income. Therefore, holders should note that, if they appoint an Irish collecting agent

in respect of their Listed Notes, it may result in Irish encashment tax being deducted by their collecting agent from payments made in respect of their Listed Notes.

1.1.2 Unlisted Notes

The Issuer may issue Notes which are not quoted on Euronext Dublin (or another “recognised” stock exchange). Payments in respect of such Notes may be made without any deduction of Irish tax by the Issuer, provided one of the following exemptions from each of Irish interest withholding tax and Irish encashment tax is available:

- (a) no Irish interest withholding tax will be deducted by the Issuer on payments in respect of such Notes, if one of the following applies:
 - (i) the Notes qualify for the “commercial paper” exemption (see below); or
 - (ii) interest on the Notes is not “yearly interest” (generally, interest on Notes would not be considered to be “yearly interest” if the Notes had a maturity of 364 days or less and there was no intention to extend the maturity of the Notes beyond 364 days); and
- (b) no Irish encashment tax will be deducted, provided the Notes are not quoted on any “recognised” stock exchange (see above).

Other exemptions from Irish withholding tax may also be available in certain circumstances. For example, an exemption is available from Irish interest withholding tax where the holder of Notes is a company resident in an EU jurisdiction (other than Ireland) or in a jurisdiction with which Ireland has a double tax treaty, provided a number of conditions are satisfied. The terms of a double tax treaty may also provide relief from Irish withholding tax.

1.1.3 What is the “commercial paper” exemption?

As described above, one of the exemptions from Irish interest withholding tax is the “commercial paper” exemption. Notes will qualify as “commercial paper” if the relevant Notes mature within two years, recognise an obligation to pay a stated amount and carry a right to interest or are issued at a discount or at a premium.

Where Notes qualify as “commercial paper”, an exemption from Irish interest withholding tax will be available on payments of interest in respect of such Notes where the Notes have a denomination of not less than €500,000 (or its currency equivalent) or U.S.\$500,000 and the Notes are held in Euroclear and Clearstream, Luxembourg (or another recognised clearing system).

Other exemptions for “commercial paper” may be available where holders of Notes provide certain specified information or declarations to the Issuer.

1.2 Taxation of Noteholders

1.2.1 Noteholders resident in Ireland

Generally, if holders are tax resident in Ireland, they will be subject to Irish tax on their worldwide income, including their return on the Notes. They will be obliged to account for any Irish tax on a self-assessment basis. There is no requirement for the Revenue Commissioners to issue or raise an assessment on them.

1.2.2 Noteholders not resident in Ireland

If holders are not tax resident in Ireland, they will generally only be subject to Irish tax on their Irish source income (on a self-assessment basis). A corporate recipient that carries on a trade in Ireland through a branch or agency in respect of which the Notes are held or attributed may have a liability to Irish corporation tax on the interest.

Interest payable on the Notes may be regarded as Irish source income, as the Issuer is resident in Ireland.

However, where the Notes are Listed Notes (and continue to be held in Euroclear and Clearstream, Luxembourg) or the “commercial paper” exemption (see above) applies, a holder should nevertheless be exempt from Irish income tax on interest paid on the Notes if it is:

- (a) a person (including a company) who is not tax resident in Ireland and is regarded (for the purposes of section 198 of the Taxes Consolidation Act 1997 of Ireland) as being a resident of a EU member state (other than Ireland) or a territory with which Ireland has a double tax treaty that has the force of law;
- (b) a company which is under the control (whether directly or indirectly) of a person or persons who, by virtue of the laws of a “relevant territory”, is or are tax resident in the “relevant territory” and who is or are (as the case may be) not under the control (whether directly or indirectly) of a person, or persons who are, not so resident. A “relevant territory” for these purposes means (i) a member state of the EU (other than Ireland), (ii) a territory with which Ireland has a double tax treaty that has the force of law or (iii) a territory with which Ireland has signed a double tax treaty, which has yet to have the force of law; or
- (c) a company the principal class of shares of which, or:
 - (i) where the company is a 75 per cent. subsidiary of another company, of that other company; or
 - (ii) where the company is wholly-owned by two or more companies, of each of those companies,

is substantially and regularly traded on a stock exchange in Ireland, or on one or more recognised stock exchanges in a “relevant territory” (see just above) or on such other stock exchange as may be approved of by the Minister for Finance of Ireland for these purposes.

If the Notes are neither Listed Notes nor Notes to which the “commercial paper” exemption (see above) applies, a holder should nevertheless be exempt from Irish income tax on interest paid on the Notes if the interest is paid by the Issuer in the ordinary course of its trade or business and it is:

- (a) a company which is not tax resident in Ireland and which is regarded (for the purposes of section 198 of the Taxes Consolidation Act 1997 of Ireland) as being a resident of a EU member state (other than Ireland) or a territory with which Ireland has a double tax treaty that has the force of law provided, in either case, that the relevant territory imposes a tax that generally applies to interest receivable in that territory by companies from sources outside that territory; or
- (b) a company and the interest paid on the Notes is exempted from the charge to Irish income tax under a double tax treaty in force on the date the interest is paid, or would be exempted

from the charge to Irish income tax if a double tax treaty which has been signed but is not yet in force had the force of law on the date the interest is paid.

If a holder earns a discount on Notes, it will not be chargeable to Irish income tax on such discount if the Notes were issued by the Issuer in the ordinary course of its trade or business and it is a person (including a company) who is not tax resident in Ireland and who is regarded (for the purposes of section 198 of the Taxes Consolidation Act 1997 of Ireland) as being a resident of a EU member state (other than Ireland) or a territory with which Ireland has a double tax treaty that has the force of law.

If the above exemptions do not apply, and the terms of a double tax treaty do not fully relieve Irish income tax payable on income earned on the Notes, the terms of a double tax treaty may provide for relief for Irish income tax paid, against a foreign tax liability arising on the same income.

1.3 Irish capital gains tax

If a holder is a tax resident or ordinarily resident in Ireland, it may be subject to Irish tax on capital gains (currently 33 per cent.) on gains arising on a disposal of Notes.

If a holder is not tax resident or ordinarily resident in Ireland, it should not be subject to Irish tax on capital gains arising on a disposal of the Notes, provided the Notes are or were not held for the use of or for the purposes of an Irish branch or agency.

1.4 Irish capital acquisitions tax

Irish capital acquisitions tax applies to gifts and inheritances. The rate of capital acquisitions tax is currently 33 per cent. A gift or inheritance of the Notes may be subject to capital acquisition tax if:

- (a) the disponent is tax resident or ordinarily resident in Ireland (or, in the case of value settled in a discretionary trust established before 1 December 1999, was then or later became domiciled in Ireland) on the relevant date;
- (b) the donee (or successor) is tax resident or ordinarily resident in Ireland on the relevant date; or
- (c) the Notes are regarded as property situated in Ireland.

1.5 Irish stamp duty

The issue of Notes will not give rise to a charge to Irish stamp duty.

The transfer of interests in the Notes may, in certain circumstances, result in a charge to Irish stamp duty. However, a transfer of the Notes by physical delivery only (and not otherwise) should not give rise to a charge to Irish stamp duty.

A transfer of Notes satisfying the terms of the loan capital exemption will be exempt from stamp duty. There are four conditions that must be satisfied to avail of this exemption:

- (a) the Notes must not carry a right of conversion into shares or marketable securities (other than loan capital) of an Irish incorporated company or into loan capital having such a right;
- (b) the Notes must not carry rights similar to those attaching to shares, including voting rights, entitlement to a share of profits or a share in surplus on liquidation of the Issuer;
- (c) the Notes must be issued for a price which is not less than 90 per cent. of the nominal value of the Notes; and

- (d) the Notes must not carry a right to a sum in respect of repayment or interest which is related to certain movements in an index or indices (based wholly or partly and directly or indirectly on stocks or marketable securities) specified in any document relating to the Notes.

2 Certain U.S. Federal Income Tax Considerations

The following is a summary of certain U.S. federal income tax consequences of the acquisition, ownership and disposition of Notes by a U.S. Holder (as defined below). This summary does not address the material U.S. federal income tax consequences of every type of Note which may be issued under the Programme and the relevant Pricing Supplement may contain additional or modified disclosure concerning the material U.S. federal income tax consequences relevant to such type of Note as appropriate. This summary deals only with purchasers of Notes that are U.S. Holders and that will hold the Notes as capital assets. The discussion does not cover all aspects of U.S. federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the acquisition, ownership or disposition of Notes by particular investors (including consequences under the alternative minimum tax or net investment income tax), and does not address state, local, non-U.S. or other tax laws (such as the estate and gift tax laws). This summary also does not discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under the U.S. federal income tax laws (such as financial institutions, insurance companies, individual retirement accounts and other tax-deferred accounts, tax-exempt organisations, dealers in securities or currencies, investors that will hold the Notes as part of straddles, hedging transactions or conversion transactions for U.S. federal income tax purposes, persons that have ceased to be U.S. citizens or lawful permanent residents of the United States, investors holding the Notes in connection with a trade or business conducted outside of the United States, U.S. citizens or lawful permanent residents living abroad, U.S. investors that are required to take certain amounts into income no later than the time such amounts are reflected on an applicable financial statement, or investors whose functional currency is not the U.S. dollar). Moreover, the summary deals only with Notes with a term of 30 years or less. The U.S. federal income tax consequences of owning Notes with a longer term will be discussed in the relevant Final Terms.

As used herein, the term “U.S. Holder” means a beneficial owner of Notes that is, for U.S. federal income tax purposes, (i) an individual citizen or resident of the United States; (ii) a corporation created or organised under the laws of the United States, any state thereof or the District of Columbia; (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source; or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or the trust has validly elected to be treated as a domestic trust for U.S. federal income tax purposes.

The U.S. federal income tax treatment of a partner in an entity or arrangement treated as a partnership for U.S. federal income tax purposes that holds Notes will depend on the status of the partner and the activities of the partnership. Prospective purchasers that are entities or arrangements treated as partnerships for U.S. federal income tax purposes should consult their tax adviser concerning the U.S. federal income tax consequences to them and their partners of the acquisition, ownership and disposition of Notes by the partnership.

This summary is based on the tax laws of the United States including the Internal Revenue Code of 1986, as amended (“Internal Revenue Code”), its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, all as of the date hereof and all subject to change at any time, possibly with retroactive effect.

Bearer Notes are not being offered. A U.S. Holder who owns a Bearer Note may be subject to limitations under United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the United States Internal Revenue Code.

THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. IT IS NOT INTENDED TO BE RELIED UPON BY PURCHASERS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED UNDER THE U.S. INTERNAL REVENUE CODE. ALL PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISERS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF OWNING THE NOTES, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

2.1 Payments of Interest

2.1.1 General

Interest on a Note, whether payable in U.S. dollars or a currency other than U.S. dollars (a “foreign currency”), other than interest on a “Discount Note” that is not “qualified stated interest” (each as defined below under “—*Original Issue Discount—General*”), will be taxable to a U.S. Holder as ordinary income at the time it is received or accrued, depending on such holder’s method of accounting for U.S. federal income tax purposes, reduced by the allocable amount of amortisable bond premium, subject to the discussion below. Interest paid by the Issuer on the Notes and original issue discount (“OID”), if any, accrued with respect to the Notes (as described below under “—*Original Issue Discount*”) generally will constitute income from sources outside the United States.

2.1.2 Effect of Irish Withholding Taxes

As discussed in “*Taxation—Irish Taxation—Withholding tax*”, under current law payments of interest and OID on the Notes to foreign investors may be subject to Irish withholding taxes. As discussed under “*Description of the Notes—Payment of Additional Amounts*”, the Issuer may be liable for the payment of additional amounts to U.S. Holders so that U.S. Holders receive the same amounts they would have received had no Irish withholding taxes been imposed. For U.S. federal income tax purposes, U.S. Holders will be treated as having actually received the amount of any Irish taxes withheld by the Issuer with respect to a Note, and as then having actually paid over the withheld taxes to the Irish taxing authorities. As a result, the amount of interest income included in gross income for U.S. federal income tax purposes by a U.S. Holder with respect to a payment of interest or OID may be greater than the amount of cash actually received (or receivable) by the U.S. Holder from the Issuer with respect to the payment.

The rules applicable for determining whether non-U.S. taxes are creditable or deductible were changed and expanded under recently issued U.S. Treasury regulations. A U.S. Holder may be entitled to a credit against its U.S. federal income tax liability, or may be entitled to a deduction in computing its U.S. federal taxable income, for Irish income taxes withheld by the Issuer. Interest generally will constitute “passive category income” for purposes of the foreign tax credit. The rules governing foreign tax credits are complex. Prospective purchasers should consult their tax advisers concerning the foreign tax credit implications of Irish withholding taxes.

2.2 Original Issue Discount

2.2.1 General

The following is a summary of the principal U.S. federal income tax consequences of the ownership of Notes issued with OID. The following summary does not discuss Notes that are characterised as contingent payment debt instruments for U.S. federal income tax purposes. In the event the Issuer issues contingent payment debt instruments the relevant Final Terms may describe the material U.S. federal income tax consequences thereof.

A Note, other than a Note with a term of one year or less (a “Short-Term Note”), will be treated as issued with OID (a “Discount Note”) if the excess of the Note’s “stated redemption price at maturity” over its issue price is equal to or more than a *de minimis* amount (0.25 per cent. of the Note’s stated redemption price at maturity multiplied by the number of complete years to its maturity). An obligation that provides for the payment of amounts other than qualified stated interest before maturity (an “instalment obligation”) will be treated as a Discount Note if the excess of the Note’s stated redemption price at maturity over its issue price is equal to or greater than 0.25 per cent. of the Note’s stated redemption price at maturity multiplied by the weighted average maturity of the Note. A Note’s weighted average maturity is the sum of the following amounts determined for each payment on a Note (other than a payment of qualified stated interest): (i) the number of complete years from the issue date until the payment is made multiplied by (ii) a fraction, the numerator of which is the amount of the payment and the denominator of which is the Note’s stated redemption price at maturity. Generally, the issue price of a Note will be the first price at which a substantial amount of Notes included in the issue of which the Note is a part is sold to persons other than bond houses, brokers or similar persons or organisations acting in the capacity of underwriters, placement agents, or wholesalers. The stated redemption price at maturity of a Note is the total of all payments provided by the Note that are not payments of “qualified stated interest”. A qualified stated interest payment generally is any one of a series of stated interest payments on a Note that are unconditionally payable at least annually at a single fixed rate (with certain exceptions for lower rates paid during some periods), or a variable rate (in the circumstances described below under “—*Variable Interest Rate Notes*”), applied to the outstanding principal amount of the Note. Solely for the purposes of determining whether a Note has OID, the Issuer will be deemed to exercise any call option that has the effect of decreasing the yield on the Note, and the U.S. Holder will be deemed to exercise any put option that has the effect of increasing the yield on the Note.

U.S. Holders of Discount Notes must include OID in income calculated on a constant-yield method before the receipt of cash attributable to the income, and generally will have to include in income increasingly greater amounts of OID over the life of the Discount Notes. The amount of OID includible in income by a U.S. Holder of a Discount Note is the sum of the daily portions of OID with respect to the Discount Note for each day during the taxable year or portion of the taxable year on which the U.S. Holder holds the Discount Note. The daily portion is determined by allocating to each day in any “accrual period” a pro rata portion of the OID allocable to that accrual period. Accrual periods with respect to a Note may be of any length selected by the U.S. Holder and may vary in length over the term of the Note as long as (i) no accrual period is longer than one year, and (ii) each scheduled payment of interest or principal on the Note occurs on either the final or first day of an accrual period. The amount of OID allocable to an accrual period equals the excess of (a) the product of the Discount Note’s adjusted issue price at the beginning of the accrual period and the Discount Note’s yield to maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) over (b) the sum of the payments of qualified stated interest on the Note allocable to the accrual period. The “adjusted issue price” of a Discount Note at the beginning of any accrual period is the issue price of the Note increased by (x) the amount of accrued OID for each prior accrual period and decreased by (y) the amount of any payments previously made on the Note that were not qualified stated interest payments.

2.2.2 Acquisition Premium

A U.S. Holder that purchases a Discount Note for an amount less than or equal to the sum of all amounts payable on the Note after the purchase date, other than payments of qualified stated

interest, but in excess of its adjusted issue price (any such excess being “acquisition premium”) and that does not make the election described below under “—*Election to Treat All Interest as Original Issue Discount*”, is permitted to reduce the daily portions of OID by a fraction, the numerator of which is the excess of the U.S. Holder’s adjusted basis in the Note immediately after its purchase over the Note’s adjusted issue price, and the denominator of which is the excess of the sum of all amounts payable on the Note after the purchase date, other than payments of qualified stated interest, over the Note’s adjusted issue price.

2.2.3 Short-Term Notes

In general, an individual or other cash basis U.S. Holder of a Short-Term Note is not required to accrue OID (as specially defined below for the purposes of this paragraph) for U.S. federal income tax purposes unless it elects to do so (but may be required to include any stated interest in income as the interest is received). Accrual basis U.S. Holders and certain other U.S. Holders are required to accrue OID on Short-Term Notes on a straight-line basis or, if the U.S. Holder so elects, under the constant-yield method (based on daily compounding). In the case of a U.S. Holder not required and not electing to include OID in income currently, any gain realised on the sale or retirement of the Short-Term Note will be ordinary income to the extent of the OID accrued on a straight-line basis (unless an election is made to accrue the OID under the constant-yield method) through the date of sale or retirement. U.S. Holders who are not required and do not elect to accrue OID on Short-Term Notes will be required to defer deductions for interest on borrowings allocable to Short-Term Notes in an amount not exceeding the deferred income until the deferred income is realised.

For purposes of determining the amount of OID subject to these rules, all interest payments on a Short-Term Note are included in the Short-Term Note’s stated redemption price at maturity. A U.S. Holder may elect to determine OID on a Short-Term Note as if the Short-Term Note had been originally issued to the U.S. Holder at the U.S. Holder’s purchase price for the Short-Term Note. This election will apply to all obligations with a maturity of one year or less acquired by the U.S. Holder on or after the first day of the first taxable year to which the election applies and may not be revoked without the consent of the Internal Revenue Service (the “IRS”).

2.2.4 Fungible Issue

The Issuer may, without the consent of the Noteholders of outstanding Notes, issue additional Notes with identical terms. These additional Notes, even if they are treated for non-tax purposes as part of the same series as the original Notes, in some cases may be treated as a separate series for U.S. federal income tax purposes. In such a case, the additional Notes may be considered to have been issued with OID even if the original Notes had no OID, or the additional Notes may have a greater amount of OID than the original Notes. These differences may affect the market value of the original Notes if the additional Notes are not otherwise distinguishable from the original Notes.

2.2.5 Market Discount

A Note, other than a Short-Term Note, generally will be treated as purchased at a market discount (a “Market Discount Note”) if the Note’s stated redemption price at maturity or, in the case of a Discount Note, the Note’s “revised issue price”, exceeds the amount for which the U.S. Holder purchased the Note by at least 0.25 per cent. of the Note’s stated redemption price at maturity or revised issue price, respectively, multiplied by the number of complete years to the Note’s maturity (or, in the case of a Note that is an instalment obligation, the Note’s weighted average maturity). If this excess is not sufficient to cause the Note to be a Market Discount Note, then the excess constitutes “*de minimis* market discount”. For this purpose, the “revised issue price” of a

Note generally equals its issue price, increased by the amount of any OID that has accrued on the Note and decreased by the amount of any payments previously made on the Note that were not qualified stated interest payments.

Any gain recognised on the sale or retirement of a Market Discount Note (including any payment on a Note that is not qualified stated interest) generally will be treated as ordinary income to the extent of the accrued market discount on the Note. Alternatively, a U.S. Holder of a Market Discount Note may avoid such treatment by electing to include market discount in income currently over the life of the Note. This election applies to all debt instruments with market discount acquired by the electing U.S. Holder on or after the first day of the first taxable year for which the election is made. This election may not be revoked without the consent of the IRS.

A U.S. Holder of a Market Discount Note that does not elect to include market discount in income currently may be required to defer deductions for interest on borrowings incurred to purchase or carry a Market Discount Note. Such interest is deductible when paid or incurred to the extent of income from the Note for the year. If the interest expense exceeds such income, such excess is currently deductible only to the extent that such excess exceeds the portion of the market discount allocable to the days during the taxable year on which such Note was held by the U.S. Holder.

Market discount will accrue on a straight-line basis unless the U.S. Holder elects to accrue the market discount on a constant-yield method. This election applies only to the Market Discount Note with respect to which it is made and is irrevocable.

2.2.6 Variable Interest Rate Notes

Notes that provide for interest at variable rates (“Variable Interest Rate Notes”) generally will bear interest at a “qualified floating rate” and thus will be treated as “variable rate debt instruments” under Treasury regulations governing accrual of OID. A Variable Interest Rate Note will qualify as a “variable rate debt instrument” if (a) its issue price does not exceed the total noncontingent principal payments due under the Variable Interest Rate Note by more than a specified *de minimis* amount, (b) it provides for stated interest, paid or compounded at least annually, at (i) one or more qualified floating rates, (ii) a single fixed rate and one or more qualified floating rates, (iii) a single objective rate or (iv) a single fixed rate and a single objective rate that is a qualified inverse floating rate and (c) it does not provide for any principal payments that are contingent (other than as described in (a) above).

A “qualified floating rate” is any variable rate where variations in the value of the rate can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which the Variable Interest Rate Note is denominated. A fixed multiple of a qualified floating rate will constitute a qualified floating rate only if the multiple is greater than 0.65 but not more than 1.35. A variable rate equal to the product of a qualified floating rate and a fixed multiple that is greater than 0.65, but not more than 1.35, increased or decreased by a fixed rate, will also constitute a qualified floating rate. In addition, two or more qualified floating rates that can reasonably be expected to have approximately the same values throughout the term of the Variable Interest Rate Note (e.g., two or more qualified floating rates with values within 25 basis points of each other as determined on the Variable Interest Rate Note’s issue date) will be treated as a single qualified floating rate. Notwithstanding the foregoing, a variable rate that would otherwise constitute a qualified floating rate but which is subject to one or more restrictions such as a maximum numerical limitation (i.e., a cap) or a minimum numerical limitation (i.e., a floor) may, under certain circumstances, fail to be treated as a qualified floating rate.

Under recently finalized U.S. Treasury regulations, Notes referencing an IBOR that are treated as having a qualified floating rate for purposes of the above will not fail to be so treated merely because the terms of the Notes provide for a replacement of the IBOR in the case of a Benchmark Event. In particular, under the regulations, the IBOR referencing rate and the replacement rate are treated as a single qualified rate.

An “objective rate” is a rate that is not itself a qualified floating rate but which is determined using a single fixed formula and which is based on objective financial or economic information (e.g., one or more qualified floating rates or the yield of actively traded personal property). A rate will not qualify as an objective rate if it is based on information that is within the control of the Issuer (or a related party) or that is unique to the circumstances of the Issuer (or a related party), such as dividends, profits or the value of the Issuer’s stock (although a rate does not fail to be an objective rate merely because it is based on the credit quality of the Issuer). Other variable interest rates may be treated as objective rates if so designated by the IRS in the future. Despite the foregoing, a variable rate of interest on a Variable Interest Rate Note will not constitute an objective rate if it is reasonably expected that the average value of the rate during the first half of the Variable Interest Rate Note’s term will be either significantly less than or significantly greater than the average value of the rate during the final half of the Variable Interest Rate Note’s term. A “qualified inverse floating rate” is any objective rate where the rate is equal to a fixed rate minus a qualified floating rate, as long as variations in the rate can reasonably be expected to inversely reflect contemporaneous variations in the qualified floating rate. If a Variable Interest Rate Note provides for stated interest at a fixed rate for an initial period of one year or less followed by a variable rate that is either a qualified floating rate or an objective rate for a subsequent period and if the variable rate on the Variable Interest Rate Note’s issue date is intended to approximate the fixed rate (e.g., the value of the variable rate on the issue date does not differ from the value of the fixed rate by more than 25 basis points), then the fixed rate and the variable rate together will constitute either a single qualified floating rate or objective rate, as the case may be.

A qualified floating rate or objective rate in effect at any time during the term of the instrument must be set at a “current value” of that rate. A “current value” of a rate is the value of the rate on any day that is no earlier than 3 months prior to the first day on which that value is in effect and no later than 1 year following that first day.

If a Variable Interest Rate Note that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof qualifies as a “variable rate debt instrument”, then any stated interest on the Note which is unconditionally payable in cash or property (other than debt instruments of the Issuer) at least annually will constitute qualified stated interest and will be taxed accordingly. Thus, a Variable Interest Rate Note that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof and that qualifies as a “variable rate debt instrument” generally will not be treated as having been issued with OID unless the Variable Interest Rate Note is issued at a “true” discount (i.e., at a price below the Note’s stated principal amount) in excess of a specified *de minimis* amount. OID on a Variable Interest Rate Note arising from “true” discount is allocated to an accrual period using the constant yield method described above by assuming that the variable rate is a fixed rate equal to (i) in the case of a qualified floating rate or qualified inverse floating rate, the value, as of the issue date, of the qualified floating rate or qualified inverse floating rate; or (ii) in the case of an objective rate (other than a qualified inverse floating rate), a fixed rate that reflects the yield that is reasonably expected for the Variable Interest Rate Note.

In general, any other Variable Interest Rate Note that qualifies as a “variable rate debt instrument” will be converted into an “equivalent” fixed rate debt instrument for purposes of determining the amount and accrual of OID and qualified stated interest on the Variable Interest Rate Note. Such a Variable Interest Rate Note must be converted into an “equivalent” fixed rate debt instrument by substituting any qualified floating rate or qualified inverse floating rate provided for under the terms of the Variable Interest Rate Note with a fixed rate equal to the value of the qualified floating rate or qualified inverse floating rate, as the case may be, as of the Variable Interest Rate Note’s issue date. Any objective rate (other than a qualified inverse floating rate) provided for under the terms of the Variable Interest Rate Note is converted into a fixed rate that reflects the yield that is reasonably expected for the Variable Interest Rate Note. In the case of a Variable Interest Rate Note that qualifies as a “variable rate debt instrument” and provides for stated interest at a fixed rate in addition to either one or more qualified floating rates or a qualified inverse floating rate, the fixed rate is initially converted into a qualified floating rate (or a qualified inverse floating rate, if the Variable Interest Rate Note provides for a qualified inverse floating rate). Under these circumstances, the qualified floating rate or qualified inverse floating rate that replaces the fixed rate must be such that the fair market value of the Variable Interest Rate Note as of the Variable Interest Rate Note’s issue date is approximately the same as the fair market value of an otherwise identical debt instrument that provides for either the qualified floating rate or qualified inverse floating rate rather than the fixed rate. Subsequent to converting the fixed rate into either a qualified floating rate or a qualified inverse floating rate, the Variable Interest Rate Note is converted into an “equivalent” fixed rate debt instrument in the manner described above.

Once the Variable Interest Rate Note is converted into an “equivalent” fixed rate debt instrument pursuant to the foregoing rules, the amount of OID and qualified stated interest, if any, are determined for the “equivalent” fixed rate debt instrument by applying the general OID rules to the “equivalent” fixed rate debt instrument and a U.S. Holder of the Variable Interest Rate Note will account for the OID and qualified stated interest as if the U.S. Holder held the “equivalent” fixed rate debt instrument. In each accrual period, appropriate adjustments will be made to the amount of qualified stated interest or OID assumed to have been accrued or paid with respect to the “equivalent” fixed rate debt instrument in the event that these amounts differ from the actual amount of interest accrued or paid on the Variable Interest Rate Note during the accrual period.

If a Variable Interest Rate Note, such as a Note the payments on which are determined by reference to an index, does not qualify as a “variable rate debt instrument”, then the Variable Interest Rate Note will be treated as a contingent payment debt obligation. The proper U.S. federal income tax treatment of Variable Interest Rate Notes that are treated as contingent payment debt obligations will be more fully described in the relevant Final Terms.

2.2.7 Notes Purchased at a Premium

A U.S. Holder that purchases a Note for an amount in excess of its principal amount, or for a Discount Note, its stated redemption price at maturity, may elect to treat the excess as “amortisable bond premium”, in which case the amount required to be included in the U.S. Holder’s income each year with respect to interest on the Note will be reduced by the amount of amortisable bond premium allocable (based on the Note’s yield to maturity) to that year. Any election to amortise bond premium will apply to all bonds (other than bonds the interest on which is excludable from gross income for U.S. federal income tax purposes) held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by

the U.S. Holder, and is irrevocable without the consent of the IRS. See also “—*Original Issue Discount—Election to Treat All Interest as Original Issue Discount*”.

2.2.8 Election to Treat All Interest as Original Issue Discount

A U.S. Holder may elect to include in gross income all interest that accrues on a Note using the constant-yield method described above under “—*Original Issue Discount—General*,” with certain modifications. For purposes of this election, interest includes stated interest, OID, *de minimis* OID, market discount, *de minimis* market discount and unstated interest, as adjusted by any amortisable bond premium (described above under “—*Notes Purchased at a Premium*”) or acquisition premium. This election generally will apply only to the Note with respect to which it is made and may not be revoked without the consent of the IRS. If the election to apply the constant-yield method to all interest on a Note is made with respect to a Market Discount Note, the electing U.S. Holder will be treated as having made the election discussed above under “—*Market Discount*” to include market discount in income currently over the life of all debt instruments having market discount that are acquired on or after the first day of the first taxable year to which the election applies. U.S. Holders should consult their tax advisers concerning the propriety and consequences of this election.

2.3 Substitution of Issuer

The terms of the Notes provide that, in certain circumstances, the obligations of the Issuer under the Notes may be assumed by another entity. Any such assumption might be treated for U.S. federal income tax purposes as a deemed disposition of Notes by a U.S. Holder in exchange for new notes issued by the new obligor. As a result of this deemed disposition, a U.S. Holder could be required to recognise capital gain or loss for U.S. federal income tax purposes equal to the difference, if any, between the issue price of the new notes (as determined for U.S. federal income tax purposes), and the U.S. Holder’s tax basis in the Notes. U.S. Holders should consult their tax advisers concerning the U.S. federal income tax consequences to them of a change in obligor with respect to the Notes.

2.4 Sale and Retirement of Notes

A U.S. Holder generally will recognise gain or loss on the sale or retirement of a Note equal to the difference between the amount realised on the sale or retirement and the U.S. Holder’s adjusted tax basis of the Note. A U.S. Holder’s adjusted tax basis in a Note generally will be its cost, increased by the amount of any OID or market discount included in the U.S. Holder’s income with respect to the Note and the amount, if any, of income attributable to *de minimis* OID and *de minimis* market discount included in the U.S. Holder’s income with respect to the Note, and reduced by (i) the amount of any payments that are not qualified stated interest payments, and (ii) the amount of any amortisable bond premium applied to reduce interest on the Note. The amount realised does not include the amount attributable to accrued but unpaid interest, which will be taxable as interest income to the extent not previously included in income. Except to the extent described above under “—*Original Issue Discount—Market Discount*” or “—*Original Issue Discount—Short-Term Notes*” or attributable to changes in exchange rates (as discussed below), gain or loss recognised on the sale or retirement of a Note will be capital gain or loss and will be long-term capital gain or loss if the U.S. Holder’s holding period in the Notes exceeds one year.

Gain or loss realised by a U.S. Holder on the sale or retirement of a Note generally will be U.S. source. Prospective purchasers should consult their tax advisers as to the foreign tax credit implications of the sale or retirement of Notes.

2.5 Foreign Currency Notes

2.5.1 Interest

If an interest payment is denominated in, or determined by reference to, a foreign currency, the amount of income recognised by a cash basis U.S. Holder will be the U.S. dollar value of the interest payment, based on the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars.

An accrual basis U.S. Holder may determine the amount of income recognised with respect to an interest payment denominated in, or determined by reference to, a foreign currency in accordance with either of two methods. Under the first method, the amount of income accrued will be based on the average exchange rate in effect during the interest accrual period (or, in the case of an accrual period that spans two taxable years of a U.S. Holder, the part of the period within the taxable year).

Under the second method, the U.S. Holder may elect to determine the amount of income accrued on the basis of the exchange rate in effect on the last day of the accrual period (or, in the case of an accrual period that spans two taxable years, the exchange rate in effect on the last day of the part of the period within the taxable year). Additionally, if a payment of interest is actually received within five business days of the last day of the accrual period, an electing accrual basis U.S. Holder may instead translate the accrued interest into U.S. dollars at the exchange rate in effect on the day of actual receipt. Any such election will apply to all debt instruments held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and will be irrevocable without the consent of the IRS.

Upon receipt of an interest payment (including a payment attributable to accrued but unpaid interest upon the sale or retirement of a Note) denominated in, or determined by reference to, a foreign currency, the accrual basis U.S. Holder may recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. dollars.

2.5.2 OID

OID for each accrual period on a Discount Note that is denominated in, or determined by reference to, a foreign currency, will be determined in the foreign currency and then translated into U.S. dollars in the same manner as stated interest accrued by an accrual basis U.S. Holder, as described above. Upon receipt of an amount attributable to OID (whether in connection with a payment on the Note or a sale or disposition of the Note), a U.S. Holder may recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. dollars.

2.5.3 Market Discount

Market discount on a Note that is denominated in, or determined by reference to, a foreign currency, will be accrued in the foreign currency. If the U.S. Holder elects to include market discount in income currently, the accrued market discount will be translated into U.S. dollars at the average exchange rate for the accrual period (or portion thereof within the U.S. Holder's taxable year). Upon the receipt of an amount attributable to accrued market discount, the U.S. Holder may recognise U.S. source exchange gain or loss (which will be taxable as ordinary income or loss) determined in the same manner as for accrued interest or OID. A U.S. Holder that

does not elect to include market discount in income currently will recognise, upon the sale or retirement of the Note, the U.S. dollar value of the amount accrued, calculated at the spot rate on that date, and no part of this accrued market discount will be treated as exchange gain or loss.

2.5.4 Bond Premium

Bond premium (including acquisition premium) on a Note that is denominated in, or determined by reference to, a foreign currency, will be computed in units of the foreign currency, and any such bond premium that is taken into account currently will reduce interest income (or OID) in units of the foreign currency. On the date bond premium offsets interest income (or OID), a U.S. Holder may recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the amount offset multiplied by the difference between the spot rate in effect on the date of the offset, and the spot rate in effect on the date the Notes were acquired by the U.S. Holder. A U.S. Holder that does not elect to take bond premium (other than acquisition premium) into account currently will recognise a market loss when the Note matures.

2.5.5 Sale or Retirement

As discussed above under “—*Sale and Retirement of Notes*”, a U.S. Holder generally will recognise gain or loss on the sale or retirement of a Note equal to the difference between the amount realised on the sale or retirement and its tax basis in the Note, in each case as determined in U.S. dollars. U.S. Holders should consult their tax advisers about how to account for proceeds received on the sale or retirement of a Note that are not paid in U.S. dollars.

A U.S. Holder will recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) on the sale or retirement of a Note equal to the difference, if any, between the U.S. dollar values of the U.S. Holder’s purchase price for the Note (as adjusted for amortized bond premium, if any) on (i) the date of sale or retirement, and (ii) the date on which the U.S. Holder acquired the Note. Any such exchange rate gain or loss will be realised only to the extent of total gain or loss realised on the sale or retirement (including any exchange gain or loss with respect to the receipt of accrued but unpaid interest).

2.5.6 Disposition of Foreign Currency

Foreign currency received as interest on a Note or on the sale or retirement of a Note will have a tax basis equal to its U.S. dollar value at the time the foreign currency is received. Foreign currency that is purchased generally will have a tax basis equal to the U.S. dollar value of the foreign currency on the date of purchase. Any gain or loss recognised on a sale or other disposition of a foreign currency (including its use to purchase Notes or upon exchange for U.S. dollars) will be U.S. source ordinary income or loss.

2.6 Information Reporting and Backup Withholding

In general, payments of principal and interest and accruals of OID on, and the proceeds of a sale or retirement of, the Notes, by a U.S. paying agent or other U.S. intermediary will be reported to the IRS and to the U.S. Holder as may be required under applicable regulations. Backup withholding will apply to these payments, including payments of accrued OID, if the U.S. Holder fails to provide an accurate taxpayer identification number or certification of exempt status or otherwise fails to comply with applicable certification requirements. Certain U.S. Holders are not subject to backup withholding. U.S. Holders should consult their tax advisers about these rules and any other reporting obligations that may apply to the ownership or disposition of Notes, including requirements related to the holding of certain “specified foreign financial assets”.

2.7 Reportable Transactions

A U.S. taxpayer that participates in a “reportable transaction” will be required to disclose its participation to the IRS. Under the relevant rules, if the Notes are denominated in a foreign currency, a U.S. Holder may be required to treat a foreign currency exchange loss from the Notes as a reportable transaction if this loss exceeds the relevant threshold in the regulations (U.S.\$50,000 in a single taxable year, if the U.S. Holder is an individual or trust, or higher amounts for other non-individual U.S. Holders), and to disclose its investment by filing Form 8886 with the IRS. A penalty in the amount of U.S.\$10,000 in the case of a natural person and U.S.\$50,000 in all other cases generally is imposed on any taxpayer that fails to timely file an information return with the IRS with respect to a transaction resulting in a loss that is treated as a reportable transaction. Prospective purchasers are urged to consult their tax advisers regarding the application of these rules.

DESCRIPTION OF THE PROGRAMME

AIB may, from time to time, issue Notes denominated in such currencies as may be agreed with the relevant Dealer(s).

The Notes will be issued in series (each a “Series”). Each Series may be issued in tranches (each a “Tranche”) on the same or different issue dates. The issue price, issue date, maturity date, principal amount, interest rate (if any) applicable to any Notes, ranking and any other relevant provisions of such Notes will be agreed between AIB and the relevant Dealer(s) at the time of agreement to issue and will be specified in the Final Terms in respect of such Notes. In accordance with the Prospectus Regulation, the European Union (Prospectus) Regulations 2019 and Central Bank (Investment Market Conduct) Rules 2019, all Final Terms in respect of Listed Notes will be filed with the Central Bank.

Subject as set out herein, this Base Prospectus and any supplement hereto will only be valid for listing Notes up to an aggregate principal amount of U.S.\$10,000,000,000 (or its equivalent in the other currencies specified herein) outstanding at any one time calculated on the basis specified in the Indenture.

DESCRIPTION OF THE NOTES

This section describes the material terms and provisions of the Notes to which any Final Terms may relate. The Issuer will describe in each Final Terms the particular terms of the Notes that the Issuer offers by that Final Terms and the extent, if any, to which the general provisions described below may apply to those Notes. Capitalized terms used but not defined in this section have the meanings given to them in the Senior Notes, Loss Absorption Notes, Subordinated Notes or the Indenture, as the case may be.

General

The Issuer will offer the notes under an indenture, dated as at September 16, 2022 and as supplemented and amended from time to time (the “**Indenture**”), between us (the “**Issuer**”) and BNY Mellon Corporate Trustee Services Limited, as trustee (the “**Trustee**”). The notes are limited to an aggregate principal amount of up to U.S.\$10,000,000,000 outstanding at any time, including, in the case of notes denominated in one or more other currencies or composite currencies, the equivalent thereof at the Market Exchange Rate in the one or more other currencies on the date on which such note will be issued (the “**Original Issue Date**”), subject to reduction by or pursuant to action of the Issuer’s Board of Directors, provided that a reduction will not affect any note already issued or as to which the Issuer has already accepted an offer to purchase. The Issuer may, however, increase these limits without the consent of the Noteholders if in the future the Issuer determines that the Issuer wishes to sell additional notes.

The notes will mature twelve months or more from the date of issue and may be subject to redemption or early repayment at the Issuer’s option or the holder’s option as further described in the subsection entitled “—*Redemption, Repurchase, Substitution and Variation.*” Each note will be denominated in U.S. dollars or in another currency as specified in the applicable Final Terms. For a further discussion, see “—*Payment of Principal, Premium, if any, and Interest, if any.*” Each note will be either:

- a Fixed Rate Note; or
- a Resettable Note, which will bear interest at a fixed rate for an initial period, after which the interest rate will be reset by reference to the interest basis plus or minus the relevant Margin (if any) at specified intervals, in each case as specified in the applicable Final Terms; or
- a Floating Rate Note, which will bear interest at a rate determined by reference to the interest rate basis or combination of interest rate bases plus or minus the Margin (if any), in each case as specified in the applicable Final Terms; or
- a Zero Coupon Note, in which case references to interest in these provisions are not applicable; or
- any appropriate combination thereof, depending upon the Interest Basis specified in the applicable Final Terms.

Status of Senior Notes

The Senior Notes constitute direct, unsubordinated, unsecured and unguaranteed obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Senior Notes shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

Status and Subordination of Subordinated Notes

The Subordinated Notes constitute direct, unsecured and unguaranteed obligations of the Issuer, subordinated in the manner set out below and shall at all times rank *pari passu* without any preference among themselves.

If a Winding-Up occurs, the rights and claims against the Issuer of the Noteholders (and of the Trustee on their behalf) in respect of, or arising under, the Notes or the Indenture (including any damages awarded for breach of any obligations) shall, save for such exceptions as may be provided by applicable legislation, be subordinated as provided in this provision and in the Indenture to the claims of all Senior Creditors but shall rank (i) at least *pari passu* with the claims of holders of all other subordinated obligations of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 2 Capital or that rank or are expressed to rank *pari passu* with the Subordinated Notes and (ii) in priority to the claims of holders of all obligations of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 1 Capital and all obligations which rank, or are expressed to rank, *pari passu* therewith and to the claims of holders of all classes of share capital of the Issuer.

The subordination provisions apply to amounts payable under the Subordinated Notes and nothing contained therein or in the Indenture shall affect or prejudice any claim by the Trustee against the Issuer in respect of the costs, charges, expenses, liabilities or remuneration of the Trustee.

Waiver of Set-Off

This provision applies in respect of Senior Notes only if “*Waiver of Set-Off*” is specified in the applicable Final Terms as being applicable. This provision applies to all series of Subordinated Notes.

Subject to applicable law, no Noteholder may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer in respect of, arising under, or in connection with the Notes or the Indenture and each Noteholder shall, by virtue of being the holder of any such Note, be deemed, to the extent permitted under applicable law, to have waived all such rights of set-off, compensation or retention. Notwithstanding the provision of the foregoing sentence, if any of the amounts owing to any Noteholder by the Issuer in respect of or arising under or in connection with such Notes is discharged by set-off, such Noteholder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or in the event of its winding-up or examinership, the liquidator or, as applicable, examiner of the Issuer) and accordingly such discharge will be deemed not to have taken place, and until such payment is made shall hold an amount equal thereto in trust for the Issuer (or, as the case may be, the liquidator or, as applicable, examiner of the Issuer).

Certain Definitions

“**Adjustment Spread**” means either (a) a spread (which may be positive, negative or zero) or (b) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate)
- (ii) the Issuer, following consultation with the Independent Adviser, determines is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or (if the Issuer determines that no such spread is customarily applied)
- (iii) in the case of an Alternative Rate, is in customary market usage in the international debt capital markets for transactions which reference the Original Reference Rate, where such rate has been replaced by the Alternative Rate; or
- (iv) if no such recommendation or option or replacement has been made (or made available), or the Issuer determines there is no such spread, formula or methodology in customary market usage, the Issuer,

following consultation with the Independent Adviser, determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or

- (v) if the Issuer determines that no such industry standard is recognised or acknowledged, the Issuer, in its discretion, following consultation with the Independent Adviser and acting in good faith and in a commercially reasonable manner, determines to be appropriate;

“**Agent**” means each Paying Agent and Registrar;

“**Alternative Rate**” means an alternative benchmark or screen rate which the Issuer, following consultation with the Independent Adviser, determines in accordance with provision “—*Benchmark Discontinuation—Successor Rate or Alternative Rate*” is customarily applied in international debt capital markets transactions for the purposes of determining Rates of Interest (or the relevant component part thereof) in the same Specified Currency as the Notes;

“**Amortized Face Amount**” has the meaning specified in provision “—*Redemption, Repurchase, Substitution and Variation—Early Redemption Amounts – Zero Coupon Notes*”;

“**Applicable Maturity**” means: (a) in relation to Screen Rate Determination, the period of time designated in the Reference Rate, and (b) in relation to ISDA Determination, the Designated Maturity;

“**Applicable Regulatory Capital Requirements**” means, at any time, any requirement contained in the laws, regulations, requirements, guidelines and policies of the Relevant Regulator (whether or not having the force of law), Ireland or of the European Parliament and Council then in effect relating to capital adequacy and prudential (including resolution) supervision and applicable to the Issuer and/or, as applicable, the Group;

“**Authorized Signatory**” means any director or any other officer of the Issuer who has been authorised by the Issuer to sign the certificates and other documents required or contemplated under these provisions, the Indenture and any other transaction document in relation to the Notes on behalf of, and so as to bind, the Issuer;

“**Benchmark Amendments**” has the meaning given to it in provision “—*Benchmark Discontinuation—Benchmark Amendments*”;

“**Benchmark Duration**” means the duration specified as such in the applicable Final Terms;

“**Benchmark Event**” means:

- (i) the Original Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist; or
- (ii) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (iii) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or
- (iv) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes; or

- (v) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will be (or will be deemed by such supervisor to be) no longer representative of its relevant underlying market; or
- (vi) it has become unlawful for any Paying Agent, the Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the Original Reference Rate,

provided that the Benchmark Event shall be deemed to occur (a) in the case of sub-paragraphs (ii) and (iii) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be, (b) in the case of sub-paragraph (iv) above, on the date of the prohibition of use of the Original Reference Rate, and (c) in the case of sub-paragraph (v) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and in each case, not the date of the relevant public statement;

“Business Day” means, any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which commercial banks are authorized or required by law, regulation or executive order to close in New York City; *provided, however,* that “Business Day” shall also be, (i) with respect to a currency other than U.S. dollar as Specified Currency, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in the Principal Financial Center for such currency; and/or (ii) with respect to euro as the Specified Currency or EURIBOR as an applicable Interest Basis, a TARGET Business Day; and/or (iii) with respect to Sterling as the Specified Currency or SONIA as an applicable Interest Basis, such day (other than a Saturday or a Sunday) is also a business day in London; and/or (iv) with respect to another currency and/or one or more Business Centers, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Center(s) or, if no currency is indicated, generally in each of the Business Centers;

“Calculation Agent” means the calculation agent specified in the applicable Final Terms;

“Capital Disqualification Event” is deemed to occur in the case of any series of Subordinated Notes if the Issuer, after consultation with the Relevant Regulator, determines that there has been a change (which has occurred or which the Relevant Regulator considers to be sufficiently certain) in the regulatory classification of the Subordinated Notes, in any such case becoming effective on or after the Issue Date, that results, or would be likely to result, in the entire principal amount of such Series of Subordinated Notes (or if “Capital Disqualification Event for partial exclusion” is specified in the applicable Final Terms to be applicable, the entire principal amount of such Series of Subordinated Notes or any part thereof) being excluded from or ceasing to count towards the Issuer’s Tier 2 Capital, whether on a solo or consolidated basis and, for the avoidance of doubt, any amortization of such Series of Subordinated Notes pursuant to Article 64 of the CRD Regulation, as it stands as at the Issue Date, shall not comprise a Capital Disqualification Event;

“CMT Designated Maturity” has the meaning given to it in the applicable Final Terms;

“CMT Rate” means, in relation to a Reset Determination Date and subject to the provision “—*Interest—Interest on Resetable Notes—Fallback Provisions for Resetable Notes*”, the rate determined by the Calculation Agent, and expressed as a percentage, equal to:

- (i) the yield for United States Treasury Securities at “constant maturity” for the CMT Designated Maturity, as published in the H.15 under the caption “treasury constant maturities (nominal)”, as that yield is displayed on the Relevant Screen Page on such Reset Determination Date; or
- (ii) if the yield referred to in paragraph (i) above is not published by 4:00 p.m. (New York City time) on the Relevant Screen Page on such Reset Determination Date, the yield for United States Treasury Securities

at “constant maturity” for the CMT Designated Maturity as published in the H.15 under the caption “treasury constant maturities (nominal)” on such Reset Determination Date;

“**CRD Regulation**” means the Regulation (EU No. 575/2013) of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms dated 26 June 2013, as amended or replaced from time to time (including, without limitation, by Regulation (EU) 2019/876);

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period, the “**Calculation Period**”):

- (i) if “Actual/Actual” or “Actual/Actual – ISDA” is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if “Actual/365 (Fixed)” is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365;
- (iii) if “Actual/365 (Sterling)” is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if “Actual/360” is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 360;
- (v) if “30/360”, “360/360” or “Bond Basis” is specified in the applicable Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y1” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y2” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M1” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M2” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D1” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

“D2” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

- (vi) if “30E/360” or “Eurobond Basis” is specified in the applicable Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y1” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y2” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M1” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M2” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D1” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

“D2” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30;

- (vii) if “30E/360 (ISDA)” is specified in the applicable Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30; and

- (viii) if “Actual/Actual – ICMA” is specified in the applicable Final Terms, (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and (b) if the Calculation Period is longer than one Determination Period, the sum of: (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year where:

“**Determination Date**” means each date specified in the applicable Final Terms or, if none is so specified, each Interest Payment Date; and

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date;

“**EEA regulated market**” means a market as defined by Article 4.1(21) of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments, as amended;

“**EURIBOR**” means Euro Interbank Offered Rate;

“**Euro-zone**” means the region comprised of Member States of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended;

“**Event of Default**” means any Non-Restricted Event of Default or any Restricted Event of Default, as each is defined in “—*Non-Restricted Events of Default*” and “—*Restricted Events of Default*”;

“**First Margin**” means the margin specified as such in the applicable Final Terms;

“**First Reset Period**” means the period from (and including) the First Resettable Note Reset Date to (but excluding) the Second Resettable Note Reset Date or, if no such Second Resettable Note Reset Date is specified in the applicable Final Terms, the Maturity Date;

“**First Reset Rate of Interest**” means, subject to the provision “—*Interest—Interest on Resettable Notes—Fallback Provisions for Resettable Notes*”, the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date corresponding to the First Reset Period as the sum of the relevant Reset Rate plus the First Margin (with such sum converted (if necessary) from a basis equivalent to the Benchmark Duration to a basis equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (such calculation to be made by the Calculation Agent));

“**First Resettable Note Reset Date**” means the date specified as such in the applicable Final Terms;

“**Fixed Leg Swap Duration**” has the meaning specified in the applicable Final Terms;

“**Group**” means the Issuer together with each entity within the prudential consolidation of the Issuer (as that term or its successor is used in the Applicable Regulatory Capital Requirements);

“**H.15**” means the weekly statistical release designated as H.15, or any successor publication, published by the board of governors of the Federal Reserve System at <https://www.federalreserve.gov/releases/H15/> or any successor site or publication;

“**Independent Adviser**” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by and at the expense of the Issuer pursuant to provision “—*Benchmark Discontinuation—Independent Adviser*”;

“**Initial Rate of Interest**” means the initial rate of interest per annum specified in the applicable Final Terms;

“**Interest Amount**” means: (i) in respect of an Interest Period, the amount of interest payable per Calculation Amount for that Interest Period and which, in the case of Fixed Rate Notes, and unless otherwise specified in the applicable Final Terms, shall mean the Fixed Coupon Amount or Broken Amount specified in the applicable Final Terms as being payable on the Interest Payment Date ending the Interest Period of which such Interest Period forms part; and (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period;

“**Interest Commencement Date**” means the Issue Date or such other date as may be specified in the applicable Final Terms for any particular series or in the Notes of such series;

“**Interest Determination Date**” means, with respect to a Rate of Interest and Interest Period, the date specified in the applicable Final Terms for any particular series or in the Notes of such series or, if none is so specified:

- (i) unless the Reference Rate in respect of the Notes is specified in the applicable Final Terms as being “SONIA” or “SOFR”:
 - (A) the first day of such Interest Period if the Specified Currency is Sterling;
 - (B) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Period if the Specified Currency is neither Sterling nor euro; or
 - (C) the day falling two TARGET Business Days prior to the first day of such Interest Period if the Specified Currency is euro;
- (ii) if the Reference Rate in respect of the Notes is specified in the applicable Final Terms as being “SONIA”, the date which is “*p*” London Business Days prior to each Interest Payment Date; and
- (iii) if the Reference Rate in respect of the Notes is specified in the applicable Final Terms as being “SOFR”, the date which is “*p*” U.S. Government Securities Business Days prior to each Interest Payment Date;

“**Interest Payment Date**” means such date as may be specified in the applicable Final Terms for any particular series or in the Notes of such series;

“**Interest Period**” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date unless otherwise specified in the applicable Final Terms;

“**Irish Statutory Loss Absorption Powers**” means any write-down, conversion, transfer, modification, suspension or similar or related power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in Ireland, relating to (i) Directive 2014/59/EU (“**BRRD**”) and/or Irish legislation transposing BRRD into Irish law, in each case as amended or replaced from time to time and (ii) the instruments, rules and standards created thereunder, pursuant to which any obligation of the Issuer (or any affiliate of the Issuer) can be reduced, cancelled, modified, or converted into shares, other securities or other obligations of the Issuer or any other person (or suspended for a temporary period);

“**ISDA Definitions**” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc., unless otherwise specified in the applicable Final Terms;

“**Loss Absorption Compliant Notes**” means, in the case of Senior Notes in respect of which “Substitution and Variation” is specified as applicable in the applicable Final Terms, securities that comply with the following (which compliance has been certified to the Trustee in an officer’s certificate and delivered to the Trustee prior to the relevant substitution or variation):

- (i) are issued by the Issuer or any wholly-owned direct or indirect subsidiary of the Issuer with a guarantee of such obligations by the Issuer;
- (ii) rank (or, if guaranteed by the Issuer, benefit from a guarantee that ranks) equally with the ranking of the relevant Notes;
- (iii) have terms not materially less favorable to Noteholders than the terms of the relevant Notes (as reasonably determined by the Issuer in consultation with an independent adviser of recognized standing);
- (iv) (without prejudice to clause (iii) above) (1) contain terms such that they comply with the then applicable Loss Absorption Regulations in order to be eligible to qualify in full towards the Issuer’s and/or the Regulatory Group’s minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments; (2) bear the same rate of interest from time to time applying to the relevant Notes and preserve the same Interest Payment Dates; (3) do not contain terms providing for mandatory or

- discretionary deferral of payments of interest and/or principal; (4) preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the relevant Notes, including (without limitation) as to timing of, and amounts payable upon, such redemption; (5) do not contain terms providing for loss absorption through principal write-down or conversion to ordinary shares (but without prejudice to any acknowledgement of statutory resolution powers substantially similar to that contained in provision “—*Agreement with Respect to the Exercise of Irish Statutory Loss Absorption Powers*”); and (6) preserve any existing rights to any accrued and unpaid interest and any other amounts payable under the relevant Notes which has accrued to Noteholders and not been paid;
- (v) are listed on the same stock exchange or market as the relevant Notes or the regulated market of the London Stock Exchange or an EEA regulated market selected by the Issuer; and
 - (vi) where the relevant Notes which have been substituted or varied had a published rating solicited by the Issuer from one or more Rating Agencies immediately prior to their substitution or variation, benefit from (or will, as announced by each such Rating Agency, benefit from) an equal or higher published rating from each such Rating Agency as that which applied to the relevant Notes;

“**Loss Absorption Disqualification Event**” shall be deemed to have occurred if, as a result of any amendment to, or change in, any Loss Absorption Regulations, or any change in the application or official interpretation of any Loss Absorption Regulations, in any such case becoming effective on or after the Issue Date of the first Tranche of the Notes, the Notes are or (in the opinion of the Issuer or the Relevant Regulator) are likely to become fully (or, if “*Loss Absorption Disqualification Event for partial exclusion*” is specified as being applicable, fully or partially) excluded from or ceasing to count towards the Issuer’s and/or the Regulatory Group’s minimum requirements for (A) own funds and eligible liabilities and/or (B) loss absorbing capacity instruments, in each case as such minimum requirements are applicable to the Issuer and/or the Regulatory Group and determined in accordance with, and pursuant to, the relevant Loss Absorption Regulations; provided that a Loss Absorption Disqualification Event shall not occur where the exclusion of the Notes from the relevant minimum requirement(s) is due to the remaining maturity of the Notes being less than any period prescribed by any applicable eligibility criteria for such minimum requirements under the relevant Loss Absorption Regulations effective with respect to the Issuer and/or the Regulatory Group on the Issue Date of the first Tranche of the Notes;

“**Loss Absorption Notes**” means any Senior Note where “Loss Absorption Note” is specified as applicable in the applicable Final Terms;

“**Loss Absorption Regulations**” means, at any time, the laws, regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments of Ireland, the Relevant Regulator and/or of the European Parliament or of the Council of the European Union then in effect in Ireland and applicable to the Issuer and/or the Regulatory Group including, without limitation to the generality of the foregoing, any delegated or implementing acts (such as regulatory technical standards) adopted by the European Commission and any regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments adopted by the Relevant Regulator from time to time (whether such regulations, requirements, guidelines, rules, standards or policies are applied generally or specifically to the Issuer or to the Regulatory Group);

“**Market Exchange Rate**” means the exchange rate contained in the H.10 release (or its successor) published by the U.S. Federal Reserve Board;

“**Maturity Date**” means the date specified as such in the applicable Final Terms;

“Mid-Market Swap Rate” means for any Reset Period the mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the Fixed Leg Swap Duration specified in the applicable Final Terms during the relevant Reset Period (calculated on the day count basis customary for fixed rate payments in the Specified Currency as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant Resetable Note Reset Date, (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (iii) has a floating leg based on the Mid-Swap Floating Leg Benchmark Rate for the Mid-Swap Maturity (as specified in the applicable Final Terms) (calculated on the day count basis customary for floating rate payments in the Specified Currency as determined by the Calculation Agent);

“Mid-Market Swap Rate Quotation” means a quotation (expressed as a percentage rate per annum) for the relevant Mid-Market Swap Rate;

“Mid-Swap Floating Leg Benchmark Rate” means the reference rate specified in the applicable Final Terms or, if no such reference rate is so specified:

- (i) where the Specified Currency is euro, EURIBOR;
- (ii) where the Specified Currency is U.S. dollars, SOFR; or
- (iii) where the Specified Currency is Sterling, SONIA;

“Mid-Swap Rate” means, in relation to a Reset Determination Date and subject to provision *“—Interest—Interest on Resetable Notes—Fallback Provisions for Resetable Notes”*:

- (i) if Single Mid-Swap Rate is specified in the applicable Final Terms, the rate for swaps in the Specified Currency:
 - (a) with a term equal to the relevant Reset Period; and
 - (b) commencing on the relevant Resetable Note Reset Date,
which appears on the Relevant Screen Page; or
- (ii) if Mean Mid-Swap Rate is specified in the applicable Final Terms, the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards) of the bid and offered swap rate quotations for swaps in the Specified Currency:
 - (a) with a term equal to the relevant Reset Period; and
 - (b) commencing on the relevant Resetable Note Reset Date,
which appears on the Relevant Screen Page,
in either case, as at approximately 11:00 a.m. in the Principal Financial Center of the Specified Currency on such Reset Determination Date, all as determined by the Calculation Agent;

“Original Reference Rate” means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Notes;

“Principal Financial Center” means the capital city of the country issuing the Specified Currency except, that with respect to U.S. dollars, Canadian dollars and Swiss francs, the “Principal Financial Center” shall be New York City, Toronto and Zurich, respectively;

“Rate of Interest” means the rate of interest payable from time to time in respect of a Note and that is either specified or calculated in accordance with the provisions of the Indenture or as specified in the applicable Final Terms;

“Rating Agency” means each of S&P Global Ratings Europe Limited, Moody’s Investors Service Limited or Fitch Ratings Ireland Limited and each of their respective affiliates or successors;

“Reference Banks” means (i) in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, selected by the Issuer in consultation with the Calculation Agent or as specified in the applicable Final Terms or (ii) if “CMT Rate” is specified in the applicable Final Terms, five banks which are primary U.S. Treasury securities dealers or market makers in pricing corporate bond issues denominated in U.S. dollars in New York selected by the Issuer in consultation with the Calculation Agent or as specified in the applicable Final Terms;

“Reference Bond” means for any Reset Period, a government security or securities issued by the state responsible for issuing the Specified Currency (which, if the Specified Currency is euro, shall be Germany) selected by the Issuer on the advice of an investment bank of international repute as having an actual or interpolated maturity comparable with the relevant Reset Period that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the same currency as the Notes and of a comparable maturity to the relevant Reset Period;

“Reference Bond Price” means, with respect to any Reset Determination Date, (i) the arithmetic average of the Reference Government Bond Dealer Quotations for such Reset Determination Date, after excluding the highest and lowest such Reference Government Bond Dealer Quotations, or (ii) if the Calculation Agent obtains fewer than four such Reference Government Bond Dealer Quotations, the arithmetic average of all such quotations. If no quotations are provided, the Reference Rate will be determined by the Calculation Agent in its sole discretion following consultation with the Issuer;

“Reference Bond Rate” means the annual yield to maturity or interpolated yield to maturity (on the relevant day count basis) of the relevant Reference Bond, assuming a price for such Reference Bond (expressed as a percentage of its nominal amount) equal to the relevant Reference Bond Price, as calculated by the Calculation Agent;

“Reference Government Bond Dealer” means each of five banks (selected by the Issuer on the advice of an investment bank of international repute), or their affiliates, which are (i) primary government securities dealers, and their respective successors, or (ii) market makers in pricing corporate bond issues;

“Reference Government Bond Dealer Quotations” means, with respect to each Reference Government Bond Dealer and the relevant Reset Determination Date, the arithmetic average, as determined by the Calculation Agent, of the bid and offered prices for the relevant Reference Bond (expressed in each case as a percentage of its nominal amount) at or around the Subsequent Reset Rate Time on the relevant Reset Determination Date quoted in writing to the Calculation Agent by such Reference Government Bond Dealer;

“Register” and **“Registrar”** have the respective meanings specified in Section 3.4 of the Indenture;

“Regulatory Group” means the Issuer, its subsidiary undertakings, participations, participating interests and any subsidiary undertakings, participations or participating interests held (directly or indirectly) by any of its subsidiary undertakings from time to time and any other undertakings from time to time consolidated with the Issuer for regulatory or resolution purposes, in each case in accordance with the rules and guidance of the Relevant Regulator then in effect;

“Relevant Amounts” means the outstanding principal amount of the Notes, together with any accrued but unpaid interest and additional amounts and any other amounts due on or in respect of the Notes. References to

such amounts will include amounts that have become due and payable, but which have not been paid, prior to the exercise of any Irish Statutory Loss Absorption Powers by the Relevant Resolution Authority;

“Relevant Date” means the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date on which notice is duly given to the Noteholders in accordance with the Section *“Notices and Communications”* of the Indenture, that, upon further presentation of the Note being made in accordance with the Indenture, such payment will be made, provided that payment is in fact made upon such presentation;

“Relevant Fallback Screen Page” means such page, section, caption, column or other part of a particular information service as may be specified in the applicable Final Terms (or any successor or replacement page, section, caption, column or other part of a particular information service);

“Relevant Nominating Body” means, in respect of a benchmark or screen rate (as applicable):

- (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of
 - (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof;

“Relevant Regulator” means the European Central Bank and/or such successor or other authority having for the time being primary supervisory authority and/or responsibility with regards to prudential, conduct and/or resolution matters in respect of the Issuer and/or the Group (being, as at the Issue Date, the Single Resolution Board), as may be relevant in the context and circumstances;

“Relevant Resolution Authority” means the resolution authority with the ability to exercise any Irish Statutory Loss Absorption Powers in relation to the Issuer (being, as at the Issue Date, the Single Resolution Board);

“Relevant Screen Page” means such page, section, caption, column or other part of a particular information service as may be specified in the applicable Final Terms (or any successor or replacement page, section, caption, column or other part of a particular information service);

“Reset Determination Date” means, in respect of the First Reset Period, the second Business Day prior to the First Resettable Note Reset Date, in respect of the first Subsequent Reset Period, the second Business Day prior to the Second Resettable Note Reset Date and, in respect of each Reset Period thereafter, the second Business Day prior to the first day of each such Reset Period;

“Reset Period” means the First Reset Period or a Subsequent Reset Period, as the case may be;

“Reset Rate” means (i) the relevant Mid-Swap Rate as specified in the applicable Final Terms, (ii) if “Reference Bond” is specified in the applicable Final Terms, the relevant Reference Bond Rate or (iii) if “CMT Rate” is specified in the applicable Final Terms, the relevant CMT Rate;

“Reset United States Treasury Securities Quotation” means, in relation to a Reset Period and the Reset Determination Date in relation to such Reset Period, the rate quoted by a Reference Bank as being a yield-to-maturity based on the secondary market bid price of such Reference Bank for Reset United States Treasury Securities at approximately 4:30 p.m. (New York City time) on such Reset Determination Date;

“Reset United States Treasury Securities” means, on the relevant Reset Determination Date, United States Treasury Securities with an original maturity equal to the CMT Designated Maturity, a remaining term to maturity of no more than one year shorter than the CMT Designated Maturity and in a principal amount equal to an amount that is representative for a single transaction in such United States Treasury Securities in the New York City market. If two or more United States Treasury Securities have remaining terms to maturity of no more than one year shorter than the CMT Designated Maturity, the United States Treasury Security with the longer remaining term to maturity will be used and if two or more United States Treasury Securities have remaining terms to maturity equally close to the duration of the CMT Designated Maturity, the United States Treasury Security with the largest nominal amount outstanding will be used;

“Resettable Note Reset Date” means the First Resettable Note Reset Date, the Second Resettable Note Reset Date and every Subsequent Resettable Note Reset Date as may be specified in the applicable Final Terms;

“Second Resettable Note Reset Date” means the date specified in the applicable Final Terms;

“Senior Creditors” means (i) unsubordinated creditors of the Issuer and (ii) creditors of the Issuer whose claims are, or are expressed to be, subordinated to the claims of other creditors of the Issuer (other than those whose claims are in respect of obligations which constitute, or would but for any applicable limitation on the amount of such capital, constitute, Tier 1 Capital or Tier 2 Capital or whose claims rank or are expressed to rank *pari passu* with, or junior to, the claims of holders in respect of the Notes);

“Specified Currency” means the currency specified as such in the applicable Final Terms or, if none is specified, the currency in which the Notes are denominated;

“Subsequent Margin” means the margin(s) specified as such in the applicable Final Terms;

“Subsequent Reset Period” means the period from (and including) the Second Resettable Note Reset Date to (but excluding) the next Resettable Note Reset Date, and each successive period from (and including) a Resettable Note Reset Date to (but excluding) the next succeeding Resettable Note Reset Date;

“Subsequent Reset Rate of Interest” means, in respect of any Subsequent Reset Period and subject to provision “—*Interest—Interest on Resettable Notes—Fallback Provisions for Resettable Notes*”, the rate of interest being determined by the Calculation Agent on the relevant Reset Determination Date corresponding to such Subsequent Reset Period as the sum of the relevant Reset Rate plus the applicable Subsequent Margin (with such sum converted (if necessary) from a basis equivalent to the Benchmark Duration to a basis equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (such calculation to be made by the Calculation Agent));

“Successor Rate” means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body;

“Supervisory Permission” means, in relation to any action, such notice, supervisory permission (and/or, as appropriate, consent, approval or waiver) as is required therefor under the Applicable Regulatory Capital Requirements (if any);

“TARGET Business Day” means a day on which the TARGET System is operating;

“TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto;

“Tax Event” has the meaning given in provision “—*Redemption, Repurchase, Substitution and Variation—Redemption for Tax Reasons*”;

“**Tier 1 Capital**” and “**Tier 2 Capital**” have the respective meanings given in the Applicable Regulatory Capital Requirements from time to time;

“**Tier 2 Compliant Notes**” means, in the case of Subordinated Notes in respect of which “Substitution and Variation” is specified as applicable in the applicable Final Terms, securities that comply with the following (which compliance has been certified to the Trustee in an officer’s certificate and delivered to the Trustee prior to the relevant substitution or variation):

- (i) are issued by the Issuer or any wholly-owned direct or indirect subsidiary of the Issuer with a subordinated guarantee of such obligations by the Issuer;
- (ii) rank (or, if guaranteed by the Issuer, benefit from a guarantee that ranks) at least equally with the ranking of the relevant Notes;
- (iii) have terms not materially less favorable to Noteholders than the terms of the relevant Notes (as reasonably determined by the Issuer in consultation with an independent adviser of recognized standing);
- (iv) (without prejudice to clause (iii) above) (a) contain terms such that they comply with the Applicable Regulatory Capital Requirements in relation to Tier 2 Capital; (b) bear the same rate of interest from time to time applying to the relevant Notes and preserve the same Interest Payment Dates; (c) do not contain terms providing for mandatory deferral of payments of interest and/or principal; (d) preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the relevant Notes, including (without limitation) as to timing of, and amounts payable upon, such redemption; (e) do not contain terms providing for loss absorption through principal write-down or conversion to ordinary shares (but without prejudice to any acknowledgement of statutory resolution powers substantially similar to that contained in provision “*Agreement with Respect to the Exercise of Irish Statutory Loss Absorption Powers*”); and (f) preserve any existing rights to any accrued and unpaid interest and any other amounts payable under the relevant Notes which has accrued to Noteholders and not been paid;
- (v) are listed on the same stock exchange or market as the relevant Notes or the regulated market of the London Stock Exchange or an EEA regulated market selected by the Issuer; and
- (vi) where the relevant Notes which have been substituted or varied had a published rating solicited by the Issuer from one or more Rating Agencies immediately prior to their substitution or variation, benefit from (or will, as announced by each such Rating Agency, benefit from) an equal or higher published rating from each such Rating Agency as that which applied to the relevant Notes; and

“**United States Treasury Securities**” means securities that are direct obligations of the United States Treasury, issued other than on a discount rate basis;

“**Winding-Up**” means:

- (i) an order is made, or an effective resolution is passed, for the winding-up of the Issuer (except, in any such case, a winding-up solely for the purpose of, and followed by, a reconstruction, amalgamation, reorganization, merger or consolidation, the terms of which do not provide that the Notes thereby become redeemable or repayable in accordance with the Indenture); or
- (ii) liquidation or dissolution of the Issuer or any procedure similar to that described in paragraph (i) above.

Form, Transfer, Exchange and Denomination

Notes of a series will initially be represented by a global note or global notes in fully registered form (“**Global Notes**”). Notes offered in the United States to qualified institutional buyers in reliance on Rule 144A will be represented by one or more U.S. global notes (“**U.S. Global Notes**”). Notes offered outside the United States

to non-U.S. persons in reliance on Regulation S will be represented by one or more international global notes (“**International Global Notes**”).

Notes will bear a legend setting forth transfer restrictions and may not be transferred except in compliance with these transfer restrictions and subject to certification requirements. In no event will notes in bearer form be issued.

Unless otherwise specified in the Final Terms relating to a particular series of notes, the Global Note or Global Notes representing a series of notes will be issued to and deposited with, or on behalf of, DTC in New York City and registered in the name of Cede & Co. (“**Cede**”), as DTC’s nominee. Interests in a Global Note or Global Notes representing notes of a series will be shown in, and transfers thereof will be effected only through, records maintained by DTC and its participants until such time, if any, as physical registered certificates (“**Definitive Notes**”) in respect of such notes are issued, as set forth in the section entitled “*Book-Entry System*”.

The Global Note or Global Notes representing a series of notes may be transferred only to a successor of DTC or another nominee of DTC. For additional information, see the section entitled “*Book-Entry System*”.

Under the following circumstances, Global Notes of a series may be exchanged for certificated registered notes of such series:

- if at any time the depository for the Notes is DTC and it notifies the Issuer that it is unwilling or unable to continue as depository for the Global Notes of such series and the Issuer does not appoint a successor depository within 90 days after such notification;
- if the depository is a common depository for Euroclear or Clearstream, Luxembourg and the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention to permanently cease business or have in fact done so and no successor clearing system is available; and
- if the Issuer determines in the Issuer’s sole discretion that the Notes of any series should no longer be represented by such Global Note or notes.

Definitive Notes representing a series of notes, if any, will be exchangeable for other Definitive Notes representing notes of such series of any authorized denominations and of a like aggregate principal amount and tenor. Definitive Notes will be serially numbered.

Definitive Notes may be presented to the Trustee for registration of transfer of exchange at its office in New York, which, at the date hereof, is located at 101 Barclay Street, New York, New York 10286. Definitive Notes may be presented for exchange and transfer in the manner, at the places and subject to the restrictions set forth in the Indenture and the Notes. The Issuer has not registered the Notes under the Securities Act or with any securities regulatory authority of any jurisdiction, and accordingly, transfers of the Notes will be subject to the restrictions set forth in the sections entitled “*Transfer Restrictions*”.

Definitive Notes and interests in the U.S. Global Notes may be transferred to a person who takes delivery in the form of interests in an International Global Note only upon receipt by the Trustee of written certifications, in the form provided in the Indenture, to the effect that the transfer is being made in accordance with Regulation S or Rule 144 under the Securities Act and that, if this transfer occurs prior to 40 days after the commencement of the offering of such notes, the interest transferred will be held immediately thereafter through Euroclear Clearstream, Luxembourg, each of which is a participant in DTC.

Until 40 days after the closing date for the offering of a series of notes, interests in an International Global Note may be held only through Euroclear or Clearstream, Luxembourg, which are participants in DTC. Definitive

Notes and interests in International Global Notes may be transferred to a person who takes delivery in the form of interests in a U.S. Global Note only upon receipt by the Trustee of written certifications, in the form provided in the Indenture, to the effect that such transfer is being made in accordance with Rule 144A to a person whom the transferor reasonably believes is purchasing for its own account or for an account as to which it exercises sole investment discretion and that such person and such account or accounts are “qualified institutional buyers” within the meaning of Rule 144A and agree to comply with the restrictions on transfer set forth in the sections entitled “*Transfer Restrictions*”.

In the event of any redemption of notes, the Registrar will not be required to (i) register the transfer of or exchange the Notes during a period of 15 calendar days immediately preceding the date of redemption; (ii) register the transfer of or exchange the Notes, or any portion thereof called for redemption, except the unredeemed portion of any of the Notes being redeemed in part; or (iii) with respect to notes represented by a Global Note or Global Notes, exchange any such note or notes called for redemption, except to exchange such note or notes for another Global Note or Global Notes of that series and like tenor representing the aggregate principal amount of notes of that series that have not been redeemed.

Unless otherwise specified in the Final Terms relating to a particular series of notes, The Bank of New York Mellon, London Branch is the paying agent (the “**Paying Agent**”) for the Notes pursuant to the Indenture. The Issuer may at any time designate additional paying agents or rescind the designation of any paying agent provided that if and for so long as the Notes are listed on any stock exchange which requires the appointment of a paying agent in any particular place, the Issuer shall maintain a paying agent with an office in the place required by such stock exchange or relevant authority.

The Issuer will issue the Notes in minimum denominations of U.S.\$200,000, and in integral multiples of U.S.\$1,000 in excess thereof, in the case of notes denominated in U.S. dollars. The Issuer will issue notes denominated in a Specified Currency other than U.S. dollars in minimum denominations that are the equivalent of these amounts in any other Specified Currency, and in any other denominations in excess of the minimum denominations as specified in the applicable Final Terms. The Notes will be issued in integral multiples of 1,000 units of any such Specified Currency in excess of their minimum denominations. If the principal, premium, if any, and interest, if any, on any of the Notes not denominated in U.S. dollars, euro or sterling are to be payable at the Issuer’s or the holder’s option in U.S. dollars, such payment will be made on the basis of the Market Exchange Rate, computed by the Currency Determination Agent in respect of the relevant series of notes and as specified in the applicable Final Terms, on the second Business Day prior to such payment or, if such Market Exchange Rate is not then available, on the basis of the most recently available Market Exchange Rate.

Payment of Principal, Premium, if any, and Interest, if any

Payments of principal, premium, if any, and interest, if any, to owners of beneficial interests in the Global Notes are expected to be made in accordance with those procedures of DTC and its participants in effect from time to time as described in the section entitled “*Book-Entry System*” and, in the case of any note denominated in a Specified Currency other than U.S. dollars, as provided below.

Except as described below, with respect to any Definitive Note, payments of interest, if any, will be made by wire transfer or by mailing a check to the Noteholder at the address of such Noteholder appearing on the register for the Notes on the Regular Record Date. Notwithstanding the foregoing, at the option of the Issuer, all payments of interest on the Notes may be made by wire transfer of immediately available funds to an account at a bank located within the United States or in Ireland as designated by each holder not less than 15 calendar days prior to the relevant Interest Payment Date. A holder of U.S.\$10,000,000 (or, if the Specified Currency is other than U.S. dollars, the equivalent thereof in that Specified Currency) or more in aggregate principal amount of notes of like tenor and terms with the same Interest Payment Date may demand payment by wire transfer of immediately available funds to an account maintained by such holder at a bank located in the United States or

Ireland as may have been appropriately designated by such holder in writing and such instructions received by the Paying Agent with respect to such Notes not less than 15 calendar days prior to the Interest Payment Date. In the event that payment is so made in accordance with instructions of the Noteholder, such wire transfer shall be deemed to constitute full and complete payment of such principal, premium and/or interest on the Notes. Payment of the principal, premium, if any, and interest, if any, due with respect to any Definitive Note at Maturity will be made in immediately available funds upon surrender of such note at the principal office of any paying agent appointed by the Issuer with respect to that Note and accompanied by wire transfer instructions, provided that the Definitive Note is presented to such paying agent in time for such paying agent to make such payments in such funds in accordance with its normal procedures.

Payments of principal, premium, if any, and interest, if any, with respect to any Note to be made in a Specified Currency other than U.S. dollars will be made by check sent to the address of the person entitled thereto as its address appears in the register for the Notes or by wire transfer to such account with a bank located in a jurisdiction acceptable to the Issuer and the Trustee as shall have been designated at least 15 calendar days prior to the Interest Payment Date or Maturity, as the case may be, by the holder of such Note on the relevant Regular Record Date or at Maturity, provided that, in the case of payment of principal of, and premium, if any, and interest, if any, due at Maturity, the Note is presented to any paying agent appointed by the Issuer with respect to such Note in time for such paying agent to make such payments in such funds in accordance with its normal procedures. Such designation shall be made by filing the appropriate information with the Trustee at its Corporate Trust Office, and, unless revoked, any such designation made with respect to any Note by a holder will remain in effect with respect to any further payments with respect to such Note payable to such holder. If a payment with respect to any such Note cannot be made by wire transfer because the required designation has not been received by the Trustee on or before the requisite date or for any other reason, a notice will be sent to the Noteholder at its registered address requesting a designation pursuant to which such wire transfer can be made and, upon such Trustee's receipt of such a designation, such payment will be made within 15 calendar days of such receipt. The Issuer will pay any administrative costs imposed by financial institutions in connection with making payments by wire transfer, but any tax, assessment or governmental charge imposed upon payments will be borne by the Noteholders of such notes in respect of which such payments are made.

Except as provided below, payments of principal, premium, if any, and interest, if any, with respect to any Note represented by Global Notes that is denominated in a Specified Currency other than U.S. dollars will be made in U.S. dollars, as set forth below. If the holder of such Note on the relevant Record Date or at Maturity, as the case may be, requests payments in a currency other than U.S. dollars, the Noteholder shall transmit a written request for such payment to any paying agent appointed by the Issuer with respect to such Note at its principal office on or prior to such Record Date or the date 15 calendar days prior to Maturity, as the case may be. Such request may be delivered by mail, by hand, by cable or by telex or any other form of facsimile transmission. Any such request made with respect to any Note by a holder will remain in effect with respect to any further payments of principal, and premium, if any, and interest, if any, with respect to such Note payable to such holder, unless such request is revoked by written notice received by such paying agent on or prior to the relevant Record Date or the date 15 calendar days prior to Maturity, as the case may be; *provided*, that (x) in relation to Senior Notes with respect to payments made on any such Senior Note if an Event of Default has occurred with respect thereto, or (y) in relation to any Note of any series, upon the giving of a notice of redemption, no such revocation may be made. Holders of Notes denominated in a currency other than U.S. dollars whose notes are registered in the name of a broker or nominee should contact such broker or nominee to determine whether and how an election to receive payments in a currency other than U.S. dollars may be made.

The U.S. dollar amount to be received by a holder of a note denominated in currency other than U.S. dollars shall be based on the highest indicated bid quotation for the purchase of U.S. dollars in exchange for the Specified Currency obtained by the Currency Determination Agent at approximately 11:00 a.m., New York City time, on the second Business Day immediately preceding the applicable payment date from the bank composite

or multicontributor pages of the Quoting Source for three (or two if three are not available) recognized foreign exchange dealers in New York City, selected by the Currency Determination Agent and approved by the Issuer. The first three (or two) such foreign exchange dealers which are offering quotes on the Quoting Source will be used. If fewer than two such bid quotations are available at 11:00 a.m., New York City time, on the second Business Day immediately preceding the applicable payment date, such payment will be based on the Market Exchange Rate as of the second Business Day immediately preceding the applicable payment date. If the Market Exchange Rate for such date is not then available, such payment will be made in the Specified Currency. As used herein, the “**Quoting Source**” means Reuters Monitor Foreign Exchange Service, or if the Currency Determination Agent determines that such service is not available, such comparable display or other comparable manner of obtaining quotations as shall be determined by the Issuer. All currency exchange costs associated with any payment in U.S. dollars on any such notes will be borne by the holder thereof by deductions from such payment.

If the Specified Currency for a note denominated in a currency other than U.S. dollars is not available for the required payment of principal, premium, if any, and/or interest, if any, in respect thereof due to the imposition of exchange controls or other circumstances beyond the Issuer’s control, the Issuer will be entitled to satisfy its obligations to the holder of such note by making such payment in U.S. dollars on the basis of the Market Exchange Rate, computed by the Currency Determination Agent, on the second Business Day prior to such payment or, if such Market Exchange Rate is not then available, on the basis of the most recently available Market Exchange Rate, or as otherwise established pursuant to the Final Terms with respect to such Notes. Any payment made in U.S. dollars under such circumstances where the required payment was to be in a Specified Currency other than U.S. dollars will not constitute an Event of Default under the Indenture with respect to the Notes.

All determinations referred to above made by the Currency Determination Agent shall be at its sole discretion and in accordance with its normal operating procedures and shall, in the absence of manifest error, be conclusive for all purposes and binding on all holders and beneficial owners of notes.

Interest

Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with the provision “—*Calculations and Rounding*” below.

Interest on Resetable Notes

Each Resetable Note bears interest on its outstanding amount:

- (i) from (and including) the Interest Commencement Date up to (but excluding) the First Resetable Note Reset Date at the Initial Rate of Interest;
- (ii) from (and including) the First Resetable Note Reset Date to (but excluding) the Second Resetable Note Reset Date or, if no such Second Resetable Note Reset Date is so specified, the Maturity Date, at the First Reset Rate of Interest; and
- (iii) for each Subsequent Reset Period thereafter (if any), at the relevant Subsequent Reset Rate of Interest.

Interest will be payable in arrear on each Resetable Note Interest Payment Date and on the Maturity Date.

Fallback Provisions for Resettable Notes

If on any Reset Determination Date the Relevant Screen Page is not available or the Mid-Swap Rate or CMT Rate (as applicable) does not appear on the Relevant Screen Page, the Calculation Agent shall (i) if “Mid-Swap Rate” is specified in the applicable Final Terms, request each of the relevant Reference Banks to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately 11:00 a.m. in the Principal Financial Centre of the Specified Currency (or, in respect of euro as the Specified Currency, Brussels time) on the Reset Determination Date in question and (ii) if “CMT Rate” is specified in the applicable Final Terms, request each of the relevant Reference Banks to provide Calculation Agent with its Reset United States Treasury Securities Quotation as at approximately 4:30 p.m. (New York City time) on the Reset Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with Mid-Market Swap Rate Quotations or Reset United States Treasury Securities Quotations (as applicable), the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards) of the relevant Mid-Market Swap Rate Quotations or Reset United States Treasury Securities Quotations (as applicable) and the First Margin or Subsequent Margin (as applicable) with such sum converted as set out in the definition of First Reset Rate of Interest or Subsequent Reset Rate of Interest (as applicable), all as determined by the Calculation Agent.

If on any Reset Determination Date only one or none of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation or Reset United States Treasury Securities Quotation (as applicable) as provided in the foregoing provisions of this provision, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be determined to be the Rate of Interest as at the last preceding Resettable Note Reset Date or, in the case of the first Reset Determination Date, the First Reset Rate of Interest shall be the Initial Rate of Interest (though substituting in each case, the Subsequent Margin or First Margin, as appropriate, if different for each Reset Period).

Interest on Floating Rate Notes

Interest Payment Dates

Each Floating Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with provision “—*Calculations and Rounding*”. Such Interest Payment Date(s) is/are specified as Specified Interest Payment Dates in the applicable Final Terms or, if no Specified Interest Payment Date(s) is/are so specified, Interest Payment Date shall mean each date which falls the number of months or other period shown as the Interest Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Rate of Interest

The Rate of Interest in respect of Floating Rate Notes for each Interest Period shall be determined in the manner specified in the applicable Final Terms, and the provisions below relating to any of ISDA Determination, Screen Rate Determination or Linear Interpolation shall apply, depending upon which is so specified.

(i) **ISDA Determination for Floating Rate Notes**

Where ISDA Determination is specified as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period shall be determined by the Calculation Agent as, subject to provision “—*Minimum and/or Maximum Rate of Interest*”, a rate equal to the relevant ISDA Rate. For the purposes of this provision, “ISDA Rate” for an Interest Period means a rate equal to the Floating

Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (A) the Floating Rate Option is as so specified;
- (B) the Designated Maturity is a period so specified; and
- (C) the relevant Reset Date is the first day of that Interest Period unless otherwise so specified.

For the purposes of this sub-paragraph (i), “Floating Rate”, “Calculation Agent”, “Floating Rate Option”, “Designated Maturity”, “Reset Date” and “Swap Transaction” have the meanings given to those terms in the ISDA Definitions.

(ii) Screen Rate Determination for Floating Rate Notes – Term Rates

- (A) Where Screen Rate Determination is specified as the manner in which the Rate of Interest is to be determined, and unless the Reference Rate in respect of the relevant series of Floating Rate Notes is specified in the applicable Final Terms as being “SONIA” or “SOFR”, the Rate of Interest for each Interest Period will, subject as provided below and subject to the provision “—*Benchmark Discontinuation*”, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the specified rate (the “**Reference Rate**”) which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (Brussels time in the case of EURIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified as being other than EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the applicable Final Terms for any particular series.

- (B) If the Relevant Screen Page is not available or if clause (A)(1) above applies and no such offered quotation appears on the Relevant Screen Page or if clause (A)(2) above applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall, subject to provision “—*Minimum and/or Maximum Rate of Interest*”, be the arithmetic mean of such offered quotations as determined by the Calculation Agent.
- (C) If clause (B) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall , subject to provision “—*Minimum and/or Maximum Rate of Interest*”, be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the

Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, subject to provision “—*Benchmark Discontinuation*”, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period).

(iii) Screen Rate Determination for Floating Rate Notes referencing Compounded SONIA

(A) SONIA Compounded Index Rate

Where (i) Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined; (ii) the Reference Rate is specified in the applicable Final Terms as being SONIA; and (iii) SONIA Compounded Index Rate is specified in the applicable Final Terms as being applicable, the Rate of Interest for each Interest Period will, subject to provisions “—*Minimum and/or Maximum Rate of Interest*” and “—*Benchmark Discontinuation*”, be the SONIA Compounded Index Rate determined as follows:

“**SONIA Compounded Index Rate**” means, with respect to an Interest Period, the rate of return of a daily compound interest investment during the SONIA Observation Period relating to such Interest Period (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent on the relevant Interest Determination Date, as follows:

$$\left(\frac{SONIA\ Compounded\ Index_{END}}{SONIA\ Compounded\ Index_{START}} - 1 \right) \times \left(\frac{365}{d} \right)$$

provided, however, that and subject to provision “—*Benchmark Discontinuation*” if the SONIA Compounded Index Value is not available in relation to any Interest Period on the Relevant Screen Page or on the Bank of England’s website at www.bankofengland.co.uk/boeapps/database/ (or such other page or website as may replace such page for the purposes of publishing the SONIA Compounded Index) for the determination of either or both of SONIA Compounded Index_{START} and/or SONIA Compounded Index_{END}, the Rate of Interest shall be calculated for such Interest Period on the basis of the SONIA Compounded Daily Reference Rate as set out in (iii)(B) below as if SONIA Compounded Daily Reference Rate with Observation Shift had been specified in the applicable Final Terms as being

applicable and the “Relevant Screen Page” shall be deemed to be the “Relevant Fallback Screen Page” as specified in the applicable Final Terms,

where:

“*d*” means the number of calendar days in the relevant SONIA Observation Period;

“**London Business Day**”, means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

“*p*” means, for any Interest Period, the whole number specified in the applicable Final Terms (or, if no such number is so specified, five) representing a number of London Business Days;

“**SONIA Compounded Index**” means the index known as the SONIA Compounded Index administered by the Bank of England (or any successor administrator thereof);

“**SONIA Compounded Index Value**” means, in relation to any London Business Day, the value of the SONIA Compounded Index as published by authorised distributors on the Relevant Screen Page on such London Business Day or, if the value of the SONIA Compounded Index cannot be obtained from the Relevant Screen Page, as published on the Bank of England’s website at www.bankofengland.co.uk/boeapps/database/ (or such other page or website as may replace such page for the purposes of publishing the SONIA Compounded Index) in respect of such London Business Day;

“**SONIA Compounded Index_{END}**” means, in respect of an Interest Period, the SONIA Compounded Index Value on the last day of the relevant SONIA Observation Period;

“**SONIA Compounded Index_{START}**” means, in respect of an Interest Period, the SONIA Compounded Index Value on the first day of the relevant SONIA Observation Period; and

“**SONIA Observation Period**” means, in respect of an Interest Period, the period from (and including) the date falling “*p*” London Business Days prior to the first day of such Interest Period (and the first SONIA Observation Period shall begin on (and include) the date which is “*p*” London Business Days prior to the Interest Commencement Date) and ending on (but excluding) the date which is “*p*” London Business Days prior to the Interest Payment Date for such Interest Period (or the date falling “*p*” London Business Days prior to such earlier date, if any, on which the Notes become due and payable).

(B) SONIA Compounded Daily Reference Rate

Where (i) Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined; (ii) the Reference Rate is specified in the applicable Final Terms as being SONIA; and (iii) SONIA Compounded Daily Reference Rate is specified in the applicable Final Terms as being applicable, the Rate of Interest for each Interest Period will, subject to provisions “—*Minimum and/or Maximum Rate of Interest*” and “—*Benchmark Discontinuation*”, be the SONIA Compounded Daily Reference Rate determined as follows:

“**SONIA Compounded Daily Reference Rate**” means, in respect of an Interest Period, the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent on the relevant Interest Determination Date, as follows:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SONIA_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“**London Business Day**”, “*p*” and “**SONIA Observation Period**” have the respective meanings set out in (iii)(A) above;

“*d*” is the number of calendar days in the relevant:

- (i) SONIA Observation Period, where Observation Shift is specified in the applicable Final Terms as being applicable; or
- (ii) Interest Period, where Lag is specified in the applicable Final Terms as being applicable;

“*d_o*” is the number of London Business Days in the relevant:

- (i) SONIA Observation Period, where Observation Shift is specified in the applicable Final Terms as being applicable; or
- (ii) Interest Period, where Lag is specified in the applicable Final Terms as being applicable;

“*t*” is a series of whole numbers from one to *d_o*, each representing the relevant London Business Day in chronological order from (and including) the first London Business Day in the relevant:

- (i) SONIA Observation Period, where Observation Shift is specified in the applicable Final Terms as being applicable, to (and including) the last London Business Day in the relevant SONIA Observation Period; or
- (ii) Interest Period, where Lag is specified in the applicable Final Terms as being applicable, to (and including) the last London Business Day in the relevant Interest Period;

“*n_t*”, for any London Business Day “*t*”, means the number of calendar days from (and including) such London Business Day “*t*” up to (but excluding) the next following London Business Day;

“*SONIA_t*” means, in relation to any London Business Day, the SONIA reference rate in respect of:

- (i) that London Business Day “*t*”, where Observation Shift is specified in the applicable Final Terms as being applicable; or
- (ii) the London Business Day (being a London Business Day falling in the relevant SONIA Observation Period) falling “*p*” London Business Days prior to the relevant London Business Day “*t*”, where Lag is specified in the applicable Final Terms as being applicable; and

the “**SONIA reference rate**”, in respect of any London Business Day, is a reference rate equal to the daily Sterling Overnight Index Average (“**SONIA**”) rate for such London Business Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page on the next following London Business Day or, if the Relevant Screen Page is unavailable, as published by authorised distributors on such next following London Business Day or, if SONIA cannot be obtained from the Relevant Screen Page, as published on

the Bank of England's website at www.bankofengland.co.uk/boeapps/database/ (or such other page or website as may replace such page for the purposes of publishing the SONIA reference rate).

(C) Subject to provision “—*Benchmark Discontinuation*”, where SONIA is specified as the Reference Rate in the applicable Final Terms and either (i) SONIA Compounded Daily Reference Rate is specified in the applicable Final Terms as being applicable or (ii) the SONIA Compounded Index Rate is specified in the applicable Final Terms as being applicable and (iii)(B) above applies, if, in respect of any London Business Day, the SONIA reference rate is not available on the Relevant Screen Page or the Relevant Fallback Screen Page as applicable (or as otherwise provided in the relevant definition thereof) or as published on the Bank of England's website at www.bankofengland.co.uk/boeapps/database/ (or such other page or website as may replace such page for the purposes of publishing the SONIA reference rate), such Reference Rate shall be:

(i) (1) the Bank of England's Bank Rate (the “**Bank Rate**”) prevailing at close of business on the relevant London Business Day; plus (2) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five days on which the SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate, or

(ii) if such Bank Rate is not available, the SONIA reference rate published on the Relevant Screen Page (or as otherwise provided in the relevant definition thereof) or (if later) as published on the Bank of England's website at www.bankofengland.co.uk/boeapps/database/ (or such other page or website as may replace such page for the purposes of publishing the SONIA reference rate) for the first preceding London Business Day on which the SONIA reference rate was published on the Relevant Screen Page (or as otherwise provided in the relevant definition thereof) or (if later) as published on the Bank of England's website at www.bankofengland.co.uk/boeapps/database/ (or such other page or website as may replace such page for the purposes of publishing the SONIA reference rate), and

in each case, $SONIA_t$ shall be interpreted accordingly.

(D) If the Notes become due and payable in accordance with provisions “—*Non-Restricted Events of Default*”, “*Restricted Events of Default*” and/or “—*Enforcement*”, as applicable, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms, be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date and as if (solely for the purpose of such interest determination) the relevant Interest Period had been shortened accordingly.

(iv) Screen Rate Determination for Floating Rate Notes referencing Compounded SOFR

(A) SOFR Compounded Index Rate

Where (i) Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined; (ii) the Reference Rate is specified in the applicable Final Terms as being SOFR; and (iii) SOFR Compounded Index Rate is specified in the applicable Final Terms as being applicable, the Rate of Interest for each Interest Period will,

subject to the provision “—*Minimum and/or Maximum Rate of Interest*”, and as provided below, be the SOFR Compounded Index Rate determined as follows.

“**SOFR Compounded Index Rate**” means, with respect to an Interest Period, the rate of return of a daily compound interest investment during the SOFR Observation Period relating to such Interest Period (with the Secured Overnight Financing Rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent on the relevant Interest Determination Date, as follows:

$$\left(\frac{\text{SOFR Compounded Index}_{END}}{\text{SOFR Compounded Index}_{START}} - 1 \right) \times \left(\frac{360}{d} \right)$$

provided, however, that, and subject as provided below, if the SOFR Compounded Index Value is not available in relation to any Interest Period on the SOFR Administrator’s Website for the determination of either or both of SOFR Compounded Index_{START} and/or SOFR Compounded Index_{END} and a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred with respect to such SOFR Compounded Index Value, the Rate of Interest shall be calculated for such Interest Period on the basis of the SOFR Compounded Daily Reference Rate as set out in (iv)(B) below as if SOFR Compounded Daily Reference Rate with Observation Shift had been specified in the applicable Final Terms as being applicable,

where:

“*d*” means the number of calendar days in the relevant SOFR Observation Period;

“*p*” means, for any Interest Period, the whole number specified in the applicable Final Terms (or, if no such number is so specified, two) representing a number of U.S. Government Securities Business Days;

“**SOFR**” means the daily secured overnight financing rate as provided by the SOFR Administrator on the SOFR Administrator’s Website;

“**SOFR Administrator**” means the Federal Reserve Bank of New York (or a successor administrator of SOFR);

“**SOFR Administrator’s Website**” means the website of the Federal Reserve Bank of New York, or any successor source;

“**SOFR Compounded Index**” means the index known as SOFR Index administered by the SOFR Administrator;

“**SOFR Compounded Index Value**” means, in relation to any U.S. Government Securities Business Day, the value of the SOFR Compounded Index as published by the SOFR Administrator on the SOFR Administrator’s Website at 3:00 p.m. (New York City time) on such U.S. Government Securities Business Day;

“**SOFR Compounded Index_{END}**” means, in respect of an Interest Period, the SOFR Compounded Index Value on the last day of the relevant SOFR Observation Period;

“**SOFR Compounded Index_{START}**” means, in respect of an Interest Period, the SOFR Compounded Index Value on the first day of the relevant SOFR Observation Period;

“**SOFR Observation Period**” means, in respect of an Interest Period, the period from (and including) the date falling “*p*” U.S. Government Securities Business Days prior to the first day of such Interest Period (and the first SOFR Observation Period shall begin on (and include) the

date which is “*p*” U.S. Government Securities Business Days prior to the Interest Commencement Date) and ending on (but excluding) the date which is “*p*” U.S. Government Securities Business Days prior to the Interest Payment Date for such Interest Period (or the date falling “*p*” U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes become due and payable); and

“**U.S. Government Securities Business Day**” means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

Notwithstanding anything to the contrary, if both a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to determining the SOFR Compounded Index Rate, the benchmark replacement provisions set forth in (iv)(D) below shall apply for the purposes of all determinations of the Rate of Interest in respect of the Notes.

(B) SOFR Compounded Daily Reference Rate

Where (i) Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined; (ii) the Reference Rate is specified in the applicable Final Terms as being SOFR; and (iii) SOFR Compounded Daily Reference Rate is specified in the applicable Final Terms as being applicable, the Rate of Interest for each Interest Period will, subject to provision “—*Minimum and/or Maximum Rate of Interest*”, and as provided below, be the SOFR Compounded Daily Reference Rate determined as follows:

“**SOFR Compounded Daily Reference Rate**” means, in respect of an Interest Period, the rate of return of a daily compound interest investment (with the Secured Overnight Financing Rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent on the relevant Interest Determination Date, as follows:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

“*p*”, “**SOFR Administrator**”, “**SOFR Administrator’s Website**”, “**SOFR Observation Period**” and “**U.S. Government Securities Business Day**” have the respective meanings set out in (iv)(A) above;

“*d*” is the number of calendar days in the relevant:

- (i) SOFR Observation Period, where Observation Shift is specified in the applicable Final Terms as being applicable; or
- (ii) Interest Period, where Lag is specified in the applicable Final Terms as being applicable;

“*d_o*” is the number of U.S. Government Securities Business Days in the relevant:

- (i) SOFR Observation Period, where Observation Shift is specified in the applicable Final Terms as being applicable; or
- (ii) Interest Period, where Lag is specified in the applicable Final Terms as being applicable;

“*t*” is a series of whole numbers from one to d_o , each representing the relevant U.S. Government Securities Business Day in chronological order from (and including) the first U.S. Government Securities Business Day in the relevant:

- (i) SOFR Observation Period, where Observation Shift is specified in the applicable Final Terms as being applicable, to (and including) the last U.S. Government Securities Business Day in the relevant SOFR Observation Period; or
- (ii) Interest Period, where Lag is specified in the applicable Final Terms as being applicable, to (and including) the last U.S. Government Securities Business Day in the relevant Interest Period;

“*ni*”, for any U.S. Government Securities Business Day “*t*”, means the number of calendar days from (and including) such U.S. Government Securities Business Day “*t*” up to (but excluding) the next following U.S. Government Securities Business Day;

“*SOFR_t*” means, in relation to any U.S. Government Securities Business Day, the SOFR reference rate in respect of:

- (i) that U.S. Government Securities Business Day “*t*”, where Observation Shift is specified in the applicable Final Terms as being applicable; or
- (ii) the U.S. Government Securities Business Day (being a U.S. Government Securities Business Day falling in the relevant SOFR Observation Period) falling “*p*” U.S. Government Securities Business Days prior to the relevant U.S. Government Securities Business Day “*t*”, where Lag is specified in the applicable Final Terms as being applicable; and

the “**SOFR reference rate**” means, in respect of any U.S. Government Securities Business Day, a rate determined in accordance with the following provisions:

- (i) the Secured Overnight Financing Rate published for such U.S. Government Securities Business Day that appears on the SOFR Administrator’s Website at or about 3.00 p.m. (New York City time) on the U.S. Government Securities Business Day immediately following such U.S. Government Securities Business Day; and
- (ii) if the rate specified in paragraph (i) above does not so appear, unless both a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, then the Calculation Agent shall use the Secured Overnight Financing Rate published on the SOFR Administrator’s Website for the first preceding U.S. Government Securities Business Day on which the Secured Overnight Financing Rate was published on the SOFR Administrator’s Website.

Notwithstanding anything to the contrary, if both a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to determining the SOFR Compounded Daily Reference Rate, the benchmark replacement provisions set forth in (iv)(D) below shall apply for the purposes of all determinations of the Rate of Interest in respect of the Notes.

- (C) If the Notes become due and payable in accordance with provisions “—*Non-Restricted Events of Default*”, “—*Restricted Events of Default*” and/or “—*Enforcement*”, as applicable, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms, be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as any such Note remains

outstanding, be that determined on such date and as if (solely for the purpose of such interest determination) the relevant Interest Period had been shortened accordingly.

(D) Notwithstanding any other provisions, if:

- (i) the Benchmark is SOFR; and
- (ii) any Rate of Interest (or any component part thereof) remains to be determined by reference to the Benchmark,

then the following provisions shall apply.

(I) Benchmark Replacement

If the Issuer or its designee determines prior to the Reference Time on the relevant Interest Determination Date that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and all determinations on all subsequent dates (subject to any subsequent application of this provision with respect to such Benchmark Replacement).

(II) Benchmark Replacement Conforming Changes

In connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time.

At the request of the Issuer, but subject to receipt by the Trustee of an officer's certificate pursuant to paragraph (IV) below and subject as provided below, the Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Noteholders, be obliged to concur with the Issuer in effecting any Benchmark Replacement Conforming Changes (including, *inter alia*, by the execution of a supplemental indenture to or amending the Indenture), provided that the Trustee shall not be obliged so to concur if in the opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee in the Indenture (including, for the avoidance of doubt, any supplemental indenture) in any way.

The Calculation Agent or any Paying Agent is not obliged to concur with the Issuer in effecting any Benchmark Replacement Conforming Changes which, in the sole opinion of the Calculation Agent or the relevant Paying Agent, as the case may be, would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Calculation Agent or the relevant Paying Agent (as applicable) in the Indenture.

None of the Trustee, the Calculation Agent or any Paying Agent shall have any liability for any determination made by or on behalf of the Issuer or its designee in connection with a Benchmark Transition Event or a Benchmark Replacement. For the avoidance of doubt, unless otherwise agreed upon in writing, the Trustee, the Calculation Agent or any Paying Agent shall in no event be the Issuer's designee.

(III) Decisions and Determinations

Any determination, decision or election that may be made by the Issuer or its designee pursuant to this provision, including (without limitation) any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, may be made in the Issuer's or its designee's sole discretion (as applicable), and, notwithstanding anything to the contrary in these provisions or the Indenture, shall become effective without any requirement for the consent or approval of Noteholders or any other party.

In connection with any Benchmark Replacement Conforming Changes in accordance with this provision, the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

Notwithstanding any other provision, no Benchmark Replacement will be adopted, nor will the applicable Benchmark Replacement Adjustment be applied, nor will any Benchmark Replacement Conforming Changes be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the then current or future qualification of the Notes as Tier 2 Capital.

(IV) Notice and Certification

Any Benchmark Replacement, Benchmark Replacement Adjustment and the specific terms of any Benchmark Replacement Conforming Changes determined under this provision will be notified at least 10 business days prior to the relevant Interest Determination Date by the Issuer to the Trustee, the Calculation Agent, the Paying Agents and, promptly thereafter, in accordance with the Section "*Notices and Communications*" of the Indenture, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Replacement Conforming Changes, if any.

No later than notifying the Noteholders of the same, the Issuer shall deliver to the Trustee an officer's certificate:

- (A) confirming (a) that a Benchmark Transition Event has occurred, (b) the Benchmark Replacement, (c) the applicable Benchmark Replacement Adjustment and (d) the specific terms of the Benchmark Replacement Conforming Changes (if any), in each case as determined in accordance with the provisions of this provision; and
- (B) certifying that the Benchmark Replacement Conforming Changes (if any) are necessary to ensure the proper operation of such Benchmark Replacement and the applicable Benchmark Replacement Adjustment.

The Trustee shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Benchmark Replacement, the Benchmark Replacement Adjustment and the Benchmark Replacement Conforming Changes (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Benchmark Replacement, the Benchmark Replacement Adjustment and the Benchmark Replacement Conforming Changes (if any) and without prejudice to the Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Calculation Agent, the Paying Agents and the Noteholders.

(V) Definitions

In this provision:

“Benchmark” means, initially, SOFR (provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to SOFR (or the published daily SOFR used in the calculation thereof) or any Benchmark which has replaced it in accordance with this provision, then the term “Benchmark” means the applicable Benchmark Replacement);

“Benchmark Replacement” means the first alternative set out in the order below that can be determined by the Issuer or its designee as at the Benchmark Replacement Date:

- (A) the sum of: (1) the alternative rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (2) the Benchmark Replacement Adjustment;
- (B) the sum of: (1) the ISDA Fallback Rate and (2) the Benchmark Replacement Adjustment; or
- (C) the sum of: (1) the alternative rate of interest that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar denominated floating rate notes at such time and (2) the Benchmark Replacement Adjustment;

“Benchmark Replacement Adjustment” means the first alternative set out in the order below that can be determined by the Issuer or its designee as at the Benchmark Replacement Date:

- (A) the spread adjustment (which may be a positive or negative value or zero), or method for calculating or determining such spread adjustment, that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (B) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment; or
- (C) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar denominated floating rate notes at such time;

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of Interest Period, timing and frequency of determining rates and making payments of interest, rounding amounts or tenors, and other administrative matters) that the Issuer or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determines that no market practice for use of the Benchmark Replacement

exists, in such other manner as the Issuer or its designee determines is reasonably necessary);

“Benchmark Replacement Date” means the earliest to occur of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

- (A) in the case of paragraph (A) or (B) of the definition of “Benchmark Transition Event”, the later of (1) the date of the public statement or publication of information referenced therein and (2) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or
- (B) in the case of paragraph (C) of the definition of “Benchmark Transition Event”, the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time on the relevant Interest Determination Date, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

“Benchmark Transition Event” means the occurrence of one or more of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

- (A) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component);
- (B) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark (or such component), which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- (C) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

“designee” means an affiliate or any other agent of the Issuer;

“ISDA Definitions” has the meaning given to it in “—*Certain Definitions*”;

“**ISDA Fallback Adjustment**” means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark;

“**ISDA Fallback Rate**” means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

“**Reference Time**” with respect to any determination of the Benchmark means (A) if the Benchmark is SOFR, 3:00 p.m. (New York City time) or such other time as is reasonably agreed between the Issuer or its designee and the Calculation Agent and (B) if the Benchmark is not SOFR, the time determined by the Issuer or its designee in accordance with the Benchmark Replacement Conforming Changes;

“**Relevant Governmental Body**” means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto; and

“**Unadjusted Benchmark Replacement**” means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

(v) Linear Interpolation

Where Linear Interpolation is specified as applicable in the applicable Final Terms in respect of an Interest Period, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is so specified as applicable) or the relevant Floating Rate Option (where ISDA Determination is so specified as applicable), one of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period, provided however, that if there is no such rate available for the period of time next shorter or, as the case may be, next longer, then the Issuer shall determine such rate at such time and by reference to such sources as it determines appropriate.

Minimum and/or Maximum Rate of Interest

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then the Rate of Interest for such Interest Period shall in no event be less than such Minimum Rate of Interest and/or if it specifies a Maximum Rate of Interest for any Interest Period, then the Rate of Interest for such Interest Period shall in no event be greater than such Maximum Rate of Interest.

The interest rate on Floating Rate Notes will in no event be higher than the maximum rate permitted by New York law, as the same may be modified, or other applicable law.

Certificates to be final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this subsection, whether by the Paying Agent or the Calculation Agent or the Trustee, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Paying Agent, the Calculation Agent, the Trustee, any other paying agents and all

holders and (in the absence as aforesaid) no liability to the Issuer or the Noteholders shall attach to the Paying Agent, the Calculation Agent or the Trustee in connection with the exercise or non-exercise by them of their powers, duties and discretions pursuant to such provisions.

Calculations and Rounding

The amount of interest payable per Calculation Amount in respect of any Note for any Interest Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified in the applicable Final Terms, and the Day Count Fraction for such Interest Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

For the purposes of any required calculations in the terms and conditions of the Notes, (unless otherwise specified in the applicable Final Terms), (i) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 of a percentage point being rounded up); (ii) all figures shall be rounded to seven significant figures (provided that if the eighth significant figure is a five or greater, the seventh significant figure shall be rounded up); and (iii) all currency amounts which fall due and payable shall be rounded to the nearest unit of such currency (with half a unit being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes, “**unit**” means the lowest amount of such currency which is available as legal tender in the countries of such currency.

Determination and Notification of Rate of Interest and Interest Amounts

The Calculation Agent shall, as soon as practicable on each Interest Determination Date, or (if applicable) Reset Determination Date or such other time on such date as it may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Period or Reset Period, calculate the final redemption amount, early redemption amount or optional redemption amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Period or Reset Period and the relevant Interest Payment Date and/or Resetable Note Interest Payment Date and, if required to be calculated, the final redemption amount, early redemption amount or optional redemption amount to be notified to the Issuer, the Trustee, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period or Reset Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any date is subject to adjustment pursuant to “*—Business Day Convention*”, the Interest Amounts and the Interest Payment Date or Resetable Note Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Interest Period or Reset Period.

If the Notes become due and payable in accordance with provisions “*—Non-Restricted Events of Default*”, “*—Restricted Events of Default*” and/or “*—Enforcement*”, as applicable, the accrued interest and the Rate of Interest payable in respect of the Notes shall, subject in the case of each of the SONIA Compounded Index

Rate, the SONIA Compounded Daily Reference Rate, the SOFR Compounded Index Rate, and the SOFR Compounded Daily Reference Rate to “—*Screen Rate Determination for Floating Rate Notes referencing Compounded SONIA*” or “—*Screen Rate Determination for Floating Rate Notes referencing Compounded SOFR*”, as applicable, nevertheless continue to be calculated as previously in accordance with provision “—*Interest*” and the Indenture, but no publication of the Rate of Interest or the Interest Amount so calculated need be made, unless the Trustee otherwise requires. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

Business Day Convention

If any Interest Payment Date which is specified in the applicable Final Terms to be subject to adjustment in accordance with a business day convention would otherwise fall on a day which is not a Business Day, then, if the business day convention specified in the applicable Final Terms is:

- (i) the “Floating Rate Business Day Convention”, such date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment;
- (ii) the “Following Business Day Convention”, such date shall be postponed to the next day which is a Business Day;
- (iii) the “Modified Following Business Day Convention”, such date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day; or
- (iv) the “Preceding Business Day Convention”, such date shall be brought forward to the immediately preceding Business Day.

Zero Coupon Notes

Where a Note, the Interest Basis of which is specified to be zero coupon (a “Zero Coupon Note”), is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the early redemption amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortization Yield (as described in “—*Early Redemption Amounts – Zero Coupon Notes*”).

Accrual of Interest

Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in provision “—*Interest*” to the Relevant Date.

Calculation Agents

If for any reason the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Reset Period or to calculate any Interest Amount, early redemption amount, final redemption amount or optional redemption amount, as the case may be, or to comply with any other requirements, the Issuer will appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal New York office or any other office actively involved in such market) to act as such in its place.

Benchmark Discontinuation

If (i) the Original Reference Rate is not SOFR and (ii) a Benchmark Event occurs in relation to the Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the following provisions shall apply (with effect from 30 days prior to the first date when such determination is necessary).

Independent Adviser

The Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to consult with the Issuer in determining a Successor Rate, failing which an Alternative Rate (in accordance with “—*Successor Rate or Alternative Rate*”) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with “—*Benchmark Amendments*”).

In making such determination, the Independent Adviser appointed pursuant to this provision and the Issuer shall act in good faith and in a commercially reasonable manner. In the absence of bad faith or fraud, the Issuer and the Independent Adviser shall have no liability whatsoever to the Issuer, the Trustee, the Calculation Agent, the Paying Agents or the Noteholders, as applicable, for any determination made by the Issuer and/or for any advice given to the Issuer in connection with any determination made by the Issuer pursuant to this provision.

If (i) the Issuer is unable to appoint an Independent Adviser; or (ii) the Issuer fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this provision prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Period shall (subject as provided below) be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the Initial Rate of Interest. Where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period shall be substituted in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, this provision “—*Independent Adviser*”.

For the purposes of this provision “—*Benchmark Discontinuation*” only, in respect of any Resetable Notes, references to (i) Interest Determination Date shall be read as references to Reset Determination Date, (ii) Interest Period shall be read as references to Reset Period and (iii) Interest Payment Date shall be read as references to Resetable Note Reset Date.

Successor Rate or Alternative Rate

If the Issuer, following consultation with the Independent Adviser and acting in good faith and in a commercially reasonable manner, determines that:

- (i) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this provision; or
- (ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this provision).

Adjustment Spread

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be).

Benchmark Amendments

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this provision and the Issuer, following consultation with the Independent Adviser and acting in good faith and in a commercially reasonable manner, determines (i) that amendments to the terms and conditions of the Notes and/or the Indenture are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with provision “—*Notices, etc.*” without any requirement for the consent or approval of Noteholders, vary the terms and conditions of the Notes and/or of the Indenture to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee of an officer’s certificate pursuant to provision “—*Notices, etc.*”, the Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Noteholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, inter alia, by the execution of a supplemental indenture to or amending the Indenture), provided that the Trustee shall not be obliged so to concur if in the opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee in the Indenture (including, for the avoidance of doubt, any supplemental indenture) in any way.

The Calculation Agent or any Paying Agent is not obliged to concur with the Issuer in effecting any Benchmark Amendments which, in the sole opinion of the Calculation Agent or the relevant Paying Agent, as the case may be, would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Calculation Agent or the relevant Paying Agent (as applicable).

In connection with any such variation in accordance with this provision “—*Benchmark Discontinuation*”, the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

Notwithstanding any other provision, no Successor Rate or Alternative Rate will be adopted, nor will the applicable Adjustment Spread be applied, nor will any Benchmark Amendments be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the then current or future qualification of the Notes as (i) own funds and eligible liabilities or loss absorbing capacity instruments for the purposes of the Relevant Regulator or by the Loss Absorption Regulations, in the case of Senior Notes that are Loss Absorption Notes, or further, in the case of Senior Notes that are Loss Absorption Notes, could reasonably be expected to result in the Relevant Regulator treating the next Interest Payment Date or Reset Date as the effective maturity date of the relevant Notes, rather than the relevant Maturity Date, and (ii) Tier 2 Capital, in the case of Subordinated Notes.

Notices, etc.

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this provision will be notified at least 10 business days prior to the relevant Interest Determination Date by the Issuer to the Trustee, the Calculation Agent, the Paying Agents and, promptly thereafter in accordance with the Section “*Notices and Communications*” of the Indenture, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Noteholders of the same, the Issuer shall deliver to the Trustee an officer's certificate:

- (i) confirming (a) that a Benchmark Event has occurred, (b) the Successor Rate or, as the case may be, the Alternative Rate, (c) the applicable Adjustment Spread and (d) the specific terms of the Benchmark Amendments (if any), in each case as determined in accordance with this provision; and
- (ii) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

The Trustee shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Calculation Agent, the Paying Agents and the Noteholders.

Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer under the provisions of this section "*—Benchmark Discontinuation*", the Original Reference Rate and the fallback provisions provided for in "*Interest—Interest on Resettable Notes*" and "*—Interest—Interest on Floating Rate Notes*", as applicable, will continue to apply unless and until a Benchmark Event has occurred.

Additional Notes

The Issuer may issue additional notes of a series having identical terms to that of a prior series of notes of the same series but for the Original Issue Date, the first interest payment date, initial interest accrual date and the offering price ("**Additional Notes**"). For issuances of additional Notes that will be consolidated and form one series with the Notes of previous issuance, such issuances need not the consent of any Noteholder (however, in the case of Subordinated Notes, such reopening may subject to Supervisory Permission, if required). The Final Terms relating to any Additional Notes will set forth matters related to such issuance, including identifying the prior series of notes, their Original Issue Date and the aggregate principal amount of notes then comprising such series.

Payment of Additional Amounts

All payments of principal and interest in respect of the Notes by the Issuer shall be made free and clear of, and without deduction or withholding for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by Ireland or any authority therein or thereof having power to tax, unless such deduction or withholding is required by law. In such event, the Issuer shall (i) in the case of Subordinated Notes or Loss Absorption Notes, in respect of payments of interest (but not principal or any other amount) or (ii) in the case of Senior Notes other than Loss Absorption Notes, in respect of all payments of principal and interest, pay such additional amounts as will result in receipt by the Noteholders of such amounts as would have been received by them had no such deduction or withholding been required, except that no such additional amounts shall be payable with respect to any Note:

- (i) presented for payment by or on behalf of a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note by reason of his having some connection with Ireland, other than the mere holding of such Note or the receipt of the relevant payment in respect thereof; or
- (ii) presented for payment more than 30 days after the Relevant Date, except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on such 30th day; or

- (iii) presented by, or by a third party on behalf of, a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the relevant Note is presented for payment.

References in this provision to (i) “principal” shall be deemed to include any premium payable in respect of the Notes, all final redemption amounts, early redemption amounts, optional redemption amounts, amortized face amounts and all other amounts in the nature of principal payable pursuant to provision “—*Redemption, Repurchase, Substitution and Variation*” or any amendment or supplement to it, (ii) “interest” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to “—*Interest*” or any amendment or supplement to it and (iii) “principal” and/or “interest” shall be deemed to include any additional amounts which may be payable under this provision or any undertaking given in addition to or in substitution for it under the Indenture.

For the avoidance of doubt, any amounts to be paid on the Notes will be subject in all cases to any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and Ireland facilitating the implementation thereof (or any law implementing such an intergovernmental agreement). Any such amounts withheld or deducted will be treated as paid for all purposes under the Notes, and no additional amounts will be paid on the Notes with respect to any such withholding or deduction.

Redemption, Repurchase, Substitution and Variation

Final Redemption

Unless previously redeemed, purchased and cancelled or (as provided below) substituted, each Note will be redeemed at its final redemption amount (which, unless otherwise provided, is its nominal amount) in the relevant Specified Currency on the Maturity Date.

Redemption for Tax Reasons

If, as a result of any amendment to, or change in, the laws or regulations of Ireland or any political subdivision thereof or any authority or agency therein or thereof having power to tax or in the officially published application or interpretation or administration of any such laws or regulations which becomes effective on or after the Issue Date,

- (i) the Issuer would, on the occasion of the next payment date in respect of the Notes, be required to pay additional amounts as provided in provision “—*Payment of Additional Amounts*”; or
- (ii) in respect of Subordinated Notes only, any relief from tax in respect of interest paid on the Notes would be withdrawn by Ireland; or
- (iii) in respect of Subordinated Notes only, any payment of interest would be treated as a distribution by Ireland

(each, a “**Tax Event**”),

the Issuer may, at its sole discretion, on any Interest Payment Date (if the Note is a Floating Rate Note) or at any time (if the Note is not a Floating Rate Note) on giving not more than 45 nor less than 30 days’ notice to the Noteholders in accordance with the notice requirements contained in the Indenture (which notice shall be irrevocable) and subject to “—*Preconditions to Redemption and Purchase of Subordinated Notes*” or “—*Preconditions to Redemption, Purchase, Substitution or Variation of Loss Absorption Notes*”, as applicable,

redeem all, but not some only, of the Notes at their early redemption amount as specified in the applicable Final Terms together with interest accrued to the date fixed for redemption.

Prior to the publication of any notice of redemption pursuant to this provision, the Issuer shall deliver to the Trustee an officer's certificate stating that the Issuer is entitled to effect such redemption and setting forth a statement of the facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred. The Trustee shall be entitled to accept such certificate without further inquiry as sufficient evidence of the satisfaction of the conditions precedent referred to above, in which event it shall be conclusive and binding on the Trustee and the Noteholders.

Redemption at Issuer's Option

If so specified in the applicable Final Terms, the Notes of a series will be redeemable at the Issuer's option (but subject, in the case of Subordinated Notes, to compliance with "*—Preconditions to Redemption and Purchase of Subordinated Notes*" or, in the case of Loss Absorption Notes, to compliance with "*—Preconditions to Redemption, Purchase, Substitution or Variation of Loss Absorption Notes*") prior to the Maturity Date.

If so specified, and subject to the terms set forth in the applicable Final Terms and the provisions stated in the paragraph above relating to Subordinated Notes and Loss Absorption Notes, the Issuer may, at its sole discretion, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified in the applicable Final Terms) redeem all (or, if so provided, some) of the Notes on any Optional Redemption Date specified in the applicable Final Terms.

Any such redemption of Notes shall be at their optional redemption amount together with interest accrued to the date fixed for redemption. Any such redemption must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified in the applicable Final Terms and no greater than the Maximum Redemption Amount to be redeemed so specified.

All Notes in respect of which any such notice of early redemption is given shall be redeemed on the date of early redemption specified in such notice in accordance with this provision "*—Redemption, Repurchase, Substitution and Variation*".

Capital Disqualification Event Redemption of Subordinated Notes

This provision "*—Capital Disqualification Event Redemption of Subordinated Notes*" applies only to Subordinated Notes.

Subject to compliance with "*—Preconditions to Redemption and Purchase of Subordinated Notes*", the Issuer may, in its sole discretion, if a Capital Disqualification Event has occurred and is continuing with respect to a series of Subordinated Notes, having given:

- (i) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with the Section "Notices and Communications" of the Indenture; and
- (ii) prior notice to the Trustee before the giving of the notice referred to in (i),

(which notices shall be irrevocable) redeem at any time (if such Note is not a Floating Rate Note) or on any Interest Payment Date (if such Note is a Floating Rate Note) all (but not some only) of the Notes then outstanding at any time at their early redemption amount specified in the applicable Final Terms together with interest accrued to (but excluding) the relevant date fixed for redemption.

Loss Absorption Disqualification Event Redemption of Loss Absorption Notes

This provision "*—Loss Absorption Disqualification Event Redemption of Loss Absorption Notes*" applies only to Loss Absorption Notes where "Loss Absorption Disqualification Event" is specified to be applicable in the applicable Final Terms.

Subject to compliance with “—*Preconditions to Redemption, Purchase, Substitution or Variation of Loss Absorption Notes*”, if the Issuer determines that a Loss Absorption Disqualification Event has occurred and is continuing with respect to a relevant series of Loss Absorption Notes, the Issuer may, in its sole discretion, redeem all (but not some only) of the Loss Absorption Notes of such series at any time (if such Note is not a Floating Rate Note) or on any Interest Payment Date (if such Note is a Floating Rate Note) at their early redemption amount specified in the applicable Final Terms together with interest accrued to (but excluding) the relevant date fixed for redemption, on giving not less than 30 nor more than 60 days’ notice in accordance with the notice requirements contained in the Indenture (which notice shall be irrevocable).

Prior to the publication of any notice of early redemption pursuant to this provision, the Issuer shall deliver to the Trustee an officer’s certificate stating that the Issuer is entitled to effect such redemption and setting forth a statement of the facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred. The Trustee shall be entitled to accept such certificate without further inquiry as sufficient evidence of the satisfaction of the relevant conditions precedent, in which event it shall be conclusive and binding on the Trustee and the Noteholders.

Repayment at the Option of the Noteholders

This provision “—*Repayment at the Option of the Noteholders*” does not apply to Subordinated Notes.

If “Put Option” is specified as being applicable in the applicable Final Terms, the Issuer shall, at the option of any Noteholder, upon such holder of such Note giving not less than 15 nor more than 30 days’ notice to the Issuer (or such other notice period as may be specified in the applicable Final Terms) redeem such Note on the optional redemption date at its optional redemption amount together with interest accrued to the date fixed for redemption. Any repayment in part will be by increments of the minimum denomination for such Notes as specified Final Terms (provided that any remaining principal amount thereof shall be at least to such minimum denomination). Unless otherwise specified pursuant in the Final Terms, the repayment price for any Note to be repaid means an amount equal to the sum of the unpaid principal amount thereof for the portion thereof, plus accrued interest to the date of repayment.

Except as otherwise specified in the final terms, exercise of the repayment option pursuant to this section is irrevocable.

Early Redemption Amounts – Zero Coupon Notes

The early redemption amount payable in respect of any Zero Coupon Note, upon redemption of such Note pursuant to provisions “—*Redemption for Tax Reasons*”, “—*Capital Disqualification Event Redemption of Subordinated Notes*” or “—*Loss Absorption Disqualification Event Redemption of Loss Absorption Notes*”, as applicable, or upon it becoming due and payable as a result of the occurrence of any Event of Default shall be the “**Amortized Face Amount**” (calculated as provided below) of such Note unless otherwise specified in the applicable Final Terms.

Subject to the provisions in the paragraph below, the Amortized Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortization Yield (which, if none is shown in the Indenture, the applicable Final Terms for any particular series or in the Notes of any particular series, shall be such rate as would produce an Amortized Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

If the early redemption amount payable in respect of any such Note upon its redemption pursuant to provisions “—*Redemption for Tax Reasons*”, “—*Capital Disqualification Event Redemption of Subordinated Notes*” or “—*Loss Absorption Disqualification Event Redemption of Loss Absorption Notes*”, as applicable, or upon it becoming due and payable as a result of the occurrence of any Event of Default is not paid when due, the early

redemption amount due and payable in respect of such Note shall be the Amortized Face Amount of such Note as described in the paragraph above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortized Face Amount in accordance with this provision shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with provision “—*Interest—Zero Coupon Notes*”.

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction specified in the applicable Final Terms.

Early Redemption Amounts – Other Notes

The early redemption amount payable in respect of any Note (other than Notes described in provision “—*Early Redemption Amounts – Zero Coupon Notes*”), upon redemption of such Note pursuant to provisions “—*Redemption for Tax Reasons*”, “—*Capital Disqualification Event Redemption of Subordinated Notes*” or “—*Loss Absorption Disqualification Event Redemption of Loss Absorption Notes*” or upon it becoming due and payable as a result of the occurrence of any Event of Default, shall be the final redemption amount unless otherwise specified in the applicable Final Terms.

Selection of Notes for Partial Redemption

If less than all the Notes of any series are to be redeemed, the Trustee will select Notes for redemption in compliance with the requirements of the principal securities exchange, if any, on which that series of Notes is listed and in compliance with the requirements of the depositary for such Notes, or if such Notes are not so listed or such exchange prescribes no method of selection and the depositary for such Notes prescribes no method of selection, on a *pro rata* basis (which may include the use of a pool factor, subject to the minimum denomination requirements applicable to such Notes), and the Trustee will not be liable for any selections made by it in accordance with this provision.

Repurchase

The Issuer or any of its subsidiaries may (subject, in the case of Subordinated Notes, to compliance with “—*Preconditions to Redemption and Purchase of Subordinated Notes*” and Applicable Regulatory Capital Requirements or, in the case of Loss Absorption Notes, to compliance with “—*Preconditions to Redemption, Purchase, Substitution or Variation of Loss Absorption Notes*” and applicable Loss Absorption Regulations) purchase (or otherwise acquire), or procure others to purchase (or otherwise acquire) beneficially for its account, Notes in any manner and at any price.

Preconditions to Redemption and Purchase of Subordinated Notes

Any redemption or purchase of Subordinated Notes in accordance with any applicable subsection of this section “—*Redemption, Repurchase, Substitution and Variation*” is subject to:

- (i) the Issuer obtaining prior Supervisory Permission for such redemption or purchase (as the case may be);
- (ii) in the case of any redemption or purchase, save as specified in (v)(a) below, either: (a) the Issuer having replaced the Subordinated Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer; or (b) the Issuer having demonstrated to the satisfaction of the Relevant Regulator that the own funds and eligible liabilities of the Issuer would, following such redemption or purchase, exceed its minimum applicable capital requirements (including any applicable buffer requirements) by a margin (calculated in accordance with prevailing Applicable Regulatory Capital Requirements) that the Relevant Regulator considers necessary at such time; and

- (iii) in the case of any redemption prior to the fifth anniversary of the Issue Date, upon the occurrence of a Tax Event, the Issuer has demonstrated to the satisfaction of the Relevant Regulator that the change in tax treatment is material and was not reasonably foreseeable as at the Issue Date;
- (iv) in the case of any redemption prior to the fifth anniversary of the Issue Date upon the occurrence of a Capital Disqualification Event, the Issuer having demonstrated to the satisfaction of the Relevant Regulator that the relevant change in the regulatory classification of the Notes was not reasonably foreseeable as at the Issue Date; and
- (v) in the case of any purchase prior to the fifth anniversary of the Issue Date pursuant to “—*Repurchase*”, either (a) the Issuer having, before or at the same time as such purchase, replaced the Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer, and the Relevant Regulator having permitted such action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances or (b) the relevant Notes are being purchased for market-making purposes in accordance with the Applicable Regulatory Capital Requirements.

Any refusal by the Relevant Regulator to give its Supervisory Permission as contemplated above shall not constitute a default for any purpose.

Notwithstanding the foregoing, if, at the time of any redemption or purchase, the Applicable Regulatory Capital Requirements permit a repayment or purchase only after compliance with one or more additional or alternative preconditions to those set out above in this provision, the Issuer shall comply with such additional and/or, as appropriate, alternative precondition(s).

In addition, in the case of a redemption occurring in respect of a Tax Event pursuant to provision “—*Redemption for Tax Reasons*”, the Issuer shall deliver to the Trustee a copy of an opinion of an independent nationally recognized law firm or other tax advisor in Ireland experienced in such matters that a Tax Event has occurred and is continuing.

Prior to the publication of any notice of early redemption pursuant to this provision (other than redemption pursuant to provision “—*Redemption at Issuer’s Option*”), the Issuer shall deliver to the Trustee an officer’s certificate stating that the Issuer is entitled to effect such redemption and setting forth a statement of the facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and the Trustee shall be entitled to accept such certificate without further inquiry as sufficient evidence of the satisfaction of the conditions precedent referred to above, in which event it shall be conclusive and binding on the Trustee and the Noteholders.

Preconditions to Redemption, Purchase, Substitution or Variation of Loss Absorption Notes

Any redemption, purchase, substitution or variation of Loss Absorption Notes in accordance with any applicable subsection of this section “—*Redemption, Repurchase, Substitution and Variation*” is subject to (in each case to the extent, and in the manner, required by the Relevant Regulator and the Loss Absorption Regulations):

- (i) the Issuer giving notice to the Relevant Regulator and the Relevant Regulator granting permission to redeem, purchase or modify the relevant Loss Absorption Notes; and/or
- (ii) the Issuer, before or at the same time as any redemption or purchase, replaces the relevant Loss Absorption Notes with own funds or eligible liabilities instruments of equal or higher quality at terms that are sustainable for the income capacity of the institution; and/or
- (iii) the Issuer having demonstrated to the satisfaction of the Relevant Regulator that the own funds and eligible liabilities of the Issuer would, following any such redemption or purchase of the Loss Absorption

Notes, exceed the requirements for own funds and eligible liabilities laid down in the Loss Absorption Regulations by a margin that the Relevant Regulator considers necessary; and/or

- (iv) the Issuer having demonstrated to the satisfaction of the Relevant Regulator that the partial or full replacement of the Notes is necessary to ensure compliance with the own funds requirements laid down in the Loss Absorption Regulations for continuing authorisation; and/or
- (v) compliance with any alternative or additional pre-conditions to such redemption, purchase or modification as may be required by the Relevant Regulator or the Loss Absorption Regulations at such time.

Substitution and Variation

This provision “—*Substitution and Variation*” applies only to series of Notes if “*Substitution and Variation*” is specified to be applicable in the applicable Final Terms.

If:

- (i) in the case of Loss Absorption Notes, a Loss Absorption Disqualification Event or
- (ii) in the case of Subordinated Notes, a Capital Disqualification Event or a Tax Event

has occurred and is continuing, the Issuer (in its sole discretion but subject to this provision), having given (A) not less than 15 nor more than 30 days’ notice to the Noteholders in accordance with the notice requirements contained in the Indenture and (B) prior notice to the Trustee before the giving of the notice referred to in (A) and having delivered to the Trustee the certificate referred to in the definition of “Loss Absorption Compliant Notes” or “Tier 2 Compliant Notes”, as the case may be (which notices shall be irrevocable), may, without any requirement for the consent or approval of the Noteholders, either substitute all (but not some only) of the Notes for, or vary the terms of the Notes so that they remain or, as appropriate, become, Loss Absorption Compliant Notes, in the case of Loss Absorption Notes, or Tier 2 Compliant Notes, in the case of Subordinated Notes. Upon the expiry of the notice referred to in (A) above, the Issuer shall either vary the terms of or, as the case may be, substitute the Notes in accordance with this provision and, subject as set out in this provision, the Trustee shall agree to such substitution or variation.

In connection with any substitution or variation in accordance with this provision, the Issuer shall comply with the rules of any stock exchange on which such Notes are for the time being listed or admitted to trading.

Any substitution or variation in accordance with this provision is subject to the following conditions:

- (i) the Issuer shall have obtained (A) in the case of Senior Notes, the permission from the Relevant Regulator (if then required by the Relevant Regulator or by the Loss Absorption Regulations at such time) or (B) in the case of Subordinated Notes, the prior Supervisory Permission therefor from the Relevant Regulator (if then required by the Relevant Regulator or by the Applicable Regulatory Capital Requirements);
- (ii) such substitution or variation must be permitted by, and conducted in accordance with, any other applicable requirement of the Relevant Regulator or under the Loss Absorption Regulations at such time, in the case of the Loss Absorption Notes, or the Applicable Regulatory Capital Requirements, in the case of Subordinated Notes;
- (iii) such substitution or variation shall not result in any event or circumstance which at or around that time gives the Issuer a redemption right in respect of the Notes; and
- (iv) prior to the publication of any notice of substitution or variation pursuant to this provision, the Issuer shall have delivered to the Trustee an officer’s certificate stating that the Loss Absorption

Disqualification Event, the Capital Disqualification Event or Tax Event, as applicable, giving rise to the right to substitute or vary the Notes has occurred and is continuing as at the date of the certificate, that all conditions set out above in clauses (i), (ii) and (iii) have been satisfied and the Trustee shall be entitled to accept such certificate without any further inquiry as sufficient evidence thereof, in which event it shall be conclusive and binding on the Trustee and the Noteholders.

The Trustee shall, subject to the Issuer's compliance with the foregoing conditions and the provision of the certificates signed by two Authorized Signatories of the Issuer and at the expense and cost of the Issuer, use its reasonable endeavours to assist the Issuer in any substitution or variation of Notes pursuant to this provision, except that the Trustee shall not be obliged to assist in any such substitution or variation if either such substitution or variation itself or the terms of the proposed Loss Absorption Compliant Notes or Tier 2 Compliant Notes would impose, in the Trustee's opinion, more onerous obligations upon it or require the Trustee to incur any liability for which it is not indemnified and/or secured and/or pre-funded to its satisfaction.

Agreement with Respect to the Exercise of Irish Statutory Loss Absorption Powers

Notwithstanding, and to the exclusion of, any other term of the Notes or any other agreements, arrangements or understanding between the Issuer and the Trustee or any Noteholder, the Trustee and, by its acquisition of any Note, each Noteholder (which for the purposes of this provision, includes each holder of a beneficial interest in the Notes) acknowledges and accepts that any liability arising under the Notes may be subject to the exercise of Irish Statutory Loss Absorption Powers by the Relevant Resolution Authority and acknowledges, accepts, consents to and agrees to be bound by:

- (i) the effect of the exercise of any Irish Statutory Loss Absorption Powers by the Relevant Resolution Authority, which exercise (without limitation) may include and result in any of the following, or a combination thereof:
 - a. the reduction of all, or a portion, of the Relevant Amounts in respect of the Notes;
 - b. the conversion of all, or a portion, of the Relevant Amounts in respect of the Notes into shares, other securities or other obligations of the Issuer or another person, and the issue to or conferral on the holder of such shares, securities or obligations, including by means of an amendment, modification or variation of the terms of the Notes;
 - c. the cancellation of the Notes or the Relevant Amounts in respect thereof; and
 - d. the amendment or alteration of the Maturity Date of the Notes or amendment of the amount of interest payable on the Notes, or the date on which interest becomes payable, including by suspending payment for a temporary period; and
- (ii) the variation of the terms of the Notes as deemed necessary by the Relevant Resolution Authority, to give effect to the exercise of any Irish Statutory Loss Absorption Powers by the Relevant Resolution Authority.

No repayment or payment of Relevant Amounts in respect of the Notes will become due and payable or be paid after the exercise of any Irish Statutory Loss Absorption Powers by the Relevant Resolution Authority if and to the extent such amounts have been reduced, converted, cancelled, amended or altered as a result of such exercise.

Neither a reduction or cancellation, in part or in full, of the Relevant Amounts, the conversion thereof into another security or obligation of the Issuer or another person, as a result of the exercise of the Irish Statutory Loss Absorption Powers by the Relevant Resolution Authority with respect to the Issuer, nor the exercise of the Irish Statutory Loss Absorption Powers by the Relevant Resolution Authority with respect to the Notes will be an event of default.

Upon the exercise of the Irish Statutory Loss Absorption Powers by the Relevant Resolution Authority with respect to the Notes, the Issuer will (i) provide a written notice to the Noteholder in accordance with the notice requirements contained in the Indenture as soon as practicable regarding such exercise of the Irish Statutory Loss Absorption Powers; and (ii) deliver a copy of such notice to the Trustee for information purposes; provided, however, any failure by the Issuer to give such notice will not affect the effectiveness of, or otherwise invalidate, any exercise of the Irish Statutory Loss Absorption Powers by the Relevant Resolution Authority pursuant to this provision or give Noteholders any rights as a result of either such failure.

For a discussion of certain risk factors relating to the Irish Statutory Loss Absorption Powers, see “*Risk Factors—Risks Related to the Issuance of the Notes*”.

Non-Restricted Events of Default

This provision “—*Non-Restricted Events of Default*” shall apply to each series of Senior Notes unless “Restricted Events of Default” is specified as being applicable in the applicable Final Terms (in which case the provision below “—*Restricted Events of Default*” shall apply). This provision “—*Non-Restricted Events of Default*” is not applicable to Subordinated Notes or Loss Absorption Notes (which are instead subject to the provision “—*Restricted Events of Default*”).

If any of the following events (“**Non-Restricted Events of Default**”) occurs and is continuing, the Trustee, at its discretion may, and if so requested by Noteholders of not less than 20% in principal amount of the Outstanding Notes of that series shall (subject, in each case, to being indemnified and/or secured and/or pre-funded to its satisfaction), give written notice to the Issuer that the Notes are, and they shall immediately become, due and repayable at their early redemption amount together (if applicable) with accrued interest as provided in the Indenture:

- (i) Non-Payment: default is made for more than 7 days (in the case of principal) or 15 days (in the case of any other amount in respect of the Notes) after the due date for payment of interest or principal in respect of any of the Notes, *provided* that it shall not be an Event of Default if the non-payment is due solely to administrative error (whether by the Issuer or a bank involved in transferring funds to the Paying Agent) and payment is made within 3 business days after notice of that non-payment has been given to the Issuer by the Trustee; or
- (ii) Breach of Other Obligations: the Issuer does not perform or comply with any one or more of its other obligations in the Notes or the Indenture (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in this provision “—*Non-Restricted Events of Default*” dealt with), which default is not remedied within 60 days after notice of such default has been given to the Issuer by the Trustee or to the Issuer and the Trustee by Noteholders of not less than 20% in principal amount of the Outstanding Notes of such series, *provided however* that the Trustee shall be protected in withholding such notice if and so long as it determines in good faith that the withholding of such notice is in the interest of the Noteholders, and *provided further* that no such notice to Noteholders shall be given until at least 60 days after the occurrence thereof; or
- (iii) Insolvency: the Issuer is (or is, or could be, deemed by law or a court to be) insolvent or is unable or deemed to be unable to pay its debts (within the meaning of section 570 of the Companies Act 2014 of Ireland or Section 28 of the Central Bank Act 1971 of Ireland (as amended)), as the same may be amended, modified or re-enacted, or admits in writing its inability to pay its debts as they mature; or
- (iv) Winding-up: an order is made or an effective resolution passed for the winding-up of the Issuer, or the Issuer ceases or threatens to cease to carry on all or substantially all of its business or operations, except for the purpose of, and followed by, a reconstruction, amalgamation, reorganization, merger or consolidation on terms approved in writing by the Trustee or the Noteholders.

Restricted Events of Default

The following shall constitute “**Restricted Events of Default**” with respect to each series of Subordinated Notes or each series of Senior Notes which specify “Restricted Events of Default” as being applicable in the applicable Final Terms.

The Trustee shall be bound to take action as referred to in this provision if (i) the Noteholders of not less than 20% in principal amount of the Outstanding Notes of that series shall have made written request to the Trustee to take such action and (ii) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction.

- (i) **Non-Payment:** If the Issuer does not make payment in respect of the Notes (in the case of any payment of principal and/or premium) for a period of 7 days or more after the due date for the same or (in the case of any payment of interest) for a period of 15 days or more after a date upon which the payment of interest is due (provided that it shall not be a Restricted Event of Default if such non-payment is due solely to administrative error (whether by the Issuer or a bank involved in transferring funds to the Paying Agent) and payment is made within 3 Business Days after notice of non-payment has been given to the Issuer by the Trustee), the Trustee may, subject as provided in provision “—*Enforcement*”, at its discretion, institute proceedings in Ireland (but not elsewhere) for the winding-up of the Issuer but (save as provided in clause (ii) below) may take no further action in respect of such default.
- (ii) **Winding-Up:** In the event of a Winding-Up, whether or not instituted by the Trustee pursuant to clause (i) above, the Trustee may, subject as provided in provision “—*Enforcement*”, at its discretion, give written notice to the Issuer that the Notes are, and they shall accordingly thereby forthwith become, immediately due and repayable at their early redemption amount, plus accrued interest as provided in the Indenture.
- (iii) **Enforcement of Obligations:** Without prejudice to clauses (i) and (ii) above, the Trustee may, subject as provided in provision “—*Enforcement*”, at its discretion and without further notice, institute such proceedings against the Issuer as it may think fit to enforce any obligation, condition or provision binding on the Issuer under the Notes or the Indenture (other than any obligation for the payment of any principal, premium or interest in respect of the Notes), provided that the Issuer shall not as a consequence of such proceedings be obliged to pay any sum or sums representing or measured by reference to principal or interest in respect of the Notes sooner than the same would otherwise have been payable by it or any damages.

Enforcement

This provision “—*Enforcement*” applies only in respect of Senior Notes for which “Restricted Events of Default” is applicable in the applicable Final Terms and Subordinated Notes.

No Noteholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails or is unable to do so within a reasonable period and such failure or inability shall be continuing, in which case the Noteholder shall have only such rights against the Issuer as those which the Trustee is entitled to exercise pursuant to this provision.

No Noteholder shall be entitled to institute proceedings for the winding-up of the Issuer, or to prove in any Winding-Up of the Issuer, except that if the Trustee, having become bound to proceed against the Issuer as aforesaid, fails to do so within a reasonable period and the failure shall be continuing or, being able to prove in any Winding-Up of the Issuer, fails to do so, then any such holder may, on giving an indemnity satisfactory to the Trustee, institute proceedings for the winding-up in Ireland (but not elsewhere) of the Issuer and/or prove in any Winding-Up of the Issuer to the same extent (but not further or otherwise) that the Trustee would have been entitled so to do in respect of his Notes.

No remedy against the Issuer, other than as referred to in this provision, shall be available to the Trustee or the Noteholders whether for the recovery of amounts owing in respect of the Notes or under the Indenture or in respect of any breach by the Issuer of any of its obligations under the Indenture or the Notes (other than for recovery of the Trustee's remuneration or expenses).

Collection of Indebtedness and Suits for Enforcement by the Trustee

This provision "*Collection of Indebtedness and Suits for Enforcement by the Trustee*" applies only in respect of Senior Notes for which "Restricted Events of Default" is not applicable.

The Issuer covenants that if a non-payment default is made pursuant to provision "*—Non-Restricted Events of Default—Non-Payment*", the Issuer will, upon demand of the Trustee, pay to it, for the benefit of the such Noteholders, the early redemption amount and interest, if any, and interest on any overdue principal (and premium, if any) and, to the extent that payment of such interest shall be legally enforceable, interest on any overdue interest, at the rate or rates prescribed therefor in such Notes; and additional amounts, if any, and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

If the Issuer fails to pay such amounts forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, may institute a judicial proceeding for the collection of the sums so due and unpaid, may prosecute such proceeding to judgment or final decree and may enforce the same against such Issuer and or any other obligor upon such Notes and collect the moneys adjudged or decreed to be payable in the manner provided by law out of the property of the Issuer or any other obligor upon such Notes, wherever situated.

If a Non-Restricted Event of Default occurs and is continuing, the Trustee may in its discretion proceed to protect and enforce its rights and the rights of such Noteholders by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in the Indenture or in aid of the exercise of any power granted herein, or to enforce any other legal or equitable right vested in the Trustee by the Indenture or by law.

Judgment Currency

If, for the purposes of obtaining a judgment in any court with respect to any obligation of the Issuer under the Indenture or under any Note, it shall become necessary to convert into any other currency any amount in the currency due hereunder or under such Note, then such conversion shall be made at the Market Exchange Rate prevailing on the date of entry of the judgment.

The Issuer will indemnify any Noteholder and/or the Trustee, as applicable, as a result of any judgment or order requiring payment in a currency (the "**Judgment Currency**") other than the Specified Currency, and as a result of any variation between (i) the rate of exchange at which the Specified Currency amount is converted into the Judgment Currency for the purposes of the judgment or order, and (ii) the rate of exchange at which such Noteholder, on the date of payment of such judgment or order, is able to purchase the Specified Currency with the amount of the Judgment Currency actually receivable by such Noteholder, as the case may be.

Satisfaction and Discharge

The satisfaction and discharge provisions described below do not apply to any series of notes unless the Issuer has notified the Relevant Regulator or the Relevant Resolution Authority, as the case may be, and, if necessary, obtained Relevant Supervisory Permission therefor.

The Indenture provides that the Issuer will be discharged from its obligations under the Notes of any series (with certain exceptions) at any time prior to the stated Maturity Date, or redemption of such notes when (1) either (i) all Notes of such series have been delivered to the Trustee for cancellation or (ii) the Issuer has

deposited with or to the order of the Trustee, in trust, (a) sufficient funds in the currency, currencies, currency unit or units in which such notes are payable (without consideration of any reinvestment thereof) to pay the principal of (and premium, if any, on) and interest, if any, on such notes to the stated Maturity Date (or Redemption Date), or (b) such amount of U.S. Government Obligations (as defined below) as will, together with the predetermined and certain income to accrue thereon (without consideration of any reinvestment thereof), be sufficient to pay when due the principal of (and premium, if any, on) and interest, if any, to the stated Maturity Date (or Redemption Date), on such notes, or, (c) such amount equal to the amount referred to in clause (i) or (ii) of this provision “—*Satisfaction and Discharge*” in any combination of currency or currency unit of U.S. Government Obligations; (2) the Issuer has paid all other sums payable with respect to such notes; (iii) the Issuer delivered to the Trustee an opinion of counsel to the effect that since the date of the Indenture there has been a change in applicable U.S. federal income tax law to the effect that, and based upon which such opinion of counsel shall confirm that, such Noteholders will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such discharge and will be subject to U.S. federal income tax on the same amount and in the same manner and at the same time as would have been the case if such discharge had not occurred; and (iv) certain other conditions are met. Upon such discharge, the Noteholders of such a series shall no longer be entitled to the benefits of the terms and conditions of the Indenture and notes, except for certain provisions including registration of transfer and exchange of such notes and replacement of mutilated, destroyed, lost or stolen notes of such series, and shall look for payment only to such deposited funds or obligations.

For purposes of this provision “—*Satisfaction and Discharge*”, “**U.S. Government Obligations**” means non-callable (i) direct obligations of the United States for which its full faith and credit are pledged; and/or (ii) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States, the timely payment of which is unconditionally guaranteed as a full faith and credit obligation of the United States in each case with a maturity date of 183 calendar days or less from the date of original issue of such U.S. Government Obligations;

Modification; Supplemental Indentures

The Indenture contains provisions permitting the Issuer and the Trustee (i) without the consent of the Noteholders of any notes issued under the Indenture, to execute supplemental indentures for certain enumerated purposes, such as to cure any ambiguity or inconsistency, to make any change that does not have a materially adverse effect on the rights of any holder of such notes or to make Benchmark Amendments as provided in the provision “—*Benchmark Amendments*”, and (ii) with the consent of the Noteholders of not less than a majority in aggregate principal amount of the Outstanding Notes of each series of notes issued under the Indenture and affected thereby, to execute supplemental indentures for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or of modifying in any manner the rights of holders of any such note under the Indenture; provided, that no such supplemental indenture may, without the consent of the holder of each such Outstanding Note affected thereby (a) change the stated Maturity Date or the principal of or interest on any such note, or reduce the principal amount of any such note or the rate of interest thereon, if any, or any premium or principal payable upon redemption thereof, or change any obligation of the Issuer’s to pay additional amounts(except as permitted by the Indenture regarding changes without the consent of Noteholders) or reduce the amount of the principal of a Note that would be due and payable upon a declaration of acceleration of the Maturity thereof, or change any Place of Payment where, or change the currency in which, any such note or the interest, if any, thereon is payable, or impair the remedies available to Noteholders to enforce the terms of such note; or (b) reduce the percentage in aggregate principal amount of the Outstanding Notes of any particular series, the consent of whose holders is required for any such supplemental indenture, or the consent of whose holders is required for any waiver (of compliance with certain provisions of the Indenture or certain defaults thereunder and their consequences) provided for in the Indenture; or (c) change any obligation of the Issuer to maintain an office or agency in the places and for the purposes

specified in the Indenture; or (d) modify certain of the provisions of the Indenture pertaining to the waiver by holders of such notes of past defaults, supplemental indentures with the consent of holders of such notes and the waiver by holders of such notes of certain covenants, except to increase any specified percentage in aggregate principal amount required for any actions by the Noteholders or to provide that certain other provisions of the Indenture cannot be modified or waived without the consent of the holder of each such note affected thereby; or (e) in the case of any Subordinated Notes, change, in any manner adverse to the interests of the Noteholders of such Outstanding Notes the subordination or ranking provisions of such notes.

In addition, variations in the terms and conditions of the Subordinated Notes or Loss Absorption Notes of any series, or of provisions in the Indenture in respect of any such notes shall only be made following receipt by the Issuer of the relevant Supervisory Permission (if any), which may then be required for such variation under the Regulatory Capital or Loss Absorption Regulations.

Waivers

The Noteholders of not less than a majority in aggregate principal amount of the Outstanding Notes of a series of notes affected thereby, may on behalf of all the Noteholders of such series waive compliance by the Issuer with certain restrictive provisions of the Indenture as pertain to the maintenance of certain agencies by the Issuer.

The Noteholders of a majority in aggregate principal amount of the Outstanding Notes of a series of notes may waive on behalf of all Noteholders of such series, any past default and its consequences under the Indenture, except a default in the payment of the principal of (or premium, if any, on) or interest, if any, on any such note of that series or a default.

In addition to the Issuer's and the Trustee's rights to modify and amend the Indenture as described above, variations to the terms of the Indenture or the Notes may be made by the Issuer and the Trustee, without the further consent of the Noteholders, as required in the circumstances described in provision "*—Substitution and Variation*" in connection with the variation of the notes and to which the Trustee has agreed pursuant to the relevant portions of such provision.

Notices

Notices to Noteholders will be given by mail to addresses of such holders as they appear in the Notes' Register and in accordance with the notice requirements contained in the Indenture.

Governing Law

The Indenture and the Notes shall be governed by and construed in accordance with the laws of the State of New York; except that (i) Section 10.1(b) of the Indenture ("*Ranking of Subordinated Notes—Status and Subordination of Subordinated Notes—Subordination*") (which contains the subordination provisions in respect of the Subordinated Notes) and the corresponding subordination and ranking provisions of each series of such Subordinated Notes pursuant to the applicable Final Terms and in the terms of such Subordinated Notes; (ii) Section 10.1(c) of the Indenture ("*Ranking of Subordinated Notes—Status and Subordination of Subordinated Notes—No Set-off*") and Section 11.1(b) of the Indenture ("*Ranking of Senior Notes—Status of Senior Notes—No Set-off*") (which contain waiver of set-off provisions); and (iii) Article XII of the Indenture ("*Irish Statutory Loss Absorption Powers*") shall, in each case, be governed by and construed in accordance with the laws of Ireland.

Consent to Service

The Issuer has designated and appointed Allied Irish Bank plc, New York Branch at 1345 Avenue of the Americas, 10th Floor, New York, NY 10105 as its authorized agent upon which process may be served in any suit or proceeding arising out of or relating to the Notes or the Indenture which may be instituted in any State

or Federal court located in the Borough of Manhattan, City of New York, State of New York, and have submitted (for the purposes of any such suit or proceeding) to the jurisdiction of any such court in which any such suit or proceeding is so instituted. The Issuer has agreed, to the fullest extent that it lawfully may do so, that final judgment in any such suit, action or proceeding brought in such a court shall be conclusive and binding upon the Issuer and may be enforced in the courts of Ireland (or any other courts to the jurisdiction of which it is subject).

Notwithstanding the foregoing, any actions arising out of or relating to the Notes or the Indenture may be instituted by the Issuer, the Trustee or the holder of any note in any competent court in Ireland or such other competent jurisdiction, as the case may be.

Furthermore, in the event that any legal action, suit or proceedings with respect to the waiver of set-off provisions described in “—*Waiver of set-off*” of this Base Prospectus (Section 10.1(c) and Section 11.1(b) of the Indenture) and the Irish Statutory Loss Absorption provisions described in “*Agreement with Respect to the Exercise of Irish Statutory Loss Absorption Powers*” of this Base Prospectus (Article XII of the Indenture) are commenced in the courts of Ireland, each Noteholder irrevocably accepts the non-exclusive jurisdiction of such courts and waives any objection to the courts of Ireland on the grounds that they are an inconvenient or inappropriate forum to settle any such dispute.

Concerning the Trustee

The Indenture provides that, except during the continuance of an Event of Default for a series of notes, the Trustee will have no obligations other than the performance of such duties and only such duties as are specifically set forth in the Indenture and no implied covenants or obligations shall be read into the Indenture against the Trustee. If an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by the Indenture, and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of such person’s own affairs.

DESCRIPTION OF THE NOTES IN GLOBAL FORM

Unless otherwise specified in the Final Terms for a particular series of Notes, DTC will act as securities depository for the Notes. The following discussion relates solely to DTC and Notes for which it is the securities depository.

Global Notes

So long as DTC or its nominee is the holder of the Global Notes, any owner of a beneficial interest in the notes of a series must rely upon the procedures of DTC and institutions having accounts with DTC to exercise or be entitled to any rights of a holder of such Global Notes. See the subsection entitled “—*Book-Entry System*” for a further description of DTC’s procedures.

Book-Entry System

The Global Notes will be issued as fully-registered securities registered in the name of Cede (DTC’s partnership nominee), unless otherwise specified. No Global Note may be transferred except by DTC to a nominee of DTC or by a nominee of DTC to DTC or another nominee of DTC or any successor thereof.

We have been advised by DTC that upon the deposit of a Global Note with DTC, DTC will immediately credit, on its book-entry registration and transfer system, the respective principal amounts of such beneficial interests in that Global Note to the accounts of the DTC Participants. The accounts to be credited shall be designated by the soliciting Placement Agent or, to the extent that the notes are offered and sold directly, by us.

We understand that DTC is a limited-purpose trust company organized under the laws of the State of New York, a “Banking Organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds securities that its participants (“Participants”) deposit with DTC. DTC also facilitates the clearance and settlement among Participants of transactions in such securities through electronic book-entry changes in Participants’ accounts, thereby eliminating the need for physical movement of securities certificates. Direct participants (“Direct Participants”) include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc., and the National Association of Securities Dealers, Inc. Access to DTC’s system is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). The rules applicable to DTC and its Participants are on file with the Securities and Exchange Commission.

Ownership of beneficial interests in a Global Note in respect of a series of notes will be limited to DTC Participants, including Clearstream, Luxembourg and Euroclear, or persons who hold interests through DTC Participants. In addition, ownership of beneficial interests will be evidenced only by, and the transfer of that ownership interest will be effected only through, records maintained by DTC or its nominee and DTC Participants until such time, if any, as Definitive Notes are issued, as set forth under “*Description of the Notes—Form, Transfer, Exchange and Denomination*”. The laws of some states require that certain purchasers of notes take physical delivery of such notes in certificated form. Such laws may impair the ability to transfer beneficial interests in a Global Note.

Interests held through Clearstream, Luxembourg and Euroclear will be recorded on DTC’s books as being held by the U.S. depository for each of Clearstream, Luxembourg and Euroclear, which U.S. depositories will in turn hold interests on behalf of their participants’ customers’ securities accounts.

To facilitate subsequent transfers, all Global Notes deposited with DTC are registered in the name of DTC's partnership nominee, Cede. DTC has no knowledge of the actual owners of beneficial interests in the Global Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such beneficial interests in Global Notes are credited, which may or may not be the beneficial owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to Cede and any subsequent nominee of DTC. If less than all of the notes within a series are being redeemed, DTC's current practice is to determine *pro rata* or by lot the amount of the beneficial interest of each Direct Participant in such issue to be redeemed.

Principal and interest payments on the Global Notes will be made to DTC as the registered holder of the Global Notes. DTC's practice is to credit Direct Participants' accounts on the payable date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the payable date. Payments by Participants to beneficial owners will be governed by standing instructions and customary practices, as in the case of securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, or us, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is our responsibility, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the beneficial owners shall be the responsibility of Direct Participants and Indirect Participants.

A beneficial owner shall give notice to elect to have its beneficial interests in the Global Notes purchased or tendered, through its Participant, to the Trustee for a series of notes, and shall effect delivery of such beneficial interests in the Global Notes by causing the Direct Participant to transfer the Participant's beneficial interest in the Global Notes, on DTC's records, to the Trustee.

DTC may discontinue providing its services as securities depository with respect to the Global Notes at any time by giving reasonable notice to us and the Placement Agents. Under such circumstances, in the event that a successor securities depository is not obtained, Definitive Notes in registered form will be printed and delivered in exchange for beneficial interests in the Global Notes as described under "*Description of the Notes—Form, Transfer, Exchange and Denomination*".

We may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Definitive Notes in registered form will be printed and delivered in exchange for beneficial interests in the Global Notes as described under "*Description of the Notes—Form, Transfer, Exchange and Denomination*".

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that we believe to be reliable, but we take no responsibility for the accuracy thereof.

In no event will Definitive Notes in bearer form representing any series of notes be issued.

None of us, any Trustee, any paying agent, any registrar for the notes or any Placement Agent will have any responsibility or liability for any aspect of DTC's records or any DTC Participant's records relating to or payments made on account of beneficial ownership interests in a Global Note or for maintaining, supervising or reviewing any of DTC's records or any DTC Participant's records relating to such beneficial ownership interests.

The Indenture and the notes require that payments in respect of the notes be made in immediately available funds. Interests in the notes are expected to trade in DTC's Same-Day Funds Settlement System, and any permitted secondary market trading activity in the notes will be required to be settled in immediately available funds. We do not know the effect, if any, of such settlement arrangements on trading activity in the notes or interests in the notes.

Issuance of Definitive Notes

If (i) DTC notifies us and the Trustee that it is unwilling or unable to continue as holder of the Global Notes or if at any time it ceases to be a clearing agency registered under the Exchange Act and, in either case, a successor holder is not appointed by us within 90 days of such notification or of our becoming aware of such ineligibility, (ii) an Event of Default occurs with respect to one or more series of notes, or (iii) we determine in our sole discretion (subject to DTC's procedures) that Definitive Notes of such series will be issued in registered form, then in any such case, upon the written request of the holder of the Global Note, the Trustee will issue certificated registered notes in the names and in the amounts as specified by the holder of the Global Note. The request for Definitive Notes may be made by the holder in the circumstances and subject to the conditions described under "*Description of the Notes—Form, Transfer, Exchange and Denomination*".

The exchange of interests in the Global Note for Definitive Notes of a particular series shall be made free of any fees of the Trustee to the holder, provided, however, that such person receiving notes in certificated form will be obligated to pay or otherwise bear the cost of any tax or other governmental charge as required by the Indenture and any cost of insurance, postage, transportation and the like.

Repayment

If a note becomes repayable at the option of the holder on a date or dates specified prior to its maturity date, if any, and the Trustee is so notified, the Trustee will promptly notify the holder of the Global Note that such note has become repayable. In order for the repayment option on any note to be exercised, the owners of beneficial interests in the Global Note must instruct the broker or other DTC Participant through which it holds an interest in the Global Note to notify the Trustee of its desire to exercise that right to repayment. Different firms have different cut-off times for accepting instructions from their customers and, accordingly, each beneficial owner should consult the broker or other DTC Participant through which it holds its beneficial interest in a Global Note in order to ascertain the cut-off time by which such an instruction must be given in order for timely notice to be delivered to the depository.

Record Date

Unless we otherwise instruct the Trustee in writing and subject to the provisions in "*Description of the Notes—Payment of Principal, Premium, if any, and Interest, if any*", for so long as the Global Notes remain in book-entry only form, the relevant Regular Record Date for each Interest Payment Date will be the close of business on the Business Day before the applicable Interest Payment Date. If the Notes are not in book-entry only form, the relevant Record Date for each Interest Payment Date will be the close of business on the fifteenth calendar day (whether or not a Business Day) before the applicable Interest Payment Date.

Reports

The Trustee will send promptly to the applicable holders of the Global Notes any notices, reports and other communications from us that are received by the custodian as holder of the Global Notes and that we make generally available to holders of the notes.

PLAN OF DISTRIBUTION

The Dealers have in a Dealer Agreement dated 16 September 2022 (the “Dealer Agreement”) agreed with AIB a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement for any particular purchase will extend to those matters stated under “Description of the Notes” above.

In the Dealer Agreement, AIB has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement may be terminated in relation to all the Dealers or any of them by AIB or, in relation to itself, by any Dealer, at any time on giving not less than 15 days’ written notice. The Dealers are entitled in certain circumstances to be released and discharged from their obligations under a subscription agreement prior to the closing of the issue of the relevant Notes.

A Dealer may sell Notes it has purchased from the Issuer as principal to certain other dealers less a concession equal to all or any portion of the discount received in connection with such purchase. The Dealer may allow, and such dealers may re-allow, a discount to certain other dealers. After the initial offering of Notes, the offering price (in the case of Notes to be resold at a fixed offering price), the concession and the reallowance may be changed. The Notes may also be sold at variable prices. Certain of the Dealers may make a market in the Notes after completion of an offering. However, they are under no obligation to do so, and the ability of such Dealers to make a market in the Notes may be impacted by changes in any regulatory requirements applicable to the marketing, holding and trading of, and issuing quotations with respect to, the Notes.

The Dealers and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Certain of the Dealers and their respective affiliates have provided, and may in the future provide, a variety of these services to the Issuer and to persons and entities with relationships with the Issuer, for which they received or will receive customary fees and expenses. Certain of the Dealers may also have positions, deals or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities. They have received, or may in the future receive, customary fees and commissions for these transactions.

In the ordinary course of their various business activities, the Dealers and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Issuer and its affiliates (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Issuer and its affiliates. The Dealers and/or their affiliates may receive allocations of the Notes (subject to customary closing conditions), which could affect future trading of the Notes. If any of the Dealers or their respective affiliates have a lending relationship with us, certain of those Dealers or their affiliates routinely hedge, and certain other of those Dealers or their respective affiliates may hedge, their credit exposure to us consistent with their customary risk management policies. Typically, these Dealers and their respective affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the Notes offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the Notes offered hereby. The Dealers and their respective affiliates may also communicate independent investment recommendations, market colour or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments

and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meaning given to them by Regulation S.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver the Notes of any identifiable tranche, (i) as part of their distribution at any time, or (ii) otherwise until 40 days after the completion of the distribution of an identifiable tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each Dealer to which it sells any Notes (other than resales pursuant to Rule 144A) during the distribution compliance period a confirmation or other notice setting out the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

The Notes are being offered and sold outside the United States by the Dealers directly or through their respective non-U.S. affiliates or selling agents to non-U.S. persons in reliance on Regulation S. The Dealer Agreement provides that the Dealers may directly or through their respective U.S. broker-dealer affiliates arrange for the offer and resale of Notes within the United States only to QIBs in reliance on Rule 144A.

In addition, until 40 days after the commencement of the offering of any identifiable tranche of Notes, an offer or sale of Notes within the United States by any dealer that is not participating in the offering of such Notes may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

It is expected that delivery of the Notes will be made against payment therefor on or about the settlement date, which could be more than two business days following the date of pricing of the Notes. Pursuant to Rule 15c6-1 under the Exchange Act, trades in the secondary market generally are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, in an offering of Notes with a settlement date that is more than two business days, purchasers who wish to trade Notes prior to three business days before settlement will be required to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of Notes who wish to trade Notes prior to three business days before settlement should consult their own advisor.

Prohibition of Sales to EEA Retail Investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the EEA. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
 - (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

- (iii) not a qualified investor as defined in the Prospectus Regulation; and
- (b) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

Prohibition of Sales to UK Retail Investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the UK. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of:
 - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or
 - (ii) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of the UK MiFIR; or
 - (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and
- (b) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer and, it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Ireland

Each Dealer has represented and agreed that, and each further Dealer appointed under the Programme will be required to represent and agree that, it has not offered, sold, placed or underwritten and will not offer, sell, place or underwrite the Notes, or do anything in Ireland in respect of the Notes, otherwise than in conformity with the provisions of:

- (a) the European Union (Markets in Financial Instruments) Regulations 2017 (as amended) and any codes or rules of conduct applicable thereunder, Regulation (EU) No 600/2014 and any delegated or implementing acts adopted thereunder and the provisions of the Investor Compensation Act 1998 (as amended);

- (b) the Irish Central Bank Acts 1942 – 2018 (as amended) and any codes of practice made under Section 117(1) of the Central Bank Act 1989 (as amended);
- (c) the Prospectus Regulation, the European Union (Prospectus) Regulations 2019 and any rules and guidance issued under Section 1363 of the Companies Act 2014 (as amended), by the Central Bank;
- (d) the Market Abuse Regulation (EU 596/2014) (as amended), the European Union (Market Abuse) Regulations 2016 (as amended) and any rules and guidance issued under Section 1370 of the Companies Act 2014 by the Central Bank; and
- (e) the Companies Act 2014 (as amended).

Republic of Italy

The offering of the Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* (“CONSOB”) pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of this Base Prospectus or of any other document relating to any Notes be distributed in Italy, except, in accordance with any Italian securities, tax and other applicable laws and regulations.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or delivered, and will not offer, sell or deliver, any Notes or distribute any copy of this Base Prospectus or any other document relating to the Notes in the Republic of Italy (“Italy”) except:

- (a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 2 of the Prospectus Regulation and any applicable provision of Legislative Decree no. 58 of 24 February 1998, as amended (the “Financial Services Act”) and Article 34-*ter*, paragraph 1, letter (b) of CONSOB regulation No. 11971 of 14 May 1999 (the “CONSOB Regulation”), all as amended from time to time; or
- (b) in any other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the of the Prospectus Regulation, Article 34-*ter* of the CONSOB Regulation and applicable Italian laws, each as amended from time to time.

In any event, any offer, sale or delivery of the Notes or distribution of copies of this Base Prospectus or any other document relating to the Notes in Italy under (a) and (b) above must be:

- (i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Financial Services Act, Legislative Decree No. 385 of 1 September 1993 (the “Banking Act”) and CONSOB Regulation No. 20307 of 15 February 2018, all as amended from time to time;
- (ii) in compliance with Article 129 of the Banking Act, as amended from time to time, and the implementing guidelines of the Bank of Italy, as amended from time to time pursuant to which the Bank of Italy may request post-offering information on the issue or the offer of securities in Italy; and
- (iii) in compliance with any other applicable laws and regulations, including any requirement or limitation which may be imposed from time to time by CONSOB or the Bank of Italy or any other competent authority.

See also “*Transfer Restrictions in Italy*” below.

Transfer Restrictions in Italy

Investors should note that, in accordance with Article 100-*bis* of the Financial Services Act, where no exemption from the rules on public offerings applies under paragraphs (a) and (b) above, the subsequent distribution of the

Notes on the secondary market in Italy must be made in compliance with the public offer and the prospectus requirement rules provided under the Financial Services Act and the CONSOB Regulation. Furthermore, where no exemption from the rules on public offerings applies, the Notes which are initially offered and placed in Italy or abroad to professional investors only but in the following year are “systematically” distributed on the secondary market in Italy become subject to the public offer and the prospectus requirement rules provided under the Financial Services Act and CONSOB Regulation. Failure to comply with such rules may result in the sale of such Notes being declared null and void and in the liability of the intermediary transferring the financial instruments for any damages suffered by purchasers of Notes who are acting outside of the course of their business or profession.

This Base Prospectus and the information contained herein are intended only for the use of its recipient and are not to be distributed to any third-party resident or located in Italy for any reason. No person resident or located in Italy other than the original recipients of this document may rely on it or its contents.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended the “Financial Instruments and Exchange Act”). Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

Canada

Each Dealer has acknowledged no prospectus has been filed with any securities commission or similar regulatory authority in Canada in connection with the offer and sale of the Notes, the Notes have not been, and will not be, qualified for sale under the securities laws of Canada or any province or territory thereof and no securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon this Base Prospectus or the merits of any Notes and any representation to the contrary is an offence.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered, sold or distributed and will not offer, sell or distribute any Notes, directly or indirectly, in Canada or to any person subject to the securities laws of any province or territory of Canada, other than in compliance with applicable securities laws and, without limiting the generality of the foregoing,

- (a) any offer, sale or distribution of the Notes in Canada will be made only to only to purchasers that are “accredited investors” (as such term is defined in section 1.1 of National Instrument 45-106 *Prospectus Exemptions* (“**NI 45-106**”) or, in Ontario, as such term is defined in section 73.3(1) of the *Securities Act* (Ontario)), that are also “permitted clients” (as such term is defined in section 1.1 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*), that are purchasing as principal, or are deemed to be purchasing as principal in accordance with applicable Canadian securities laws, and that are not a person created or used solely to purchase or hold the Notes as an “accredited investor” as described in paragraph (m) of the definition of “accredited investor” in section 1.1 of NI 45-106;

- (b) either (I) it is appropriately registered under applicable Canadian securities laws in each relevant province or territory to sell and deliver the Notes, (II) such sale and delivery will be made through an affiliate of it that is so registered if the affiliate is registered in a category that permits such sale and has agreed to make such sale and delivery in compliance with the representations and agreements set out herein, or (III) it is relying on an exemption from the dealer registration requirements under applicable Canadian securities laws and has complied with the requirements of that exemption; and
- (c) it has not and will not distribute or deliver this Base Prospectus, or any other offering material in connection with any offering of the Notes, in Canada or to any person subject to the securities laws of any province or territory of Canada, other than in compliance with applicable Canadian securities laws.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been, and will not be, registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six (6) months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-Based Derivatives Contracts) Regulations 2018 of Singapore.

In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Hong Kong

The Notes may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the laws of Hong Kong) (the “Companies (Winding Up and Miscellaneous Provisions) Ordinance”) or which do not constitute an invitation to the public within the meaning of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the “Securities and Futures Ordinance”), or (ii) to “professional investors” as defined in the Securities and Futures Ordinance and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance, and no advertisement, invitation or document relating to the Notes may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” in Hong Kong as defined in the Securities and Futures Ordinance and any rules made thereunder.

Switzerland

No Notes may be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act (“FinSA”) and no application has or will be made to admit any Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Base Prospectus nor any other offering or marketing material relating to any Notes constitutes a prospectus pursuant to the FinSA, and neither this Base Prospectus nor any other offering or marketing material relating to any Notes may be publicly distributed or otherwise made publicly available in Switzerland.

General

These selling restrictions may be modified by the agreement of AIB and the relevant Dealer(s) following a change in a relevant law, regulation or directive. Any such modification will be set out in a supplement to this Base Prospectus.

No action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Base Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it will (to the best of its knowledge) comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Base Prospectus, any other offering material or any Final Terms.

TRANSFER RESTRICTIONS

Rule 144A Notes

Each purchaser of Restricted Notes within the United States pursuant to Rule 144A, by accepting delivery of this Base Prospectus, will be deemed to have represented, agreed and acknowledged that:

1. It is (a) a QIB within the meaning of Rule 144A, (b) acquiring such Restricted Notes for its own account, or for the account of a QIB and (c) aware, and each beneficial owner of the Restricted Notes has been advised, that the sale of the Restricted Notes to it is being made in reliance on Rule 144A.
2. It understands that such Restricted Notes have not been and will not be registered under the Securities Act and may not be offered, sold, pledged or otherwise transferred except (a) in accordance with Rule 144A to a person that it, and any person acting on its behalf, reasonably believes is a QIB purchasing for its own account or for the account of a QIB, (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S or (c) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available), in each case in accordance with any applicable securities laws of any State of the United States.
3. It understands that such Restricted Notes, unless otherwise agreed between AIB and the Trustee in accordance with applicable law, will bear a legend (the “Rule 144A Legend”) to the following effect:

THIS NOTE IN RESPECT HEREOF HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE “SECURITIES ACT”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”) TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT OR (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT FOR REALES OF THIS NOTE.
4. AIB, the Registrar, the relevant Dealer(s) and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If it is acquiring any Notes for the account of one or more QIBs, it represents that it has sole investment discretion with respect to each of those accounts and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.
5. It understands that the Restricted Notes offered in reliance on Rule 144A will be represented by the Restricted Global Note. Before any interest in the Restricted Global Note may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Unrestricted Global Note, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Indenture) as to compliance with applicable securities laws.

Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

Regulation S Notes

Each purchaser of Notes outside the United States pursuant to Regulation S and each subsequent purchaser of such Notes in resales prior to the expiration of the distribution compliance period, by accepting delivery of this Base Prospectus and the Notes, will be deemed to have represented, agreed and acknowledged that:

- (1) It is, or at the time Notes are purchased will be, the beneficial owner of such Notes and (a) it is not a U.S. person and it is located outside the United States (within the meaning of Regulation S), and (b) it is not an affiliate of AIB or a person acting on behalf of such an affiliate.
- (2) It understands that such Notes have not been and will not be registered under the Securities Act and that, prior to the expiration of the distribution compliance period, it will not offer, sell, pledge or otherwise transfer such Notes except (a) in accordance with Rule 144A under the Securities Act to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or the account of a QIB, or (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, in each case in accordance with any applicable securities laws of any State of the United States.
- (3) AIB, the Registrar, the Managers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.
- (4) It understands that the Notes offered in reliance on Regulation S will be represented by the Unrestricted Global Note. Prior to the expiration of the distribution compliance period, before any interest in the Unrestricted Global Note may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Restricted Global Note, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Indenture) as to compliance with applicable securities laws.

LEGAL MATTERS

Certain legal matters have been passed upon for AIB by Linklaters LLP, its United States counsel, with respect to matters of U.S. federal law and New York law, and A&L Goodbody LLP, with respect to matters of Irish law.

Certain legal matters have been passed upon for the Dealers by Allen & Overy LLP, with respect to matters of U.S. federal law and New York law, and Matheson LLP, with respect to matters of Irish law.

INDEPENDENT AUDITORS

The 2021 Financial Statements and the 2020 Financial Statements, incorporated by reference in this Base Prospectus, have been audited by Deloitte Ireland LLP, independent auditors, as stated in their reports incorporated by reference herein.

APPLICABLE FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme.

Final Terms dated [●]

AIB Group plc

Legal entity identifier (LEI): 635400AKJBGNS5WNQL34

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the U.S.\$10,000,000,000

Global Medium Term Note Programme

PART A – CONTRACTUAL TERMS

[MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES (ECPS) ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, “MiFID II”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market.*] Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

[UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“EUWA”) (the “UK MiFIR”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market.*] Any [person subsequently offering, selling or recommending the Notes (a “distributor”)] [distributor] should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of [Directive 2014/65/EU (as amended “MiFID II”)] [MiFID II]; (ii) a customer within the meaning of Directive (EU) 2016/97 (the “Insurance Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the “Prospectus Regulation”). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the

Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

[PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the “UK”). For these purposes a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the [European Union (Withdrawal) Act 2018 (the “EUWA”)] [EUWA]; (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “FSMA”) and any rules or regulations made under the FSMA to implement [Directive (EU) 2016/97 (the “Insurance Distribution Directive”)] [the Insurance Distribution Directive], where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of [Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA (the “UK MiFIR”)] [the UK MiFIR]; or (iii) not a qualified investor as defined in Article 2 of [Regulation (EU) 2017/1129] [the Prospectus Regulation] as it forms part of domestic law by virtue of the EUWA (the “UK Prospectus Regulation”). Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

[Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (as amended, the “SFA”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are [prescribed capital markets products] [capital markets products other than prescribed capital markets products] (as defined in the CMP Regulations 2018) and are [Excluded] [Specified] Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products.)¹

Terms used herein shall be deemed to be defined as such in the “*Description of the Notes*” in the Base Prospectus dated 16 September 2022 [and Supplement[s] dated [●]] [which [together] constitute[s] a base prospectus for the purposes of [Regulation (EU) 2017/1129 (the “Prospectus Regulation”)] [the Prospectus Regulation]. This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with such Base Prospectus [as so supplemented].² Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus[, as so supplemented]. The Final Terms and the Base Prospectus [and the Supplement[s]] are available for inspection at the London office of the Agent and the office of the Issuer and in electronic form on the website of the Issuer www.aibgroup.com (access through the “Investor Relations” link)[, the website of the Central Bank, www.centralbank.ie (for so long as the Central Bank decides to provide a service of publishing such documents on its website) and on the website of Euronext Dublin at <https://live.euronext.com/en/markets/dublin/bonds/list>].

[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus (or equivalent) with an earlier date.

¹ For any Notes to be offered to Singapore investors, the Issuer to consider whether it needs to re-classify the Notes pursuant to Section 309B of the SFA prior to the launch of the offer.

² Delete this statement and any other references to the Prospectus Regulation in these Final Terms in the case of an issuance of unlisted Notes and an issuance of Notes which will not be admitted to trading on a regulated market.

Terms used herein shall be deemed to be defined as such in the “*Description of the Notes*” in the Base Prospectus dated [original date] [and the Supplement[s] dated [●]]. [This document constitutes the Final Terms of the Notes described herein for the purposes of [Regulation (EU) 2017/1129 (the “Prospectus Regulation”)] [the Prospectus Regulation] and must be read in conjunction with the Base Prospectus dated 16 September 2022 [and the Supplement[s] dated [●]], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation, save in respect of the section “*Description of the Notes*” in the Base Prospectus dated [original date] [and the Supplement[s] dated [●]]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the [Base Prospectus dated [●]]/[Base Prospectuses dated [●] and [●]] [and the Supplement[s] dated [●] and [●]]. The [Base Prospectus dated [●]]/[Base Prospectuses dated [●]] [and the Supplement[s] are available for inspection at the London office of the Agent and the office of the Issuer.]

- | | | |
|----|--------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | Issuer: | AIB Group plc |
| 2. | [(i)] Series Number: | [●] |
| | [(ii)] Tranche Number: | [●] |
| | [(iii)] Date on which the Notes become fungible: | [Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [insert description of the Series] on [insert date/the Issue Date].] |
| 3. | Specified Currency or Currencies: | [●] |
| 4. | Aggregate Nominal Amount of Notes: | [●] |
| | [(i)] Series: | [●] |
| | [(ii)] Tranche: | [●] |
| 5. | Issue Price: | [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (in the case of fungible issues only, if applicable)] |
| 6. | (i) Specified Denominations: | [●] [and integral multiples of [●] in excess thereof up to and including [●]. No Notes in definitive form will be issued with a denomination above [●]] |
| | (ii) Calculation Amount: | [●] <i>(If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)</i> |
| 7. | (i) Issue Date: | [●] |
| | (ii) Interest Commencement Date: | [specify/Issue Date/Not Applicable] |
| 8. | Maturity Date: | [specify/Interest Payment Date falling in or nearest [specify month and year]] ³ |
| 9. | Interest Basis: | [[●] per cent. Fixed Rate] |

³ Minimum maturity is 12 months.

- [[●] per cent. Resettable Notes]
 [/[SONIA/SOFR/EURIBOR] +/- [●] per cent. Floating Rate]
 [Zero Coupon]
10. **Redemption/Payment Basis:** Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount
11. **Change of Interest Basis:** [Applicable/Not Applicable]
12. **Put/Call Options:** [Put (further particulars specified at item 20 below)]
 [Call (further particulars specified at item 19 below)]
13. (i) Status of the Notes: [Senior/Subordinated]
 [(ii) Loss Absorption Note:⁴ [Applicable/Not Applicable]]
 [(iii) Waiver of Set-off:⁵ [Applicable – “No Set-off” applies]/[Not Applicable – “No Set-off” does not apply]]
 [(iv) Restricted Events of Default:⁶ [Applicable – Restricted Events of Default applies]/[Not Applicable – Restricted Events of Default does not apply]]
 [(v) [Date [Board] approval for issuance of Notes obtained: [●] [and [●], respectively]]]
14. **Method of distribution:** [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. **Fixed Rate Note Provisions:** [Applicable/Not Applicable]
- (i) Rate[(s)] of Interest: [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear] on each Interest Payment Date
- (ii) Interest Payment Date(s): [●] in each year
- (iii) Fixed Coupon Amount[(s)]: [●] per Calculation Amount
- (iv) Broken Amount(s): [●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]
- (v) Day Count Fraction: [Actual/Actual / Actual/Actual – ISDA]
 [Actual/365 (Fixed)]
 [Actual/365 (Sterling)]
 [Actual/360]
 [30/360/360/360 / Bond Basis]
 [30E/360 / Eurobond Basis]
 [30E/360 (ISDA)]

⁴ Senior Notes only.

⁵ Senior Notes only.

⁶ Senior Notes only.

| | | |
|-----|------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | [Actual/Actual – ICMA] |
| | (vi) Determination Date(s): | [[●] in each year/Not Applicable] |
| 16. | Resettable Note provisions: | [Applicable/Not Applicable] |
| | (i) Initial Rate of Interest: | [●] per cent. per annum [payable annually/semi-annually/ quarterly/ monthly] in arrear] |
| | (ii) First Margin: | [+/-][●] per cent. per annum |
| | (iii) Subsequent Margin: | [+/-][●] per cent. per annum |
| | (iv) Resettable Note Interest Payment Date(s): | [●] in each year commencing on [●] and ending on [●] |
| | (v) First Resettable Note Reset Date: | [●] |
| | (vi) Second Resettable Note Reset Date: | [[●]/Not Applicable] |
| | (vii) Subsequent Resettable Note Reset Date: | [[●]/Not Applicable] |
| | (viii) Business Day Convention: | [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/Preceding Business Day Convention] |
| | (ix) Business Centre(s): | [●] |
| | (x) Reset Rate: | [Single Mid-Swap Rate]/[Mean Mid-Swap Rate]/[Reference Bond]/[CMT Rate] |
| | (xi) CMT Designated Maturity: | [[●]/Not Applicable] |
| | (xii) Relevant Screen Page: | [●] |
| | (xiii) Mid-Swap Maturity: | [●] |
| | (xiv) Mid-Swap Floating Leg Benchmark Rate: | [[●]/Not Applicable] |
| | (xv) Fixed Leg Swap Duration: | [●] |
| | (xvi) Benchmark Duration: | [Fixed Leg Swap Duration/[●]] |
| | (xvii) Subsequent Reset Rate Time: | [●] |
| | (xviii) Day Count Fraction: | [Actual/Actual / Actual/Actual – ISDA] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360 / 360/360 / Bond Basis] [30E/360 / Eurobond Basis] [30E/360 (ISDA)] [Actual/Actual – ICMA] |
| 17. | Floating Rate Note Provisions: | [Applicable/Not Applicable] |
| | (i) Interest Period(s): | [●] in each year, subject to adjustment in accordance with the Business Day Convention set out in (v) below |

- (ii) Specified Interest Payment Dates: [●] in each year, subject to adjustment in accordance with the Business Day Convention set out in (v) below
- (iii) First Interest Payment Date: [●]
- (iv) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/Preceding Business Day Convention]
- (v) Business Centre(s): [●]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination]
- (vii) Calculation Agent: [●]
- (viii) Screen Rate Determination:
 - [Applicable – Term Rate][Applicable – SONIA][Applicable – SOFR]
 - Reference Rate:
 - [SONIA Compounded Index Rate / SONIA Compounded Daily Reference Rate [with Observation Shift] / [with Lag] where “p” is: *[specify number]* London Business Days *[being no less than 5 London Business Days]*]
 - [SOFR Compounded Index Rate / SOFR Compounded Daily Reference Rate [with Observation Shift] / [with Lag] where “p” is: *[specify number]* U.S. Government Securities Business Days *[being no less than 2 U.S. Government Securities Business Days]*]
 - [EURIBOR]
 - [Insert other applicable reference rates included in terms and conditions]*
 - Interest Determination Date(s): [The date which is [“p”] [London][U.S. Government Securities] Business Days prior to each Interest Payment Date]
 - Relevant Screen Page: [[Bloomberg Screen Page: SONCINDEX] / *see pages of authorised distributors for SONIA Compounded Index Rate*] or [Bloomberg Screen Page: SONIO/N Index] / *SONIA Compounded Daily Reference Rate as applicable*][●]
 - Relevant Fallback Screen Page: [[Bloomberg Screen Page: SONIO/N Index] / *see pages of authorised distributors for SONIA Compounded Daily Reference Rate as applicable*][●]]
- (ix) ISDA Determination:
 - Floating Rate Option: [●]
 - Designated Maturity: [●]
 - Reset Date: [●]
 - ISDA Definitions: [●]

- | | | |
|--------|-------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (x) | Linear Interpolation: | [Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (specify for each short or long interest period)] |
| (xi) | Margin(s): | [+/-][●] per cent. per annum |
| (xii) | Minimum Rate of Interest: | [●] per cent. per annum |
| (xiii) | Maximum Rate of Interest: | [●] per cent. per annum |
| (xiv) | Day Count Fraction: | [Actual/Actual / Actual/Actual – ISDA] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360 / 360/360 / Bond Basis] [30E/360 / Eurobond Basis] [30E/360 (ISDA)] [Actual/Actual – ICMA] |
| 18. | Zero Coupon Note Provisions: | [Applicable/Not Applicable] |
| (i) | Amortisation Yield: | [●] per cent. per annum |
| (ii) | Day Count Fraction: | [Actual/Actual / Actual/Actual – ISDA] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360 / 360/360 / Bond Basis] [30E/360 / Eurobond Basis] [30E/360 (ISDA)] [Actual/Actual – ICMA] |

PROVISIONS RELATING TO REDEMPTION

- | | | |
|-------|---------------------------------------------|-----------------------------|
| 19. | Call Option: | [Applicable/Not Applicable] |
| (i) | Optional Redemption Date(s): | [●] |
| (ii) | Optional Redemption Amount(s) of each Note: | [●] per Calculation Amount |
| (iii) | If redeemable in part: | |
| (a) | Minimum Redemption Amount: | [●] per Calculation Amount |
| (b) | Maximum Redemption Amount: | [●] per Calculation Amount |
| (iv) | Notice period: | [●] |
| 20. | Put Option:⁷ | [Applicable/Not Applicable] |
| (i) | Optional Redemption Date(s): | [●] |

⁷ Senior Notes only.

- (ii) Optional Redemption Amount(s) of each Note: [●] per Calculation Amount
- (iii) Notice period: [●]
- [21. **Capital Disqualification Event for partial exclusion:**⁸ [Applicable/Not Applicable]]
- [22. **Loss Absorption Disqualification Event:** [Applicable/Not Applicable]
(This item may only be expressed to be Applicable where the Notes are Senior Notes. If Not Applicable, delete the remaining subparagraph of this paragraph)
- Loss Absorption Disqualification Event for partial exclusion: [Applicable/Not Applicable]]
23. **Final Redemption Amount of each Note:** [●] per Calculation Amount
24. **Early Redemption Amount:**
 – Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default [or on redemption for regulatory reasons⁹][or on redemption following a Loss Absorption Disqualification Event¹⁰]: [●] per Calculation Amount
25. **Substitution and Variation:** [Applicable/Not Applicable]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

26. **Form of Notes:** [Restricted Global Note (U.S.\$[●] nominal amount) registered in the name of a nominee for DTC]
 [Unrestricted Global Note (U.S.\$[●] nominal amount) registered in the name of a nominee for a common depository for Euroclear and Clearstream, Luxembourg]
27. **Financial Centre(s):** [Not Applicable/give details. *[Note that this paragraph relates to the date [and place] of payment, and not the end date of the interest period for the purposes of calculating the amount of interest, to which subparagraph 17(v) relates]]*

[USE OF PROCEEDS

Give details if different from the “Use of Proceeds” section in the Base Prospectus.]

⁸ Subordinated Notes only.

⁹ Subordinated Notes only.

¹⁰ Senior Notes only.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [*Relevant third party information*] has been extracted from (*specify source*).

The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by (*specify source*), no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By:

Duly authorised

PART B – OTHER INFORMATION

1. Listing

- (i) Listing: [Euronext Dublin/other(*specify*)/None]
- (ii) Admission to trading: [Application has been made for the Notes to be admitted to the Official List and to be admitted to trading on the regulated market of Euronext Dublin with effect from [●]. No assurance can be given that such listing will be obtained and/or maintained/Other/Not Applicable].
- [(iii) [Estimate of total expenses related to admission to trading: [●]

2. Ratings

Ratings: [The following ratings reflect the ratings allocated to Notes of this type issued under the Programme generally:]

The Notes are expected to be rated [●] by [●][on or shortly after the Issue Date].

No assurance can be given that such rating will be obtained and/or retained.

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

(Include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.)

Insert one (or more) of the following options, as applicable:

Option 1: CRA is (i) established in the EU and (ii) registered under the EU CRA Regulation:

[Insert legal name of particular credit rating agency entity providing rating] is established in the EU and registered under Regulation (EC) No 1060/2009 (the “EU CRA Regulation”).

[Include details of whether rating is endorsed by a credit rating agency established and registered in the UK or certified under the UK CRA Regulation]

Option 2: CRA is (i) established in the EU, (ii) not registered under the EU CRA Regulation but (iii) has applied for registration:

[Insert legal name of particular credit rating agency entity providing rating] is established in the EU and has applied for registration under Regulation (EC) No 1060/2009 (the “EU CRA Regulation”) although notification of the registration decision has not yet been provided.

[Include details of whether rating is endorsed by a credit rating agency established and registered in the UK or certified under the UK CRA Regulation]

Option 3: CRA is (i) established in the EU and (ii) has not applied for registration and is not registered under the EU CRA Regulation:

[Insert legal name of particular credit rating agency entity providing rating] is established in the EU and is neither registered nor has it applied for registration under Regulation (EC) No 1060/2009 (the “EU CRA Regulation”).

[Include details of whether rating is endorsed by a credit rating agency established and registered in the UK or certified under the UK CRA Regulation]

Option 4: CRA is established in the UK and registered under the UK CRA:

[Insert legal name of particular credit rating agency entity providing rating] is established in the UK and registered under Regulation (EC) No 1060/2009 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “UK CRA Regulation”).

[Include details of whether rating is endorsed by a credit rating agency established and registered in the EEA or certified under the EU CRA Regulation]

Option 5: CRA is not established in the EU or the UK but the relevant rating is endorsed by a CRA which is established and registered under the EU CRA Regulation and/or the UK CRA Regulation:

[Insert legal name of particular credit rating agency entity providing rating] is not established in the EU or the UK but the rating it has given to the Notes is endorsed by [insert legal name of credit rating agency], which is established in the EU and registered under Regulation (EC) No 1060/2009 (the “EU CRA Regulation”).] [and] [UK and registered under Regulation (EC) No 1060/2009 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “UK CRA Regulation”).].

Option 6: CRA is not established in the EU or the UK and the relevant rating is not endorsed under the EU CRA Regulation and/or the UK CRA Regulation, but the CRA is certified under the EU CRA Regulation and/or the UK CRA Regulation:

[Insert legal name of particular credit rating agency entity providing rating] is not established in the EU or the UK but is certified under [Regulation (EC) No 1060/2009 (the “EU CRA Regulation”)] [and] [Regulation (EC) No 1060/2009 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “UK CRA Regulation”).].

Option 7: CRA is neither established in the EU or the UK nor certified under the EU CRA Regulation or the UK CRA

Regulation and the relevant rating is not endorsed under the EU CRA Regulation or the UK CRA Regulation:

[Insert legal name of particular credit rating agency entity providing rating] is not established in the EU or the UK and is not certified under Regulation (EC) No 1060/2009 (the “EU CRA Regulation”) or the Regulation (EC) No 1060/2009 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “UK CRA Regulation”) and the rating it has given to the Notes is not endorsed by a credit rating agency under the EU CRA Regulation or the UK CRA Regulation.

3. Interests of Natural and Legal Persons involved in the Issue:

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business. *(Amend as appropriate if there are other interests)*]

4. Estimated Net Proceeds

Estimated net proceeds: [●]

5. [Fixed Rate Notes only – Yield:

Indication of yield: [●]

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

**6. [Floating Rate Notes only –
Historic Interest Rates:**

Details of historic [EURIBOR] rates can be obtained from [Reuters].]

7. Operational Information:

ISIN: [●]

Common Code: [●]

CFI: [Not Applicable][●] [As set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively, sourced from the responsible Nation Numbering Agency that assigned the ISIN]

FISN: [Not Applicable][●] [As set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively, sourced from the responsible Nation Numbering Agency that assigned the ISIN]

(If the CFI and/or FISN is not required, requested or available, it/they should be specified to be “Not Applicable”)

CUSIP:

[CINS:

Any clearing system(s) other than Euroclear Bank SA/NV, [Not Applicable/give name(s) and number(s)[and address(es)]]

Clearstream Banking, S.A. and The
Depository Trust Company and the
relevant identification number(s):

Delivery: Delivery [against/free of] payment

Name and address of additional [●]

Paying Agent(s) (if any):

Name and address of Registrars:

8. **Distribution:**

(i) Method of distribution: [Syndicated/Non-syndicated]

(ii) If syndicated:

(A) Names of Managers: [Not Applicable/*give names*]

(B) Stabilisation Manager(s) [Not Applicable/*give names*]
(if any):

(iii) If non-syndicated, name of Dealer: [Not Applicable/*give name*]

(iv) U.S. Selling Restrictions: [Reg. S Compliance Category 2], [Rule 144A]

GENERAL INFORMATION

- 1 It is expected that approval of the Programme in respect of the Notes will be granted on or before 16 September 2022 subject only to the issue of a temporary Global Note or Global Certificate (as applicable) in respect of each Tranche. Transactions will normally be effected for delivery on the third working day after the day of the transaction. However, Notes may be issued pursuant to the Programme which will not be listed on any stock exchange. The Listing Agent is not seeking admission to listing of the Notes on Euronext Dublin for the purposes of the Prospectus Regulation on its own behalf, but as agent on behalf of AIB.
- 2 The update of the Programme and the issue of Notes under the Programme have been authorised by a resolution of the Board of Directors of AIB passed on 23 June 2022.
- 3 There are no, and there have not been any, governmental, legal or arbitration actions, suits or proceedings (including any such proceedings which are pending or threatened of which AIB is aware) involving AIB or any of its subsidiaries during the 12 months preceding the date of this Base Prospectus, which may have, or have had in recent past significant effects on the financial position or profitability of AIB and/or the Group taken as a whole.
- 4 There has been no significant change in the financial performance of the Group since 30 June 2022 and there has been no material adverse change in the prospects of the Issuer since 31 December 2021.
- 5 The issue price and the amount of the relevant Notes will be determined before filing of the relevant Final Terms of each Tranche, based on then prevailing market conditions. AIB does not intend to provide any post-issuance information in relation to any issues of Notes.
- 6 Claims against the Issuer for payment in respect of the Notes shall be prescribed and become void unless made within six years from the date on which payment in respect of the principal or interest to which the claim relates was due.
- 7 The Notes have may be accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). In addition, the Issuer may make an application for any Restricted Notes to be accepted for trading in book-entry form by DTC. Acceptance by DTC of such Notes will be confirmed in the relevant Final Terms. The Common Code and ISIN, the Committee on the Uniform Security Identification Procedure (“CUSIP”) number, (and any other relevant identification number for any alternative clearing system) for each Series of Notes will be set out in the relevant Final Terms. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium, the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg, and the address of DTC is 55 Water Street, New York, New York 10041.
- 8 The legal entity identifier of AIB is 635400AKJBGNS5WNQL34.
- 9 Copies of the following documents (in physical form) will be available at the Issuer’s registered office from the date hereof for so long as the Programme remains in effect or any Notes remain outstanding at the London office of the Agent and the office of AIB specified at the end of this Base Prospectus and on the Issuer’s website at <https://aib.ie/investorrelations/debt-investor/unsecured-funding>:
 - (i) the Memorandum and Articles of Association of AIB;
 - (ii) the Indenture;
 - (iii) the annual financial report of AIB for the year ended 31 December 2021;
 - (iv) the annual financial report of AIB for the year ended 31 December 2020;
 - (v) each Final Terms for Notes which are listed on Euronext Dublin or any other stock exchange;

- (vi) a copy of this Base Prospectus together with any supplement to this Base Prospectus or further Base Prospectus; and
 - (vii) all reports, letters and other documents, balance sheets, valuations and statements by any expert any part of which is extracted or referred to in any supplement to this Base Prospectus or further Base Prospectus.
- 10** Deloitte Ireland LLP of Deloitte & Touche House, Earlsfort Terrace, Dublin 2 (a member of the Institute of Chartered Accountants in Ireland) have audited, without qualifications, the 2021 Financial Statements and the 2020 Financial Statements, in accordance with International Standards on Auditing (Ireland) and company law.
 - 11** Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking, commercial banking, hedging, monetary policy and or financing transactions with, and may perform services for the Issuer and/or the Issuer's affiliates and for clients in transactions which involve the Issuer and its affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer and/or the Issuer's affiliates routinely hedge their credit exposure to the Issuer and/or the Issuer's affiliates consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.
 - 12** The website of the Issuer is <https://aib.ie/investorrelations>. The information on the Issuer's website does not form part of this Base Prospectus, except where that information has been incorporated by reference into this Base Prospectus.
 - 13** This Prospectus is drawn up in the English language. In case there is any discrepancy between the English text and the French text, the English text stands approved for the purposes of approval under the Prospectus Regulation.

DEFINITIONS

The following definitions apply throughout this Base Prospectus unless the context requires otherwise.

| | |
|---------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2004 CBI Act | Central Bank and Financial Services Authority of Ireland Act 2004 |
| 2012 Relationship Framework | the relationship framework specified by the Minister for Finance in relation to the Issuer on 29 March 2012 |
| 2013 CBI Act | Central Bank (Supervision and Enforcement) Act 2013 |
| AIB | the Issuer together with its consolidated subsidiaries and subsidiary undertakings from time to time |
| AIB Bank | Allied Irish Banks, p.l.c. |
| AIB Group Irish Pension Scheme | the AIB Group Irish Pension Scheme, a defined benefit pension scheme operated by AIB in respect of its staff employed in Ireland |
| AIB UK | AIB Group (UK) p.l.c. |
| AIB Group UK Pension Scheme | the AIB Group UK Pension Scheme, a defined benefit pension scheme operated by AIB in respect of its staff employed in the United Kingdom |
| ALCo | Asset and Liability Committee |
| AML | anti-money laundering |
| AML Acts | the Criminal Justice (Money Laundering and Terrorist Financing) Acts of 2010, 2018 and 2021 |
| Articles | the articles of association of the Issuer, as contained in the Constitution, as amended from time to time |
| UK Authorities | HM Treasury, the Bank of England and the PRA |
| Bank of Ireland | The Governor and Company of the Bank of Ireland |
| Bank Resolution Act | Central Bank and Credit Institutions (Resolution) Act 2011 |
| Bank Secrecy Act | U.S. Bank Secrecy Act of 1970 (31 USC 5311 et seq) |
| Base Prospectus | this document |
| Board or Board of Directors | the board of directors of the Issuer |
| BRRD | Directive 2014/59 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended by Directive 2019/879 |
| Business Day | a day (excluding Saturdays, Sundays and public holidays) on which banks are generally open for business in Dublin and London |
| CCPC | Competition and Consumer Protection Commission of Ireland |
| Central Bank or CBI | Central Bank of Ireland |
| Central Bank Acts | Central Bank Acts 1942 to 2018 |
| Companies Act | Companies Act 2014 |

| | |
|----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Constitution | the constitution of AIB, incorporating the Memorandum of Association and the Articles |
| CPC | Consumer Protection Code 2012 |
| CRD | Directive 2013/36 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms: Capital adequacy legislation adopted by the EU and implemented by Member States which is designed to ensure the financial soundness of credit institutions and certain investment firms, as amended by Directive (EU) No. 2019/878 |
| CRD IV | CRD and CRR |
| CRO | Chief Risk Officer |
| CRR | Regulation 575/2013 on prudential requirements for credit institutions and investment firms as amended by Regulation (EU) No. 2019/876 and Regulation (EU) 2020/873 |
| CRR Amendment Regulation | Regulation (EU) No. 2020/873 as regards certain adjustments to Regulation (EU) No. 2019/876 in response to the COVID-19 pandemic |
| CRR II | Regulation (EU) 2019/876 |
| CSO | Central Statistics Office of Ireland |
| Dáil Éireann | the lower house of the Oireachtas (the Irish legislature) |
| Deloitte | Deloitte Ireland LLP of Deloitte & Touche House, Earlsfort Terrace, Dublin 2 |
| DGSD | Directive 2014/49/EU on deposit guarantee schemes |
| Directors | the Executive Directors and Non-Executive Directors of the Issuer |
| Dodd-Frank | Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 |
| EAD | Exposure at Default |
| EBA | the European Banking Authority |
| EBS | EBS d.a.c. (formerly EBS Limited and prior to that EBS Building Society), a company incorporated under the laws of Ireland (registered number 500748) and a wholly-owned subsidiary of the Issuer |
| ECB | the European Central Bank |
| ECB banking authorisation | means: <ul style="list-style-type: none"> (a) in the case of a licence granted under section 9 of the Central Bank Act 1971 prior to 4 November 2014 (including that issued to and held by AIB), such a licence which is deemed in accordance with the SSM Regulation to be an authorisation granted by the ECB under the SSM Regulation; or |

| | |
|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | (b) in any other case, an authorisation granted under the SSM Regulation on the application therefor under section 9 of the Central Bank Act 1971; |
| EC | the Commission of the EU (provided for under the provision of Title III of the Treaty on European Union), which operates as the executive body of the EU |
| EEA | European Economic Area, which consists of the Member States, Iceland, Liechtenstein and Norway |
| EL | Expected Loss |
| EU | the European Union |
| EU Prospectus Regulation | Regulation (EU) 2017/1129 |
| euro or € | the official currency of the Eurozone |
| Euroclear | Euroclear Bank S.A./N.V. |
| Euronext Dublin | Irish Stock Exchange plc, trading as Euronext Dublin |
| Eurozone | the eurozone consists of the following 19 EU countries that have adopted the euro as their common currency: Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Portugal, Slovakia, Slovenia and Spain. |
| Exchange Act | U.S. Exchange Act of 1934 |
| Executive Committee | the most senior executive committee of AIB, comprising twelve members, and is responsible for the day-to-day management of the Group's operations |
| Executive Directors | the executive directors of the Issuer |
| FCA | the UK Financial Conduct Authority |
| FSPO/Financial Services and Pensions Ombudsman | Financial Services Ombudsman established under the Financial Services and Pensions Ombudsman Act 2017 |
| Fitch | Fitch Ratings Ireland Limited |
| FRB | Federal Reserve Board |
| FSG | Financial Solutions Group |
| FSMA | the UK Financial Services and Markets Act 2000 |
| GDP | gross domestic product |
| GDPR | Regulation 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data |
| General Bail-In Tool | the power, provided by the BRRD to resolution authorities in circumstances where the credit institution is failing or likely to fail, to write down the claims of unsecured creditors of an institution and convert debt to equity or other instruments of ownership, with, in broad terms, the first losses being taken by shareholders and thereafter by subordinated creditors and then senior creditors, with the objective of recapitalising an institution |

| | |
|---------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Government or Irish Government Group | the Government of Ireland AIB Group plc and its subsidiaries (including Allied Irish Banks, p.l.c.) |
| Haven | Haven Mortgages Limited |
| HBFI | Home Building Finance Ireland, set up by the Government to fund the delivery of new homes |
| High Court | the High Court of Ireland |
| IBA | U.S. International Banking Act of 1978 |
| iBB | iBusiness Banking, an online service optimised for AIB's business and corporate customers |
| IFRS | the International Financial Reporting Standards, as adopted by the EU |
| IMF | the International Monetary Fund |
| IRB | Internal Ratings Based – the Basel II method of calculating regulatory capital |
| Ireland | the Republic of Ireland, and the word “Irish” shall be construed accordingly |
| Irish Life & Permanent | former name of permanent tsb |
| Irish Stock Exchange or ISE | the Irish Stock Exchange plc, trading as Euronext Dublin |
| ISIF | the Ireland Strategic Investment Fund, a statutory fund owned by the Minister for Finance and managed and controlled, pursuant to directions in writing given to the NTMA by the Minister for Finance from time to time, by the NTMA, which was established under the NTMA 2014 Act and has a mandate to support economic activity and employment in Ireland |
| ISIN | international securities identification number |
| IT | information technology |
| LCR | Liquidity Coverage Ratio – the ratio of the stock of high quality liquid assets to expected net cash outflows over the next 30 days under a stress scenario. CRD IV requires that this ratio exceed 60 per cent. on 1 January 2015 and 100 per cent. on 1 January 2018. |
| LGD | Loss given Default |
| London Stock Exchange | London Stock Exchange plc |
| MAR | Market Abuse Regulation (Regulation (EU) No 596/2014) |
| Member States | member states of the EU |
| Memorandum of Association | the memorandum of association of the Issuer, as amended from time to time |
| MiFID II | Directive 2014/65 on markets in financial instruments |
| Minister for Finance or Minister | the Minister for Finance of Ireland |
| Moody's | Moody's Investor Service Limited |

| | |
|----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Non-Executive Directors | the non-executive directors of the Issuer |
| NTMA | the National Treasury Management Agency |
| NTMA 2014 Act | the National Treasury Management Agency (Amendment) Act 2014 |
| OECD | the Organisation for Economic Co-operation and Development |
| OFAC | Office of Foreign Assets Control |
| Oireachtas (the Irish legislature) | means the national parliament of Ireland, consisting of the President of Ireland, Dáil Éireann and Seanad Éireann |
| O-SII | Other Systemically Important Institutions |
| PD | Probability of Default |
| permanent tsb | Permanent TSB p.l.c., formerly Irish Life & Permanent |
| Personal Insolvency Act | Personal Insolvency Act 2012 |
| PRA | UK Prudential Regulation Authority |
| PRIIPs Regulation | Regulation 1286/2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs) |
| QIBs | persons who are “qualified institutional buyers” as defined in Rule 144A |
| Regulation S | Regulation S under the Securities Act |
| regulated financial services provider | has the meaning given by section 2(1) of the Central Bank Act 1942 “(a) a financial services provider whose business is subject to regulation by the Bank under this Act or under a designated enactment or a designated statutory instrument, or (b) a financial service provider whose business is subject to regulation by an authority that performs functions in an EEA country that are comparable to the functions performed by the Bank under this Act or under a designated enactment or designated statutory instrument, or (bb) a financial service provider whose business is subject to supervision by the ECB under a designated enactment |
| Relationship Framework | the relationship framework specified by the Minister for Finance in relation to the Issuer on 12 June 2017 amending and restating the 2012 Relationship Framework |
| Relevant Banking Regulator | is a reference to: <ul style="list-style-type: none"> (a) subject to paragraph (b) below, the Central Bank; and (b) the ECB, but only to the extent that the reference is in respect of functions conferred on the ECB by the SSM Regulation and the SSM Framework Regulation |
| Resolution Tools | the power, provided by the BRRD to resolution authorities in circumstances where the credit institution is failing or likely to fail, to (i) transfer to an investor, shares, other instruments of ownership and/or all specified assets, rights or liabilities of the failing institution; (ii) transfer all or specified assets, rights or |

| | |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | liabilities of the failing institution to a bridge institution which is wholly or partially owned by public authorities; (iii) transfer assets, rights or liabilities to a legal entity which is wholly owned by public authorities for the purpose of sale or otherwise ensuring that the business is wound down in an orderly manner, to be applied in conjunction with another resolution tool; or (iv) write down the claims of unsecured creditors of an institution and convert debt to equity or other instruments of ownership, with, in broad terms, the first losses being taken by shareholders and thereafter by subordinated creditors and then senior creditors, with the objective of recapitalising an institution |
| Revenue Commissioners | the office of the Revenue Commissioners of Ireland |
| Risk Committee | the risk committee of the Board of Directors |
| Rule 144A | Rule 144A under the Securities Act |
| SBCI | Strategic Business Corporation of Ireland |
| Seanad Éireann | the upper house of the Oireachtas (the Irish legislature) |
| Securities Act | U.S. Securities Act of 1933 |
| Senior Executives | senior managers within the meaning of paragraph 14.1(d) of Annex I of the EU Prospectus Regulation |
| SME | small- and medium-sized enterprises |
| SME Regulations | the Central Bank (Supervision and Enforcement) Act 2013 (Section 48) (Lending to Small and Medium-Sized Enterprises) Regulations 2015 |
| SRB | a single resolution board under the SRM |
| SREP | Supervisory Review and Evaluation Process |
| SRM | Single Resolution Mechanism – a framework for the orderly resolution of failing banks with minimal costs for tax payers. The SRM applies to banks covered by the SSM |
| SRM Regulation | Regulation 806/2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund as amended by Regulation (EU) No. 2019/677 |
| SSM | Single Supervisory Mechanism – a system of financial supervision comprising the ECB and the national competent authorities of participating EU countries which in Ireland is the Central Bank. The main aims of the SSM are to ensure the safety and soundness of the European banking system and to increase financial integration and stability in Europe |
| SSM Framework Regulation | Regulation 468/2014 of the European Central Bank establishing the framework for cooperation within the SSM between the European Central Bank and national competent authorities and with national designated authorities |

| | |
|-------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SSM Regulation | Council Regulation 1024/2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions |
| State | the Republic of Ireland |
| S&P | S&P Global Ratings Europe Limited |
| SVR | Standard Variable Interest Rate |
| TLAC | total loss-absorbing capacity |
| TLTRO | Targeted longer-term financing operations |
| Tracker Mortgage Examination | the Central Bank’s examination of tracker mortgage related issues across Irish lenders (including AIB and Irish subsidiaries of AIB), the commencement of which was announced by the Central Bank in October 2015 |
| UK Code | the UK Corporate Governance Code published by the Financial Reporting Council and dated September 2014, as amended from time to time |
| UK Government | the Government of the United Kingdom of Great Britain and Northern Ireland |
| United Kingdom or UK | the United Kingdom of Great Britain and Northern Ireland |
| United States or U.S. | the United States of America, its territories and possessions, any State of the United States of America, and the District of Columbia |
| VAT | Value added tax – within the EU, such taxation as may be levied in accordance with Directive 2006/112 on the common system of value added tax and, outside the EU, any similar taxation levied by reference to added value or sales |
| Volcker Rule | final rules implementing Section 619 of Dodd-Frank |
| Write-Down Tool | in relation to the BRRD and the SRM Regulation, a statutory write-down and conversion power which gives the resolution authority the power to write down or to convert into equity the Issuer’s capital instruments if certain conditions are met |

A reference to (i) any enactment, statute, act, statutory instrument, regulation, order, decree, regulatory notice, code of conduct, directions or other legislative measure under the laws of Ireland or the laws of any other jurisdiction, (ii) an EU directive, EU regulation or any other legislative measure made under EU law or applying in respect of the EEA, (iii) any treaty, international agreement or other international legal act whether between Member States of the EU; the EEA or otherwise, or (iv) a provision of any of the foregoing measures referred to at or contemplated by (i) to (iii) above (in this paragraph, a (“Legal Measure”) is to that Legal Measure as extended, amended or replaced as of the date of this Base Prospectus or to any other date indicated and includes any other Legal Measure that is to be read as one therewith.

GLOSSARY OF TECHNICAL TERMS

The following explanations are not intended as technical definitions but, rather, are intended to assist the reader in understanding terms used in this Base Prospectus:

| | |
|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ALCo | Asset and Liability Committee |
| Arrears | arrears relates to any interest or principal on a loan which was due for payment, but where payment has not been received. Customers are said to be in arrears when they are behind in fulfilling their obligations with the result that an outstanding loan is unpaid or overdue |
| ATM | automated teller machine |
| Banking book | a regulatory classification to support the regulatory capital treatment that applies to all exposures which are not in the trading book. Banking book positions tend to be structural in nature and, typically, arise as a consequence of the size and composition of a bank's balance sheet. Examples include the need to manage the interest rate risk on fixed rate mortgages or rate insensitive current account balances. The banking book portfolio will also include all transactions/positions which are accounted for on an interest accruals basis or, in the case of financial instruments, on an available for sale or hold to maturity basis |
| Basel Accords | The three series of banking regulations (Basel I, Basel II and Basel III) set by the Basel Committee on Bank Supervision (BCBS), which provides recommendations on banking regulations in regards to capital risk, market risk and operational risk |
| Basel II | the second of the Basel Accords; an international business standard that requires financial institutions to maintain enough cash reserves to cover risks incurred by operations |
| Basel III | the third of the Basel Accords; an international business standard that requires financial institutions to maintain enough cash reserves to cover risks incurred by operations |
| basis point | 0.01 per cent., so 100 basis points is 1 per cent. Used in quoting movements in interest rates or yields on securities |
| basis risk | a type of market risk that refers to the possibility that the change in the price of an instrument (e.g., asset, liability, derivative, etc.) may not match the change in price of the associated hedge, resulting in losses arising in the Group's portfolio of financial instruments |
| Buy-to-let | a residential mortgage loan approved for the purpose of purchasing a residential investment property to rent out |
| CET1 | common equity tier 1 for the purposes of the CRD |

| | |
|-----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| CET1 ratio | a measurement of a bank's core equity capital compared with its total risk-weighted assets |
| Core Tier 1 Capital | called-up share capital, share premium and eligible reserves plus equity non-controlling interests, less goodwill, intangible assets and supervisory deductions as specified by the Central Bank (this concept has been replaced by CET1 under CRD IV) |
| Credit risk | the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation |
| Criticised loans | loans requiring additional management attention over and above that normally required for the loan type |
| Customer accounts | a liability of the Group where the counterparty to the financial contract is typically a personal customer, a corporation (other than a financial institution) or the government. This caption includes various types of deposits and credit current accounts, all of which are unsecured |
| Debt securities | assets on the Group's balance sheet representing certificates of indebtedness of credit institutions, public bodies and other undertakings |
| Debt securities in issue | liabilities of the Group which are represented by transferable certificates of indebtedness of the Group to the bearer of the certificates |
| Default | when a customer breaches a term and/or condition of a loan agreement, a loan is deemed to be in default for case management purposes. Depending on the materiality of the default, if left unmanaged, it can lead to loan impairment. default is also used in a Basel II context when a loan is either 91+ days past due or impaired, and may require additional capital to be set aside |
| Deposit Guarantee Scheme | a statutory deposit protection scheme, established in 2016, requiring credit institutions to pay an annual contribution calculated based on their covered deposits and degree of risk |
| Economic capital | the amount of capital which the Group needs to protect against extreme losses from a material risk it is running (e.g., Credit risk, market risk). It is based on internally developed calculation methodologies and estimates, as opposed to regulatory capital, which uses a methodology determined by the Basel Accords and imposed by the Relevant Banking Regulator |
| EL | expected loss – the loss that can be incurred as a result of lending to a borrower that may default. It is the average expected loss in value over a specified period |
| Exposure at default or EAD | exposure at default is the expected or actual amount of exposure to the borrower at the time of default |

| | |
|------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FinTech | Technologies used to support or enable banking and financial services |
| Forbearance | forbearance is the term that is used when repayment terms of a loan contract have been renegotiated in order to make repayment terms more manageable for borrowers. Forbearance techniques have the common characteristic of rescheduling principal or interest repayments, rather than reducing them. Standard forbearance techniques employed by the Group include: (i) interest only, (ii) a reduction in the payment amount, (iii) a temporary deferral of payment (a moratorium), (iv) extending the term of the mortgage and (v) capitalising Arrears amounts and related interest |
| FTE | full-time equivalent in relation to employee status |
| Guarantee | an undertaking by the Group/other party to pay a creditor should a debtor fail to do so |
| IRBA | the Internal Ratings Based Approach allows banks, subject to regulatory approval, to use their own estimates of certain risk components to derive regulatory capital requirements for Credit risk across different asset classes. The relevant risk components are: (i) PD (ii) LGD and (iii) EAD |
| IRS | Internal Revenue Service of the United States |
| ISDA | International Swaps and Derivatives Association |
| Leverage ratio | to prevent an excessive build-up of leverage on institutions' balance sheets, Basel III introduces a non-risk-based leverage ratio to supplement the risk-based capital framework of Basel II. It is defined as the ratio of Tier 1 capital to total exposures. Total exposures include on-balance sheet items, off-balance sheet items and derivatives, and should generally follow the accounting measure of exposure |
| LGD | the expected or actual loss in the event of default, expressed as a percentage of "Exposure at default" |
| Liquidity risk | the risk that the Group does not have sufficient financial resources to meet its obligations as they fall due, or will have to do so at an excessive cost. This risk arises from mismatches in the timing of cash flows |
| Loan to deposit ratio | this is the ratio of loans and receivables compared to Customer accounts as presented in the statement of financial position |
| LTI | Loan-to-income ratio, calculated as the total loans to income |
| LTV | Loan-to-value, an arithmetic calculation that expresses the amount of the loan as a percentage of the value of security/collateral. A high LTV indicates that there is less of a cushion to protect the lender against collateral price decreases or increases in the loan-carrying amount if repayments are not made and interest is capitalised onto the outstanding loan balance |

| | |
|-----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| MREL | minimum requirement for own funds and eligible liabilities. |
| Net interest income | the amount of interest received or receivable on assets net of interest paid or payable on liabilities |
| Net interest margin or NIM | net interest margin is a measure of the difference between the interest income generated on average interest-earning financial assets (lendings) and the amount of interest paid on average interest-bearing financial liabilities (borrowings) relative to the amount of interest-earning assets |
| Operational Risk | the risk arising from inadequate or failed internal processes, people and systems, or from external events. This includes legal risk – the potential for loss arising from the uncertainty of legal proceedings and potential legal proceedings, but excludes strategic and reputational risk |
| PD | probability of Default, the likelihood that a borrower will Default on an obligation to repay. |
| PDH | principal dwelling homes |
| PPI | payment protection insurance |
| Relevant Territory | a territory that has signed a double taxation agreement with Ireland |
| Repo | repurchase agreement – a short-term funding agreement that allows a borrower to create a collateralised loan by selling a financial asset to a lender. As part of the agreement, the borrower commits to repurchase the security at a date in the future repaying the proceeds of the loan. For the counterparty to the transaction, it is termed a reverse repurchase agreement or a reverse repo |
| Securitisation | securitisation is the process of aggregation and repackaging of non-tradable financial instruments such as loans and receivables, or company cash flow, into securities that can be issued and traded in the capital markets |
| SEPA | Single European Payments Area, the EU payments integration initiative's single payment market |
| Single Resolution Fund | The Single Resolution Fund is established by the SRM Regulation, and is composed of contributions from credit institutions and certain investment firms in the 19 participating Member States within the Banking Union. Where necessary, the SRF may be used to ensure the efficient application of resolution tools and the exercise of the resolution powers conferred to the SRB by the SRM Regulation |
| SLO | Subordinated liabilities order on 14 April 2011, following an application by the Minister for Finance under Section 29 of the Credit Institutions (Stabilisation) Act 2010, the High Court issued a SLO in relation to all outstanding subordinated liabilities and other capital instruments, with the consent of AIB. |

The High Court declared the SLO effective as of 22 April 2011. The effect of the SLO was to amend the terms of certain subordinated liabilities and other capital instruments

Tier 1 capital

a measure of a bank's financial strength defined by the Basel Accords. It captures Core Tier 1 Capital plus other tier 1 securities in issue, but is subject to deductions relating to the excess of EL on the IRBA portfolios over the IFRS provision on the IRBA portfolios, Securitisation positions and material holdings in financial companies

Tier 2 capital

broadly includes qualifying subordinated debt and other tier 2 securities in issue, eligible collective impairment provisions, unrealised available for sale equity gains and revaluation reserves. It is subject to deductions relating to the excess of EL on the IRBA portfolios over the accounting impairment provisions on the IRBA portfolios, Securitisation positions and material holdings in financial companies

Tracker mortgage

a mortgage with a variable interest rate which tracks the ECB rate, at an agreed margin above the ECB rate and will increase or decrease within five days of an ECB rate movement

DEALERS

Barclays Capital Inc.
745 7th Avenue
New York, NY 10019
United States

BofA Securities, Inc.
One Bryant Park
New York, NY 10036
United States

Goldman Sachs & Co. LLC
200 West Street, 29th Floor
New York, NY 10282
United States

HSBC Securities (USA) Inc.
452 Fifth Avenue
New York, NY 10018
United States

TD Securities (USA) LLC
1 Vanderbilt Ave, 11th Floor
New York, NY 10017
United States

BNP Paribas Securities Corp.
787 7th Avenue
New York, NY 10019
United States

Citigroup Global Markets Inc.
388 Greenwich Street
New York, NY 10013
United States

Goodbody Stockbrokers UC
Ballsbridge Park
Ballsbridge
Dublin 4
Ireland

Morgan Stanley & Co. LLC
1585 Broadway, 29 Floor
New York, NY 10036
United States

UBS Securities LLC
1285 Avenue of the Americas
New York, NY 10019
United States

Wells Fargo Securities, LLC
550 S. Tryon Street, 5th Floor
Charlotte, NC 28202
United States

ARRANGER AND DEALER

J.P. Morgan Securities LLC
383 Madison Avenue
New York, NY 10179
United States

REGISTERED OFFICE OF AIB

AIB Group plc
10 Molesworth Street
Dublin 2
Republic of Ireland

TRUSTEE

BNY Mellon Corporate Trustee Services Limited
One Canada Square
Canary Wharf
London E14 5AL
United Kingdom

REGISTRAR

The Bank of New York Mellon SA/NV, Luxembourg Branch

2-4 Rue Eugene Ruppert
Vertigo Building – Polaris
Luxembourg, 2453
Luxembourg

ISSUING AND PAYING AGENT

The Bank of New York Mellon, London Branch

160 Queen Victoria Street
London EC4V 4LA
United Kingdom

NEW YORK PAYING AGENT

The Bank of New York Mellon

Barclay Street, 7 Floor
New York, NY 10286
United States

LEGAL ADVISERS

to AIB

(as to U.S. law)

Linklaters LLP

One Silk Street
London EC2Y 8HQ
United Kingdom

(as to Irish law)

A&L Goodbody LLP

3 Dublin Landings
North Wall Quay
Dublin 1
Republic of Ireland

to the Dealers

(as to U.S. law)

Allen & Overy LLP

One Bishops Square
London E1 6AD
United Kingdom

(as to Irish law)

Matheson LLP

70 Sir John Rogerson's Quay
Dublin 2
Republic of Ireland

AUDITORS OF AIB

Deloitte Ireland LLP

Deloitte & Touche House
Earlsfort Terrace
Dublin 2
Republic of Ireland

LISTING AGENT

A&L Listing Limited

3 Dublin Landings
North Wall Quay
Dublin 1
Republic of Ireland