BACKING OUR CUSTOMERS

ANNUAL FINANCIAL RESULTS

for the financial year ended
31 December 2022

AIB Group plc

Forward looking statement

This document contains certain forward looking statements with respect to the financial condition, results of operations and business of AIB Group and certain of the plans and objectives of the Group. These forward looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward looking statements sometimes use words such as ‘aim’, ‘anticipate’, ‘target’, ‘expect’, ‘estimate’, ‘intend’, ‘plan’, ‘goal’, ‘believe’, ‘may’, ‘could’, ‘will’, ‘seek’, ‘continue’, ‘should’, ‘assume’, or other words of similar meaning. Examples of forward looking statements include, among others, statements regarding the Group’s future financial position, capital structure, Government shareholding in the Group, income growth, loan losses, business strategy, projected costs, capital ratios, estimates of capital expenditures, and plans and objectives for future operations. Because such statements are inherently subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward looking information. By their nature, forward looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward looking statements. These are set out in the Principal risks on pages 23 to 25 in the 2022 Annual Financial Report. In addition to matters relating to the Group’s business, future performance will be impacted by the Group's ability along with governments and other stakeholders to measure, manage and mitigate the impacts of climate change effectively, the impact of higher inflation on customer sentiment and by Irish, UK and wider European and global economic and financial market considerations. Future performance will further be impacted by the direct and indirect consequences of the Russia-Ukraine war on European and global macroeconomic conditions and any enduring effects of the COVID-19 pandemic. Any forward looking statements made by or on behalf of the Group speak only as of the date they are made. The Group cautions that the list of important factors on pages 23 to 25 of the 2022 Annual Financial Report is not exhaustive. Investors and others should carefully consider the foregoing factors and other uncertainties and events when making an investment decision based on any forward looking statement.

Figures presented in the presentation may be subject to rounding and thereby may differ to the Annual Financial Report 2022.

2022 Highlights

Ireland to remain on course as a growth economy

- Domestic Irish economic growth of 8% in 2022, slower but positive growth expected in 2023 and 2024
- New lending up 22% to €12.6bn, strong H2, up 33% versus H1

Strong profitability and increased distributions

- PAT: €765m driven by momentum in income
- 79% increase in proposed ordinary distributions to €381m; 50% payout[(1)] up from 40% in 2021
  - €166m cash dividend (6.2c per share) & €215m share buyback approved with discussions on directed buyback underway

Balance sheet strength and resilience

- Growing loan book prudently with conservative approach to provisioning; NPE reduction to 3.5% of gross loans
- 16.3% CET1[(2)] and strong funding to support the economy and our customers

Transforming the Group to deliver our strategy and medium-term targets

- Enhanced product suite, increased digitalisation, inorganic initiatives and customer growth; >450k new accounts
- Significant progress made on cost-savings programme with €100m annualised cost savings delivered

Sustainability leader

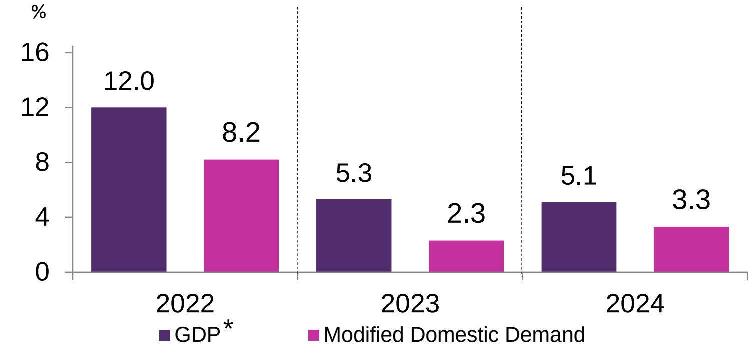
- €3.3bn green lending, 26% of total new lending; issued inaugural social bond (€1bn) and two green bonds (€1.5bn)
- Sustainalytics: 2023 industry and region top rated awards; S&P Global Sustainability Yearbook inclusion for 2023 and 2022[(3)]

(1) Of attributable earnings: PAT - AT1 coupon adjusted for DTA utilisation; Total dividend amount is based on the aggregate number of shares currently outstanding; Dec 22 shares in issue: 2,673,428,473
(2) Proforma CET1 15.9% reflects -40bps impact of share buyback
(3) ESG ratings at www.sustainalytics.com/esg-rating/aib-group-plc/1008203121

Open and resilient Irish economy

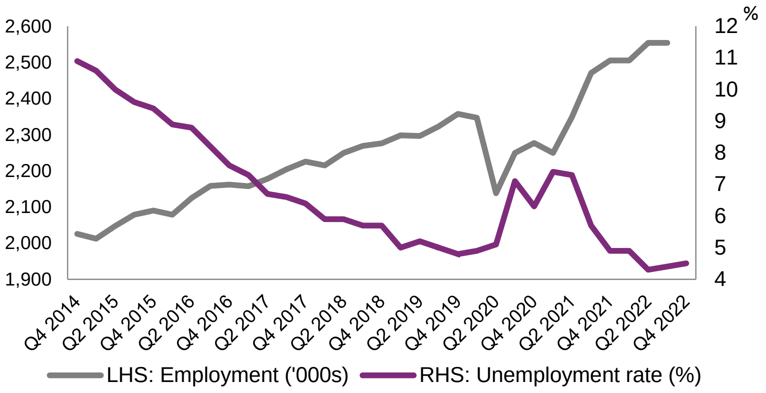
Solid Irish economic growth still expected despite headwinds

Good growth forecast for 2023-24 despite headwinds



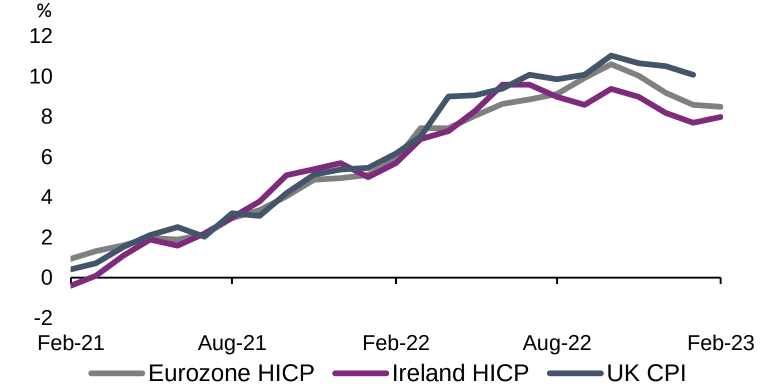
Source: CBI 'Quarterly Bulletin Q4 2022'

Employment levels rise while unemployment remains low



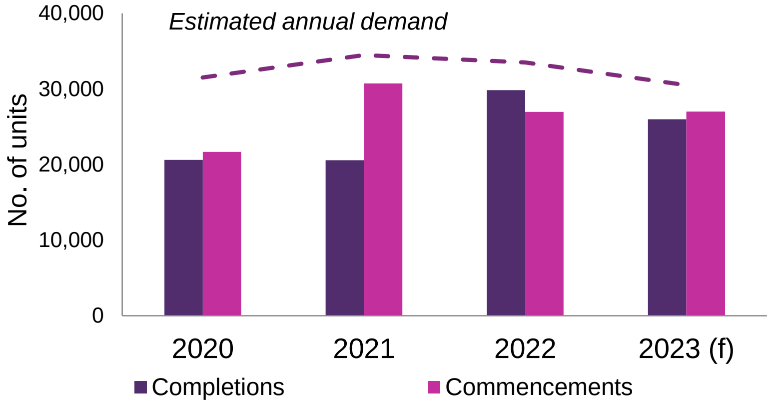
Source: CSO

Irish inflation starts to decline



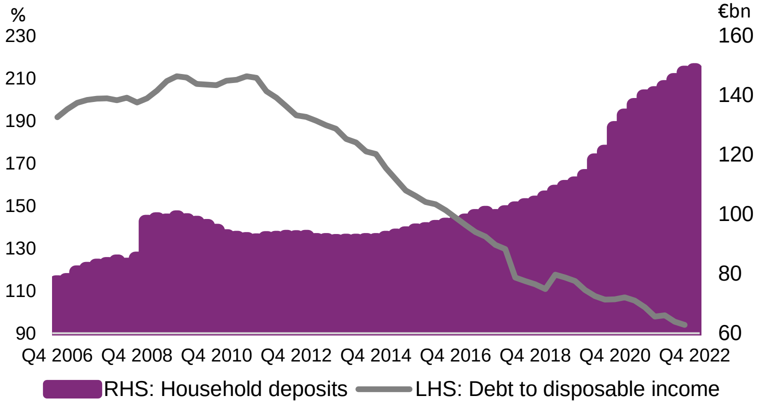
Source: CSO, ONS, EuroStat

Completions rise sharply in 2022



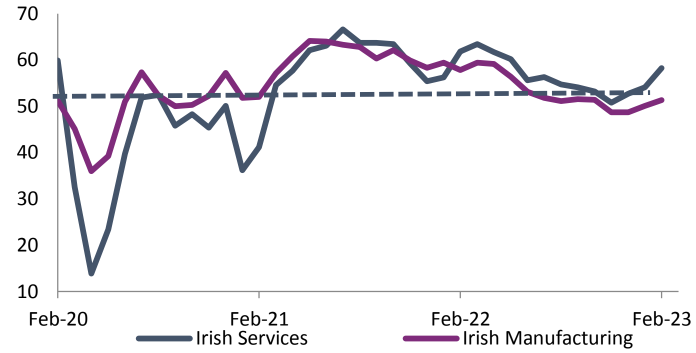
Source: CSO, Dept. of Housing, AIB ERU

Household deposits remain elevated, indebtedness falls



Source: CSO, Central Bank, AIB ERU

PMIs show some improvement recently



Source: S&P Global via Refinitiv Datastream

** GDP can be distorted due to the impact of multi-national sector in Ireland.*

Delivering on our strategy and adapting to changed environment

Entering final year of Strategy 2023

Significant progress made in 2021 and 2022 with positive momentum going into 2023

Medium-term targets

2022 strategic progress

- ✓ Legacy items
- ✓ Cost-savings programme
- ✓ Customer product gaps
- ✓ Organic growth
- ✓ Inorganic initiatives
- ✓ Customer recruitment

Underpinned by modern technology & guided by Sustainability agenda

2 Dec 2020

Three year plan to accelerate strategy through transformation

2 Dec 2022

Revised medium-term targets in light of changed operating environment

End 2023

Reshaped business delivering sustainable returns

RoTE(1)
>13%
in 2024

CET1(2)
>13.5%

Cost(3)
<€1.75bn
in 2024
with CIR c.50%

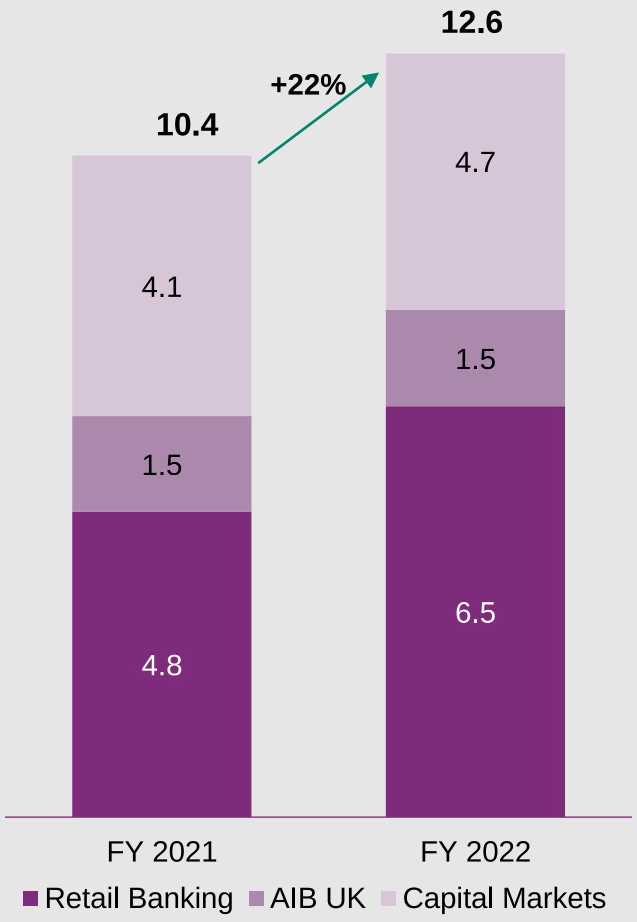
1) RoTE: (PAT - AT1) / (CET1 @ 13.5% of RWAs)
2) Fully loaded
3) Costs before bank levies and regulatory fees and exceptional items; CIR: Cost income ratio

Organic growth - new lending of €12.6bn

22% increase in new lending; leading market shares

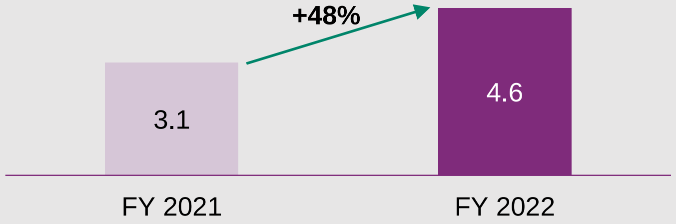
ROI driving strong new lending growth

Drawdowns (€bn)

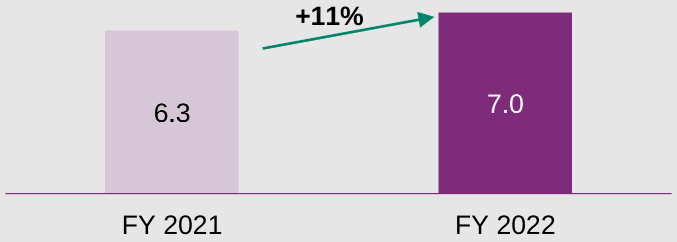


€12.6bn new lending of which €3.3bn is green lending

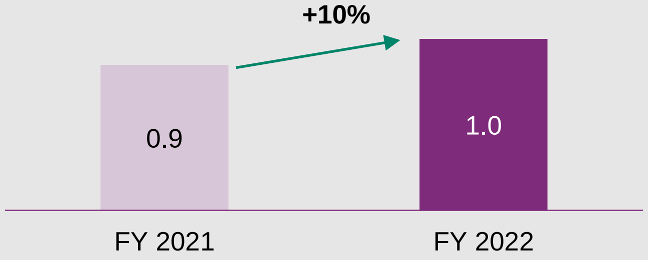
Mortgages (€bn)



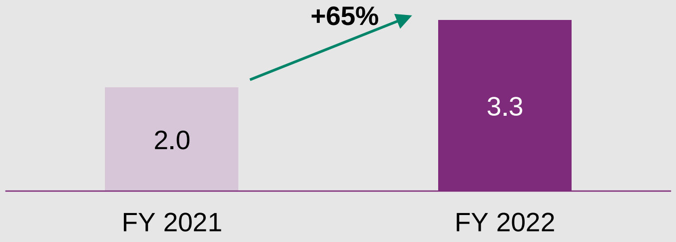
Property / Corporate & SME(1) (€bn)



Personal lending (€bn)

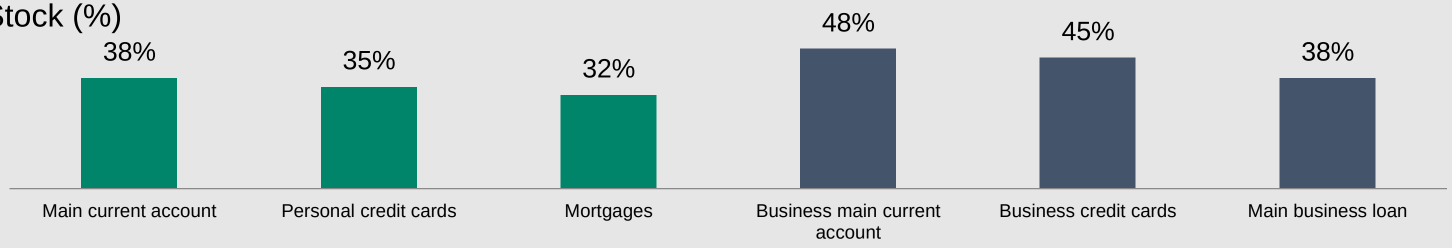


Green lending (€bn)



Leading market shares in key segments

Stock (%)



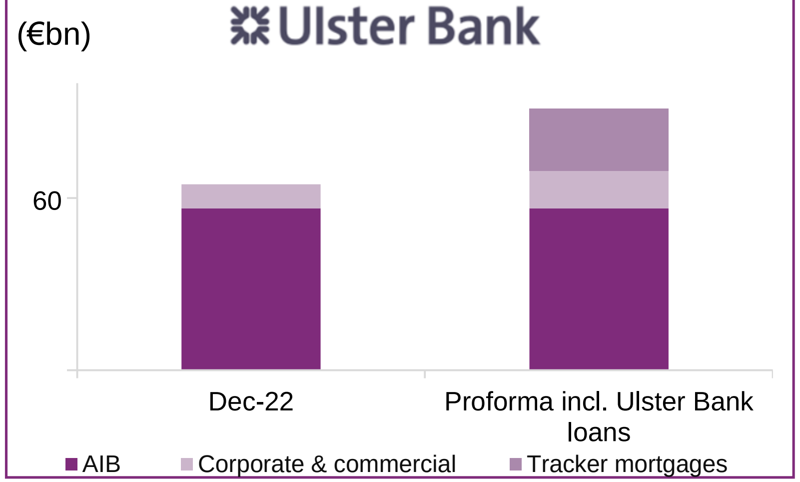
Mortgage new lending flow based on BPFI industry drawdown data to end Dec 2022
Source: Ipsos MRBI Personal Finance Market Pulse 2022; IPSOS MRBI SMEs Market Monitor on behalf of AIB.

(1) Property lending €2.7bn (2021: €1.8bn); Corporate & SME lending €4.3bn (2021: €4.5bn)

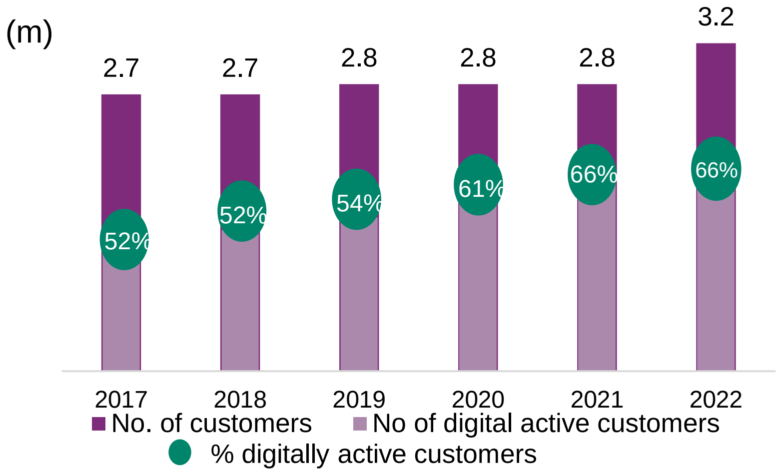
Maximising the opportunity of changing banking landscape

Growing customer numbers with increased digital adoption

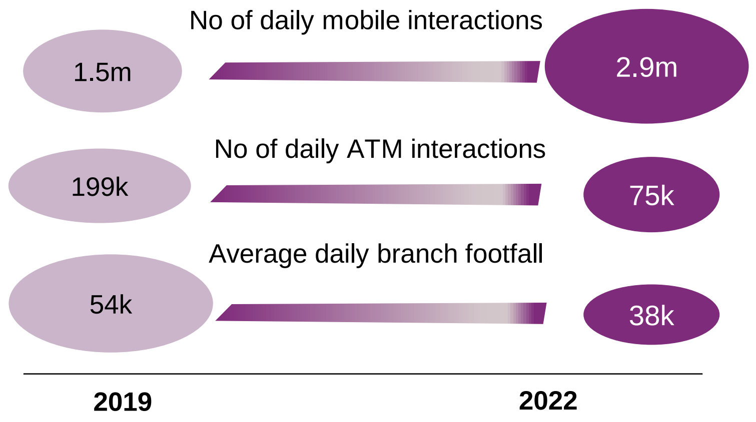
Earnings accretive loan book acquisitions



Customer base in excess of 3 million



Change in customer behaviour shifting to digital



Ulster Bank loan book acquisitions

Corporate & commercial loans

- €2.1bn fully migrated at Dec 2022
- Further €1.2bn to migrate by H1 2023
- Positions AIB as #1 corporate bank in Ireland

Tracker mortgages[(1)]

- CCPC approval received in Jan 2023
- Migration to largely complete in H1 2023
- Confirms AIB as #1 mortgage provider in Ireland

Growing customer numbers

- 49% share of new account openings[(2)]:
  - 46% of current accounts
  - 56% of deposit accounts
- c. 900k[(3)] retail accounts to relocate
- c. 450k accounts opened in 2022, up 76%
  - > 50% opened via a digital channel

Leading digital solutions

- 77% of our personal customers are digitally active
- 14% increase in daily average usage of the AIB mobile app versus 2021
- 83% increase in number of mobile digital wallet transactions versus 2021
- 79% of key products sold digitally

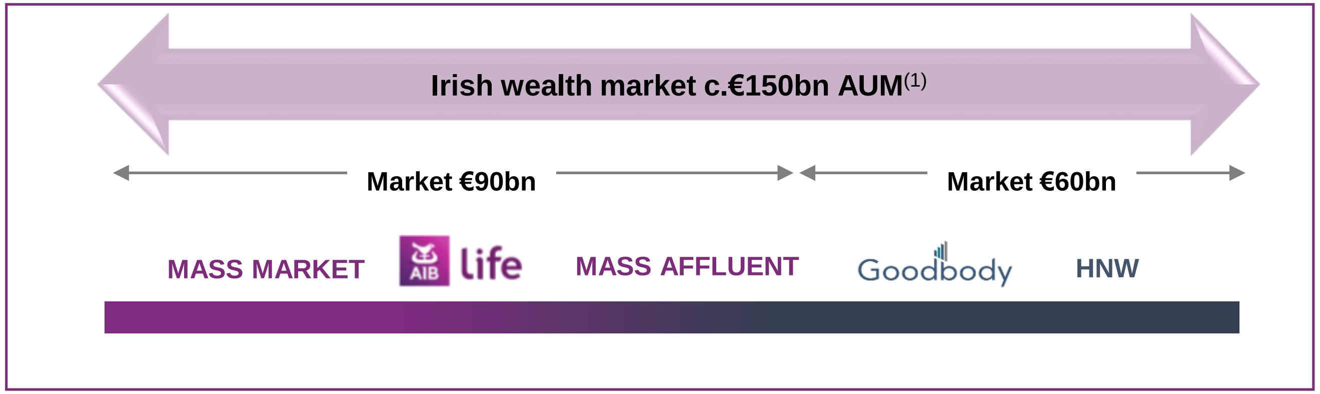
(1) As at Dec 2022 the eligible portfolio of loans subject to the agreement were €5.4bn. Additional movements are anticipated in the portfolio up to completion
(2) New accounts opened across the three main Irish retail banks
(3) 900,000 retail accounts are forecasted to move from the withdrawing banks between April 2022 and April 2023; Source: CBI Dear CEO letter 27 April 2022

Opportunity to meet customer needs and build diversified revenues

Unique proposition in underserved market

AIB now ready to offer enhanced proposition to AIB customers in the Irish market which is generally recognised as being under-insured, under-pensioned & under-invested

Significant opportunity in the mass market and mass affluent arena



Bespoke advisory high net worth offering

- JV with Great-West Lifeco now operational, trading as AIB life, following receipt of regulatory approvals and licence
- AIB life moves AIB beyond a distributor model, focussing on the mass market and mass affluent segments with enhanced growth and earnings potential
- Will provide for customers' financial needs across protection, savings, investments and pensions with a range of customer solutions delivered through a competitive, transparent digitally-enabled product suite and an increased national financial planning advisor network
- Strong strategic alliance leveraging Great-West Lifeco experience with AIB's customer franchise and digital capability to deliver an innovative and distinctive consumer offering
- Initial launch to AIB customer base expected in Q2 2023 with gradual enhancements to the digital proposition over time
- Distribution income to AIB from day one, with profit expected from Year 5 (2027) onwards which will grow to a meaningful contribution over time

(1) AIB estimate based on market research

Strong delivery across the ESG agenda

Proven multi-annual track record of delivery against ambitious sustainability strategy and targets

	Focus area	2022 Progress
E	**€10bn green lending by 2023**	€7.9bn green lending since 2019, strong growth across renewables and energy efficient buildings
	70% of new lending to be green / transition by 2030	26% of new lending green in FY22 (up from 19% in 2021)
	Net Zero ambition for customer portfolio lending by 2040 (Agri 2050)	Set financed emissions targets for 75% of our loan book, increasing from 63% in 2021
	Reduction in emissions from own operations	Corporate power purchase agreement (CPPA) with NTR plc
	Leading Irish bank in green bond issuance	€1.5bn raised from green bonds in 2022; €3.25bn raised in total over 4 issuances c. €4.7bn eligible assets
S	**€800m in funding to support social housing by 2024**	€437m funding provided to date
	Leading Irish bank in social bond issuance	€1bn inaugural social bond; first Irish bank to issue social bond €2.3bn eligible assets
G	**Improved ESG ratings**	Sustainalytics: 2023 industry and region top rated awards S&P Global Sustainability Yearbook inclusion for 2023 and 2022
	Sustainable financial markets	Goodbody now a member of Sustainable Trading, an ESG benchmark in financial markets trading and has established an ESG corporate advisory service

#1 Sustainable Irish bank

Sustainalytics 2023 industry and region top rated awards
S&P Global Sustainability Yearbook inclusion

ESG INDUSTRY TOP RATED

ESG REGIONAL TOP RATED

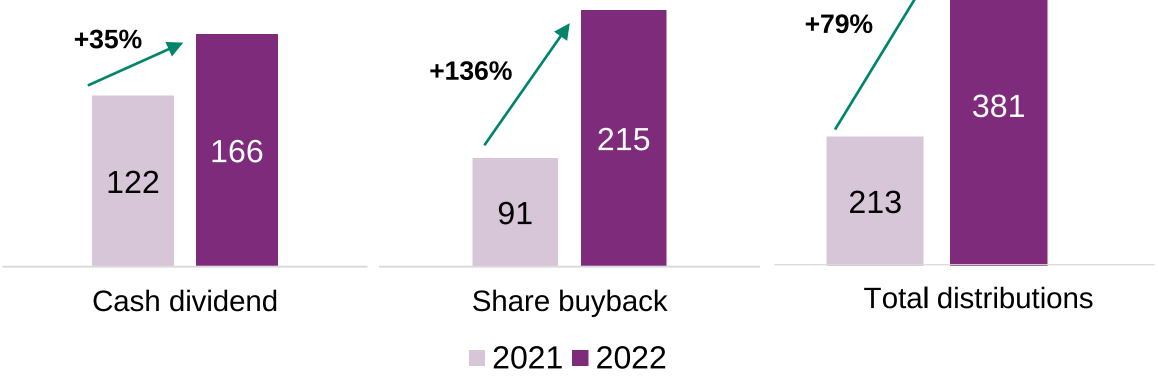
Leading Irish bank in ESG bonds
€5bn ESG bonds issued to date including €750m Jan 2023 social bond

First Irish corporate to complete a CPPA
Providing up to 80% of AIB's energy requirements from solar farms

Growing shareholders return

79% increase in proposed 2022 distributions and increasing free-float

Increasing distributions to shareholders
(€m)



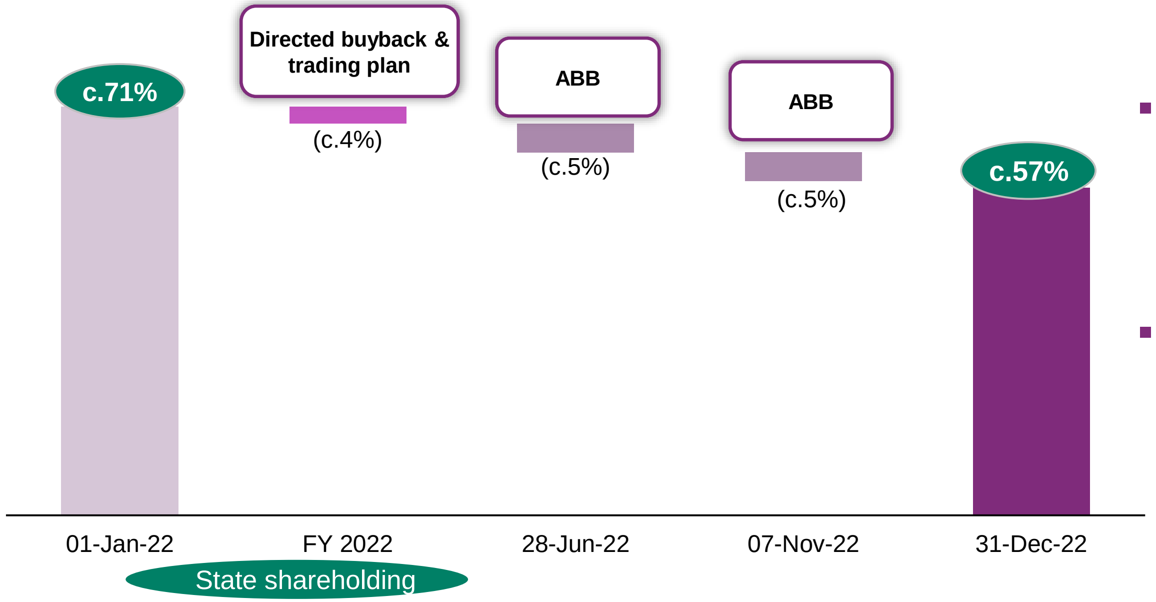
2022 proposed ordinary distributions: 50% payout

- Cash dividend of 6.2c per share (2021: 4.5c)
- Approved share buyback €215m (2021: €91m)

Approach to distributions

- Ordinary distributions policy 40-60% payout
  - Grow cash dividend on a sustainable and progressive basis
  - Share buybacks provide optionality and flexibility
- Capacity for additional distributions

Increased free-float as State shareholding reduces



- State shareholding reduced from c.71% to c.57% at Dec 22
  - Use of all mechanisms – trading plan, accelerated book builds (ABB) and pro-rata buyback
  - Shareholding <56% (7 March 2023)
- >€1bn payments and proceeds returned to the State in 2022

Strongly positioned in a changing banking landscape

AIB is Ireland's leading financial services provider, #1 digital bank & sustainability leader

#1
Personal bank & mortgage provider

Comprehensive product suite
Enhancing our capacity to be at the heart of our customers' financial lives.

#1
Corporate bank with full range of capital markets solutions

c.€270m p.a. investment
Modern, resilient and secure digital technology

#1
Business bank for loans and current accounts

16.3% CET1(*)
Capital strength and optionality

#1
Irish banking app; 2.1m active digital customers

>13% RoTE target
Progressing strategy to deliver by 2024

#1 distribution
Community presence & range of digital options

#1 Sustainable Irish bank
Independently recognised sustainability leader(#)

AIB | EBS | haven | Goodbody | AIB life | AIB Merchant Services | Payzone | Nifti

Medium-term targets

RoTE(1)
>13%
in 2024

CET1(2)
>13.5%

Cost(3)
<€1.75bn
in 2024
with CIR c.50%

Note: See market shares on slide 6
(*) Pro-forma CET1 15.9% reflecting -40bps impact of share buyback
(#) ESG ratings at www.sustainalytics.com/esg-rating/aib-group-plc/1008203121

(1) RoTE: (PAT - AT1) / (CET1 @ 13.5% of RWAs)
(2) Fully loaded
(3) Costs before bank levies and regulatory fees and exceptional items; CIR: Cost income ratio

Financial Performance

Financial performance FY 2022

Profit after tax €765m

- 21% increase in total income

Total income €2,895m

- Net interest income €2,159m (+20%) and other income €736m (+25%)

Costs €1,659m[(1)] up 8%, FTEs 9,590 at Dec 2022

- Costs up 5% on an underlying basis[(2)]

Gross loans €61.2bn increased 5% from Dec 2021 €58.4bn

- €12.6bn new lending (+22%), H2 2022 €7.2bn up 33% versus H1 2022
- €2.1bn Ulster Bank corporate and commercial loans migrated

NPEs €2.2bn (3.5% of gross loans) decreased 31%

- Reduction includes €0.5bn NPE portfolio sales

Strong funding position

- Customer accounts €102.4bn increased 10% and contributed to cash held at the CBI of €32.6bn
- €3.2bn MREL debt issued in 2022, MREL ratio 33.7% in excess of 28.5% target [(3)]
- €10bn of TLTRO repaid in full in Dec 2022

CET1[(4)] fully loaded 16.3%; Transitional 17.9%

- Comfortably ahead of regulatory requirements
- Proposed distributions up 79% to €381m[(5)] (14.3c per share)
    - ordinary cash dividend €166m[(5)] (6.2c per share) and regulatory approved share buyback €215m

(1) Excludes exceptional items, bank levies and regulatory fees
(2) Excludes Goodbody
(3) MREL target 28.5% by 1 Jan 2023. Final MREL target 1 Jan 2024 is expected to be higher as the final elements of the MREL calculation are phased in
(4) Proforma CET1 15.9% reflects -40bps impact of share buyback
(5) Total dividend amount is based on the aggregate number of shares currently outstanding; Dec 22 shares in issue: 2,673,428,473

Income Statement

Income statement – profit after tax €765m

Summary income statement (€m)	FY 2022	FY 2021
Net interest income	**2,159**	1,794
Other income[1]	**736**	590
Total operating income	**2,895**	2,384
Total operating expenses[1]	**(1,659)**	(1,534)
Bank levies and regulatory fees	**(155)**	(162)
Operating profit before impairment and exceptional items	**1,081**	688
Net credit impairment (charge) / writeback	**(7)**	238
Equity accounted investments	**37**	21
Profit before exceptionals	**1,111**	947
Exceptional items	**(231)**	(318)
Profit before tax	**880**	629
Income tax (charge) / credit	**(115)**	16
Profit after tax	**765**	645

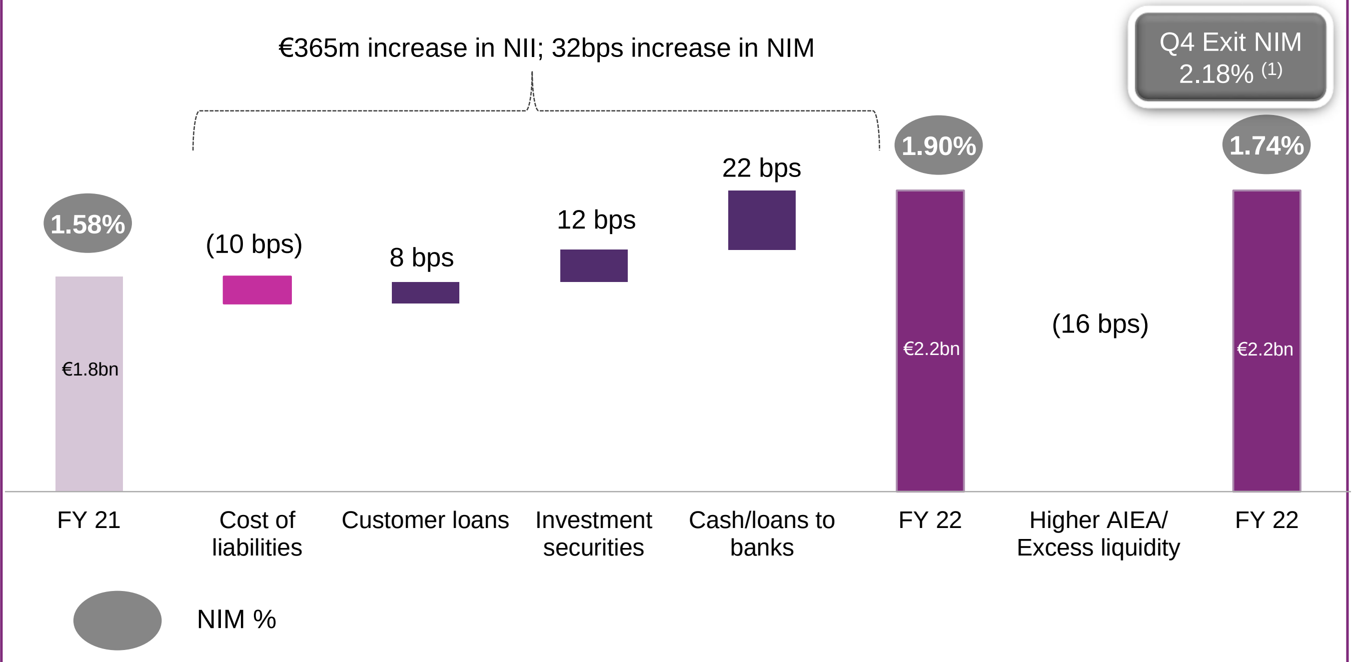
Metrics	FY 2022	FY 2021
Net interest margin (NIM)	**1.74%**	1.58%
Cost income ratio (CIR)[1]	**57%**	64%
Return on tangible equity (RoTE)[2]	**9.6%**	8.2%
Earnings per share (EPS)	**26.1c**	21.4c
Proposed distribution per share (DPS)[3]	**14.3c**	7.8c

(1) Excludes exceptional items, bank levies and regulatory fees
(2) RoTE using (PAT – AT1) / (CET1 @ 13.5% of RWAs)
(3) Includes the share buyback €215m

- Net interest income increased by 20% driven by increasing interest rates and higher average loan volumes
- Other income €736m up 25%; net fee and commission income up 22%
- Total operating income €2,895m up 21%
- Operating expenses €1,659m up 8% or +5% on an underlying basis, reflecting inflationary pressures and onboarding new customers
  - CIR 57%, down from 64%
- Bank levies and regulatory fees €155m decreased due to lower Single Resolution Fund fees offset by higher Deposit Guarantee Scheme fees
- Net credit impairment charge €7m
- RoTE 9.6% with 22% growth in EPS

Net interest income €2,159m; up 20%

NII – material movements

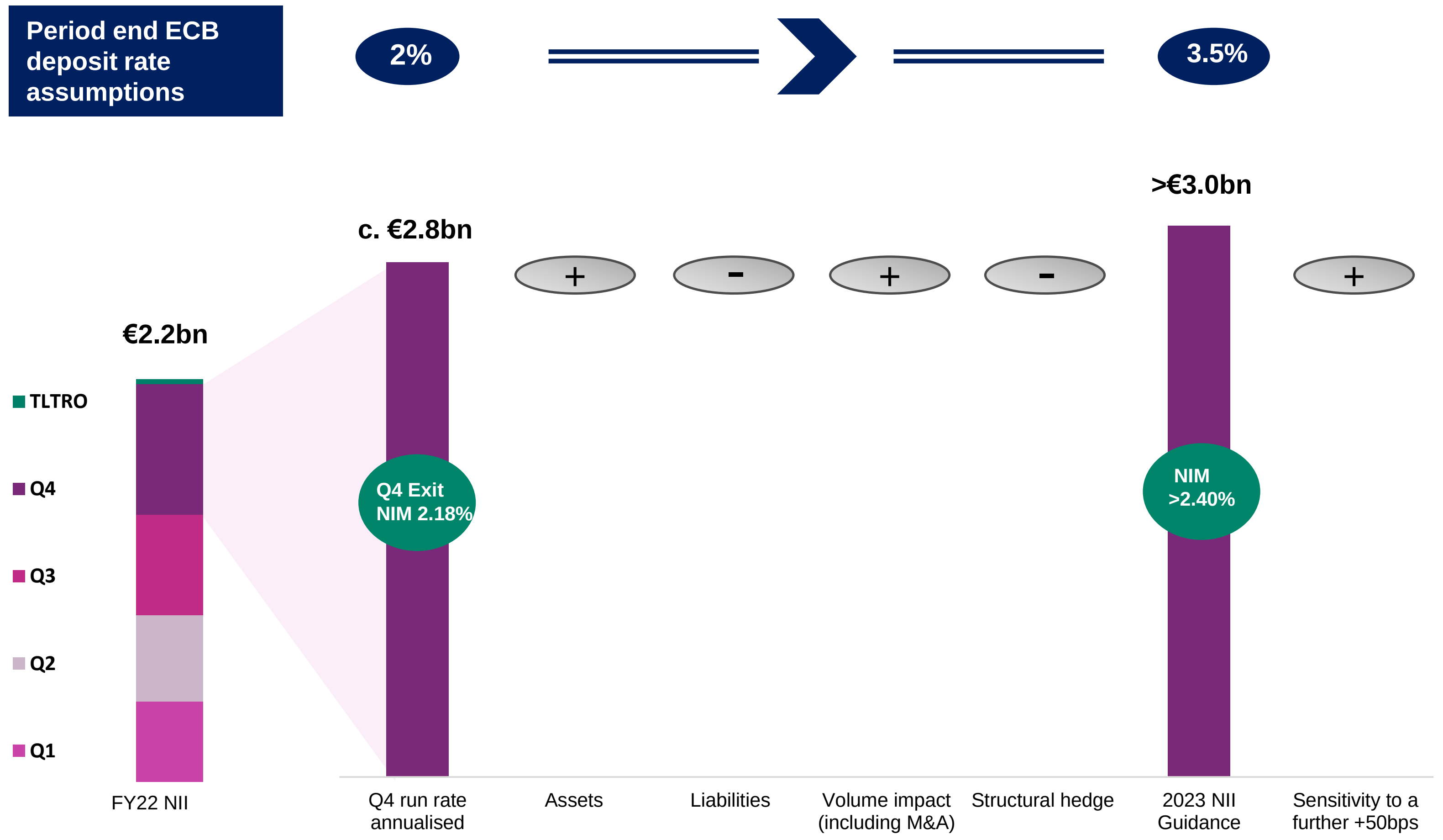


- NII €2,159m up €365m (+20%) from FY 2021 impacted by:
  - -€133m higher cost of liabilities including:
    - -€101m other liabilities reflecting interest rate impacts and higher MREL costs
    - -€40m net TLTRO income benefit (€26m income in 2022 v €66m in 2021)
    - +€8m customer accounts (incl. negative rates strategy)
  - +€111m customer loan income from higher rate environment and an increase in average loan volumes including Ulster Bank corporate and commercial loans
  - +€127m investment securities primarily driven by higher rate environment
  - +€260m cash/loans to banks (excl. TLTRO) driven by higher rate environment
- TLTRO €10bn repaid in full in Dec 2022
- Q4 exit NIM 2.18%

FY 2023 NII is expected to be >€3.0bn with NIM of >2.40%

(1) *excludes €16m net TLTRO benefit*

Drivers of >€3bn NII guidance for FY23



- NII >€3.0bn / NIM >2.40% in 2023, assuming ECB deposit rate of 3.5%
- Asset income driven by higher rate environment
- Liabilities: Deposit beta(1) to evolve throughout 2023
- Volumes driven by inorganic acquisition asset growth
- Increased structural hedge reduces NII sensitivity

(1) *Deposit beta covers all customer accounts including interest and non-interest bearing accounts*

Strong other income driven by fee and commission

Net fee and commission income (€m)	FY 2022	FY 2021
Customer accounts	**226**	208
Lending related fees	**50**	50
Card	**112**	78
Wealth / insurance / other	**37**	38
Customer related FX	**83**	67
Payzone	**17**	15
Goodbody	**63**	24
Total net fee and commission income	**588**	480

Other income (€m)(1)	FY 2022	FY 2021
Net fee and commission income	**588**	480
Net income on equity investments	**88**	58
Realisation of cash flows on restructured loans	**13**	20
Other non-interest income	**47**	32
Total other income	**736**	590

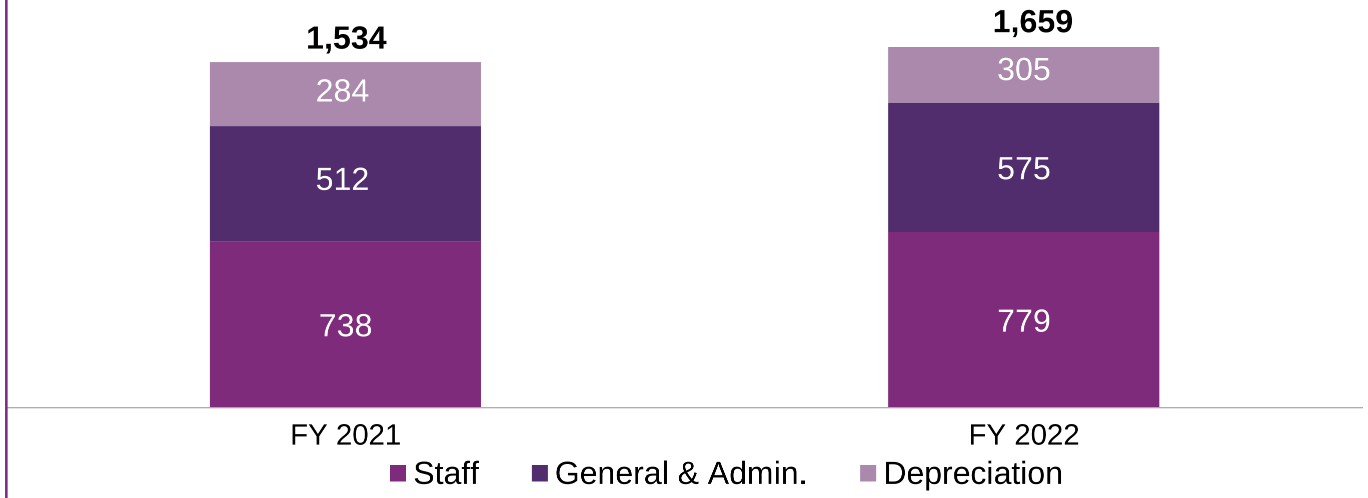
- Other income €736m up 25%
- Fee and commission income €588m up €108m (+22%)
  - Increase reflected higher transaction volumes from the recovery in economic activity, the onboarding of customers from banks exiting and higher card interchange fees
    - Customer accounts up +9%
    - Card income up +45%
    - Customer related FX up +24%
- Other non-interest income €47m includes:
  - €62m Ulster Bank loan acquisition forward contract
- >450k accounts opened in 2022 supporting future fee and commission growth

FY 2023 other income expected to be c. €750m

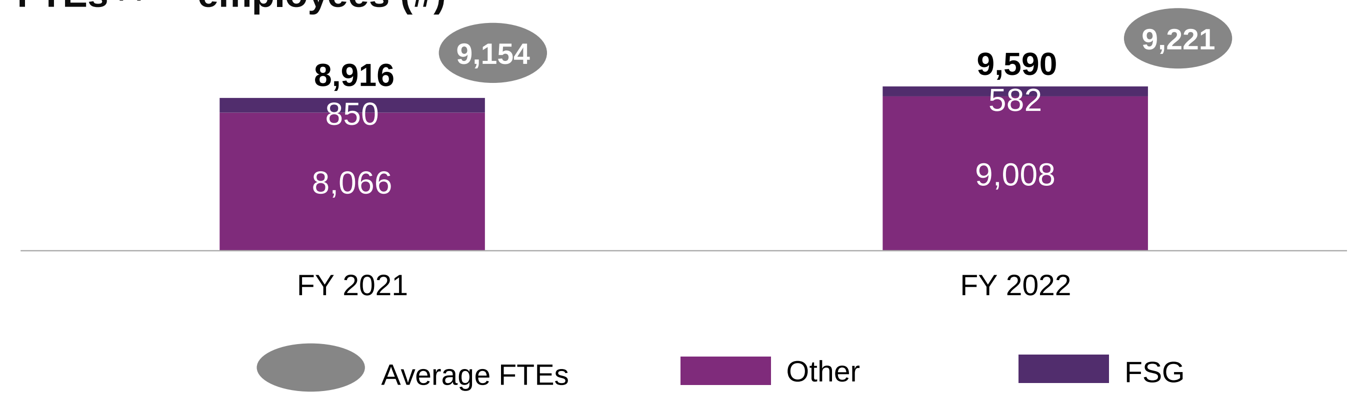
(1) *Excludes exceptional items*

Costs €1,659m; 5% increase on an underlying basis

Operating expenses[1] (€m)



FTEs [2] – employees (#)



- Costs €1,659m, up 8% or 5% increase on an underlying basis[3] driven by:
  - Salary and other inflation
  - Full year impact of Goodbody
  - Cost to onboard customers from exiting banks
  - Increased depreciation €21m
- FTEs 9,590, up 8%
  - reflecting higher business volumes, insourcing and an initial transfer of Ulster Bank staff post the acquisition of the corporate and commercial loan portfolio
- Exceptional items €231m (H1 €168m) primarily includes:
  - €85m legacy items
  - €146m strategic items
- Headwinds/tailwinds impacting costs:
  - \- Larger customer base and inorganic initiatives
  - \- Inflationary pressures
  - \+ €100m annualised cost savings delivered

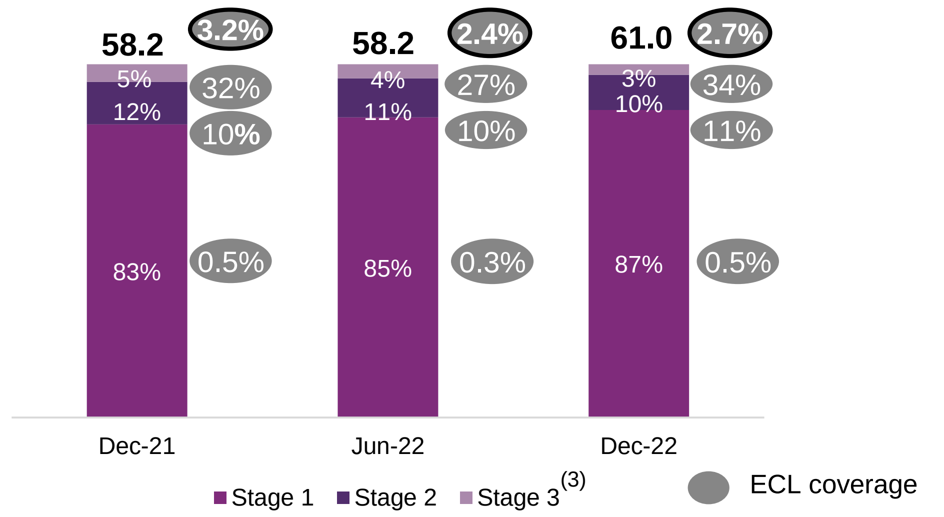
(1) Excluding exceptional items, bank levies & regulatory fees
(2) Full time equivalent - period end
(3) Excludes Goodbody

FY 2023 costs expected to be <€1.75bn

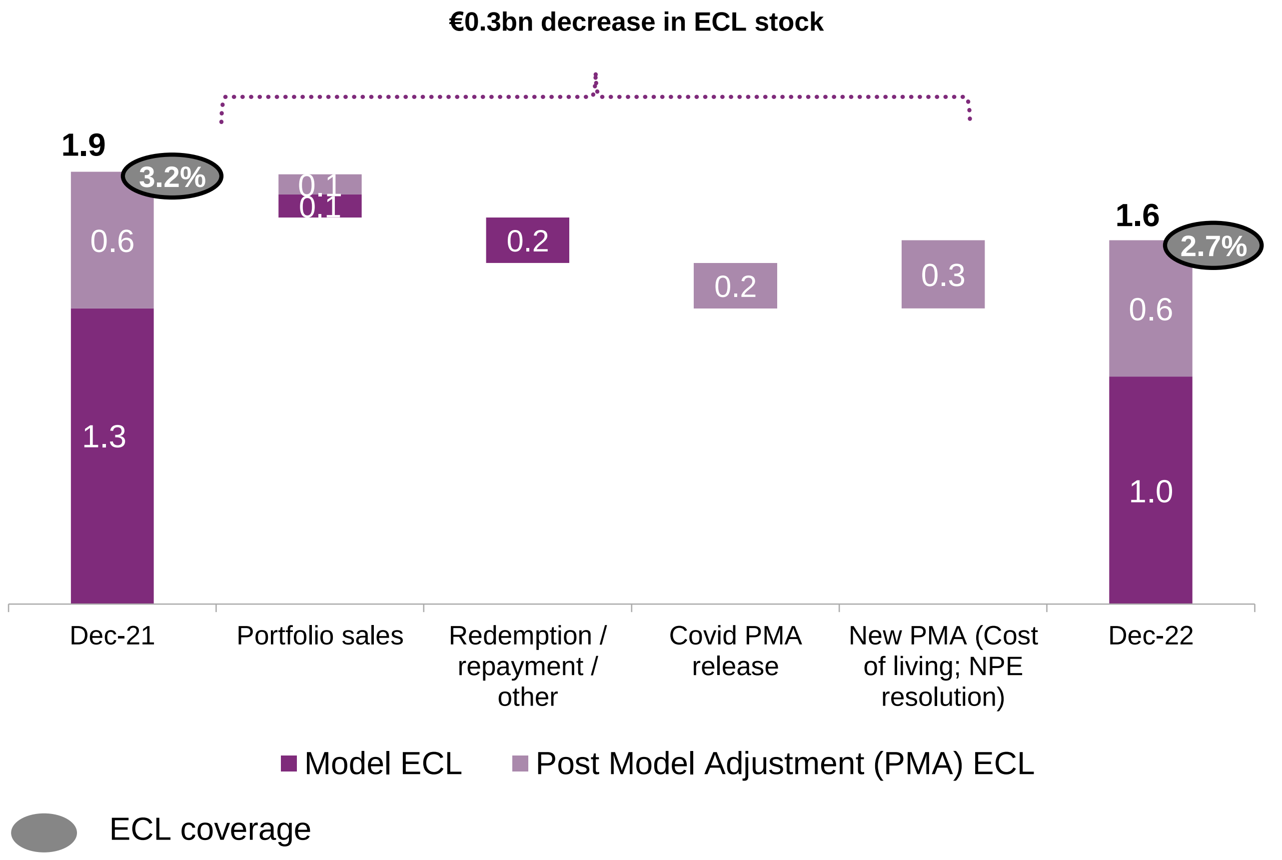
Small ECL charge €7m; 87% of loans in Stage 1

ECL writeback / (charge) (€m)	H1 2022	H2 2022	FY 2022
Macroeconomic assumptions	48	(17)	31
Other[(1)]	87	(48)	39
Post-model adjustments	174	(251)	(77)
Total ECL writeback/(charge)	**309**	**(316)**	**(7)**

Loan book[(2)] by Staging & Coverage (€bn)



ECL stock material movements (€bn)



(1) H1 reflects redemptions & repayments; H2 reflects Ulster Bank corporate and commercial loans, credit deterioration and stage transfers. H1 & H2 incl. recoveries of amounts previously written off
(2) Loan book at amortised cost
(3) Includes Purchased or Originated Credit Impaired Loans (POCI)

Expect CoR of c.30-40bps through-the-cycle

Balance Sheet

Balance sheet – strong funding & liquidity to support our customers

Balance sheet (€bn)	Dec 2022	Dec 2021
Performing loans	**59.0**	55.3
Non-performing loans	**2.2**	3.1
Gross loans to customers	**61.2**	58.4
Expected credit loss allowance	**(1.6)**	(1.9)
Net loans to customers	**59.6**	56.5
Investment securities	**16.3**	16.9
Loans to central banks and banks[1]	**46.0**	47.9
Other assets	**7.9**	6.6
Total assets	**129.8**	127.9
Customer accounts	**102.4**	92.9
Deposits by banks	**0.5**	10.4
Debt securities in issue	**7.2**	5.9
Other liabilities	**7.4**	5.0
Total liabilities	**117.5**	114.2
Equity	**12.3**	13.7
Total liabilities & equity	**129.8**	127.9

Assets

- Gross loans increased 5% to €61.2bn including €2.1bn Ulster Bank corporate and commercial loans
- New lending €12.6bn exceeding redemptions of €10.9bn
  - New lending up 22% v FY 2021
- Loans to banks €46.0bn decreased due to repayment of TLTRO funding offset by continued build of excess liabilities from increased customer account balances
  - includes €32.6bn with the CBI and €4.6bn with the BoE

Liabilities

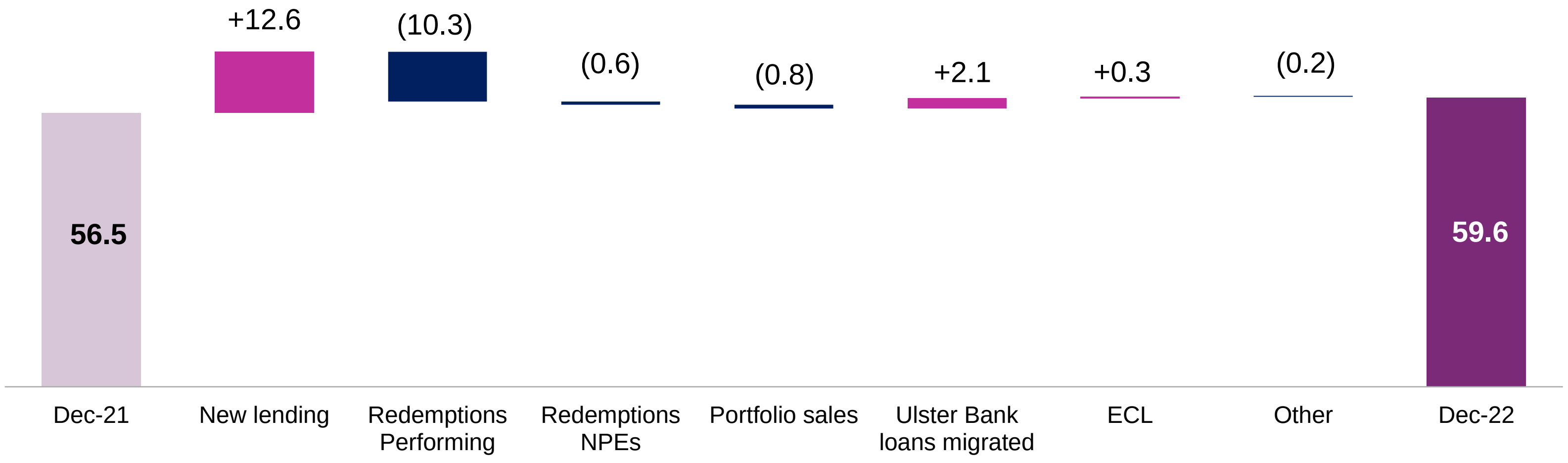
- Customer accounts increased 10% to €102.4bn including inflows from banks exiting the Irish market

Key capital metrics (%)	Dec 2022	Dec 2021
CET1 ratio (FL)[2]	**16.3%**	16.6%
CET1 ratio (transitional)	**17.9%**	19.2%
Leverage ratio	**7.6%**	7.6%

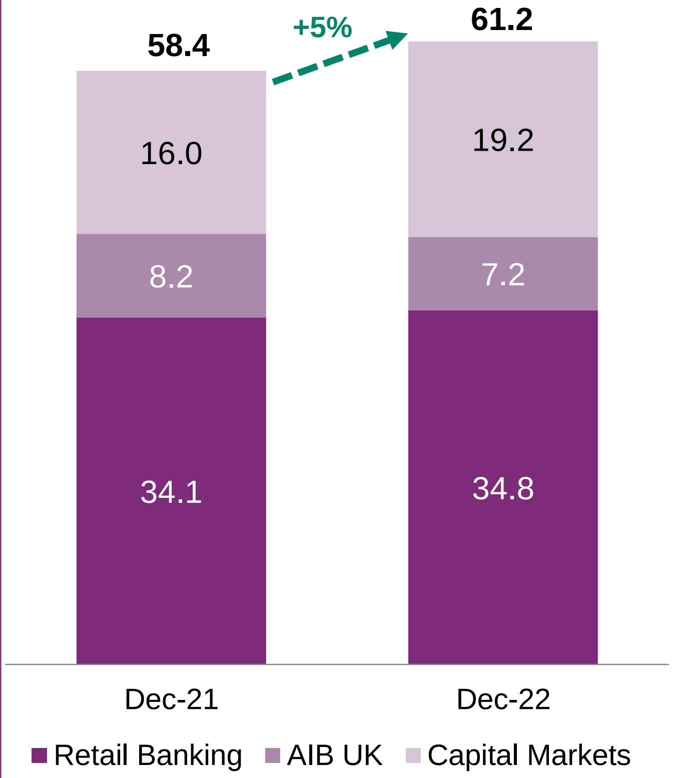
(1) Includes securities financing
(2) Proforma CET1 15.9% reflects -40bps impact of share buyback

Loan book growth in 2022

Net loans movement: €3.1bn increase to €59.6bn (€bn)



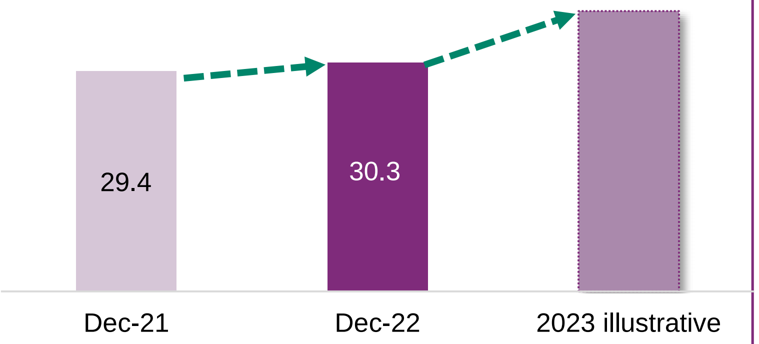
Gross loans (€bn)



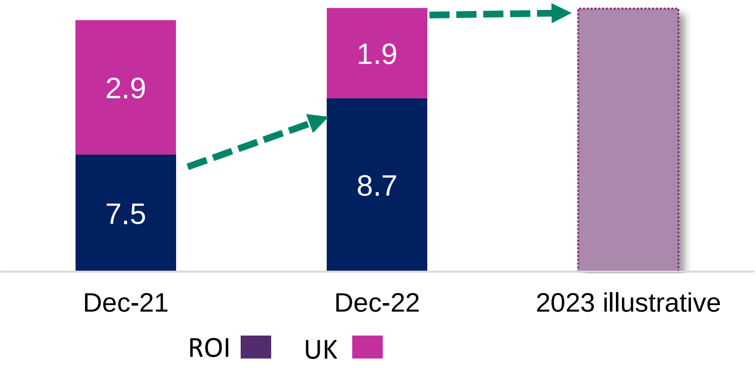
Note rounding may apply

Expect >8% growth in gross loans in 2023

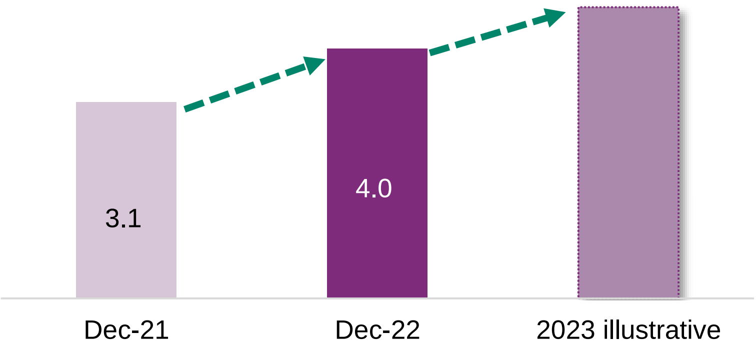
Mortgages
€bn



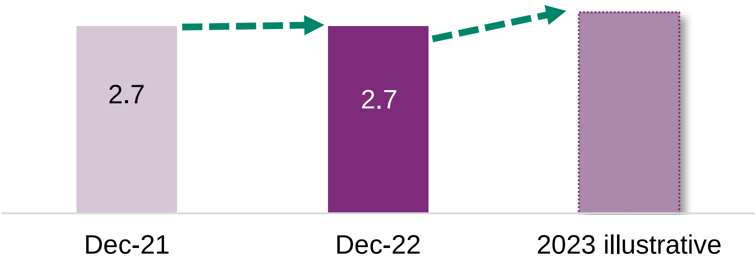
Corporate(1)
€bn



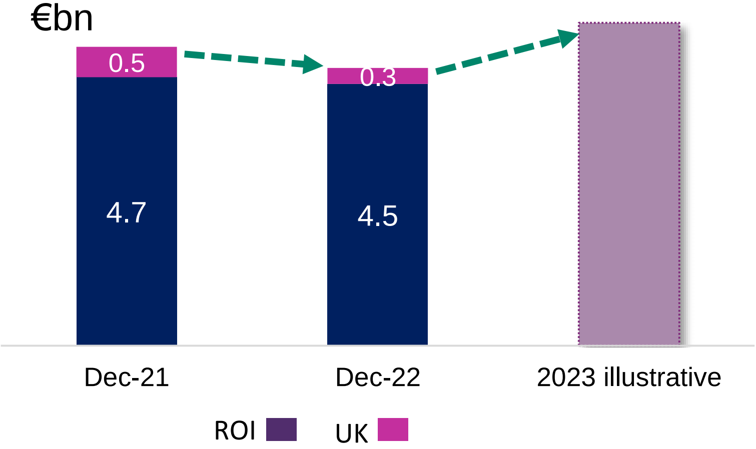
Energy, Climate Action & Infrastructure(1)
(ECAI) €bn



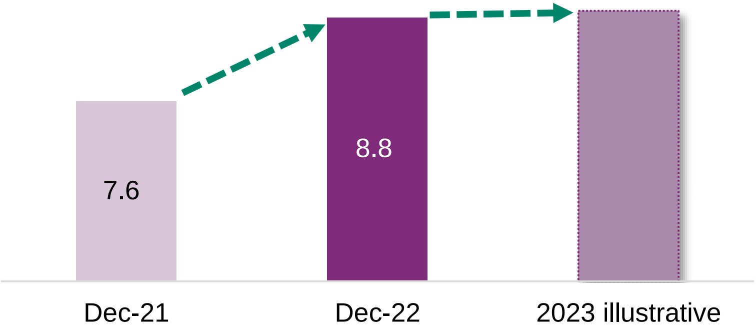
Personal
€bn



Commercial / SME(1)
€bn

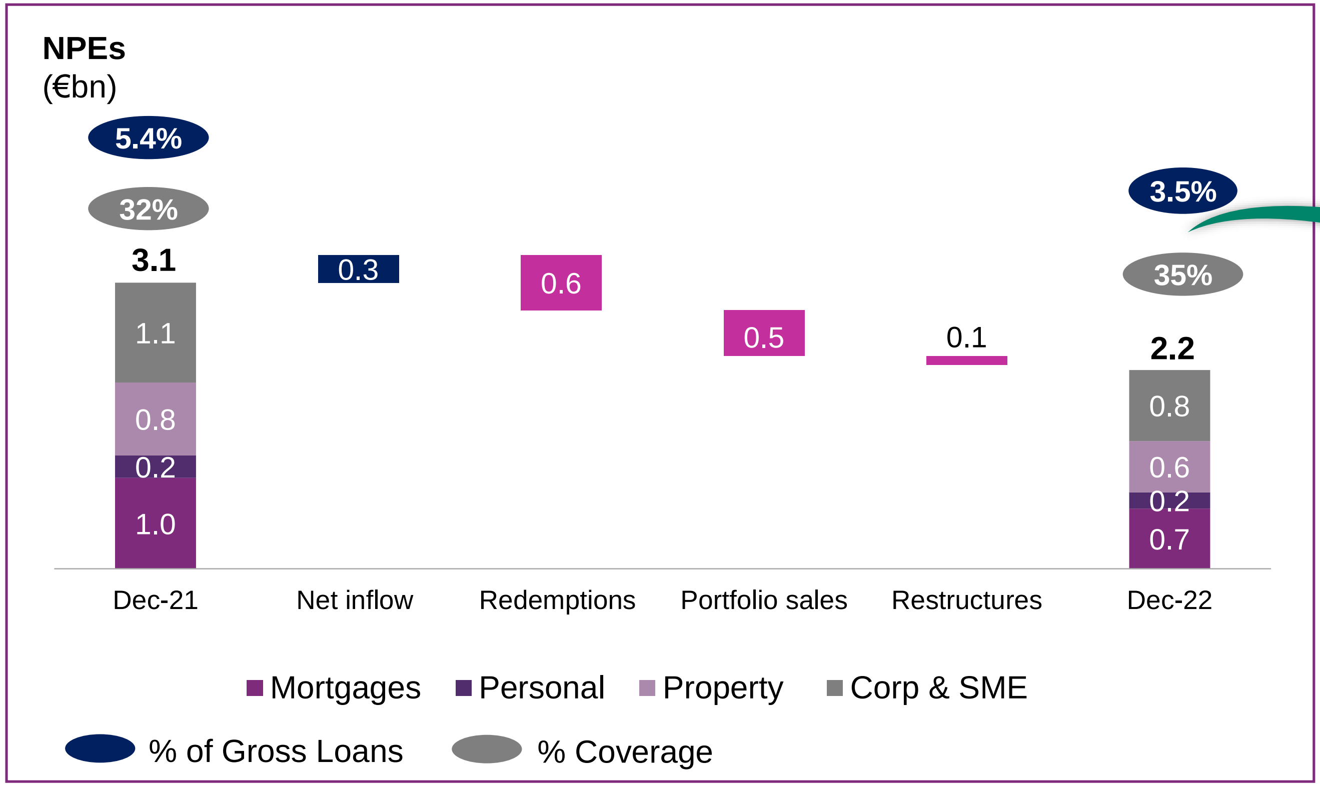


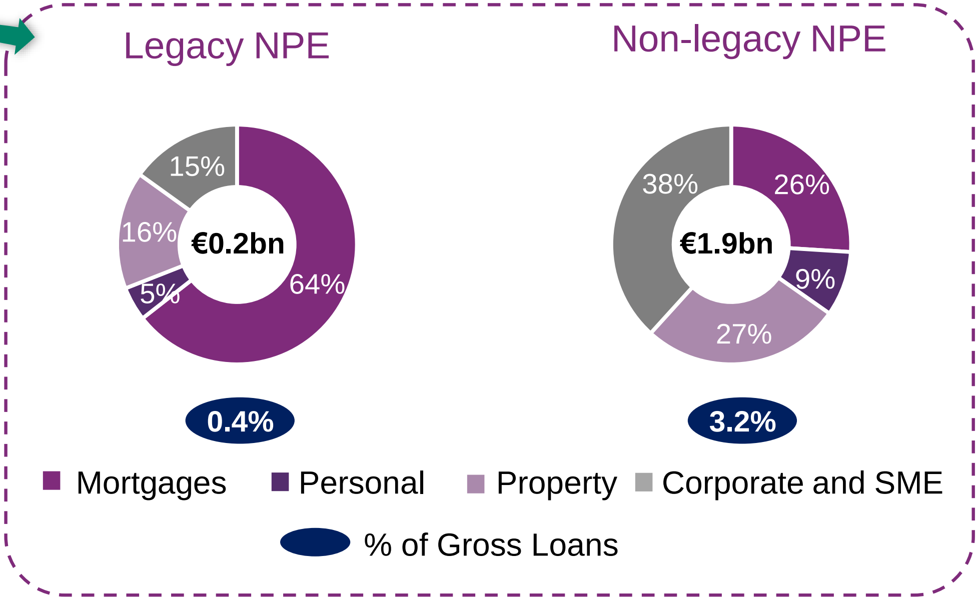
Property(1)
€bn



(1) Includes €2.1bn Ulster Bank corporate and commercial loans migrated at Dec 22 mainly in Corporate (c. 50%) and Property (c. 40%), with remainder in Commercial / SME and ECAI

NPEs at 3.5% declined 31% in 2022; target c.3% by end 2023





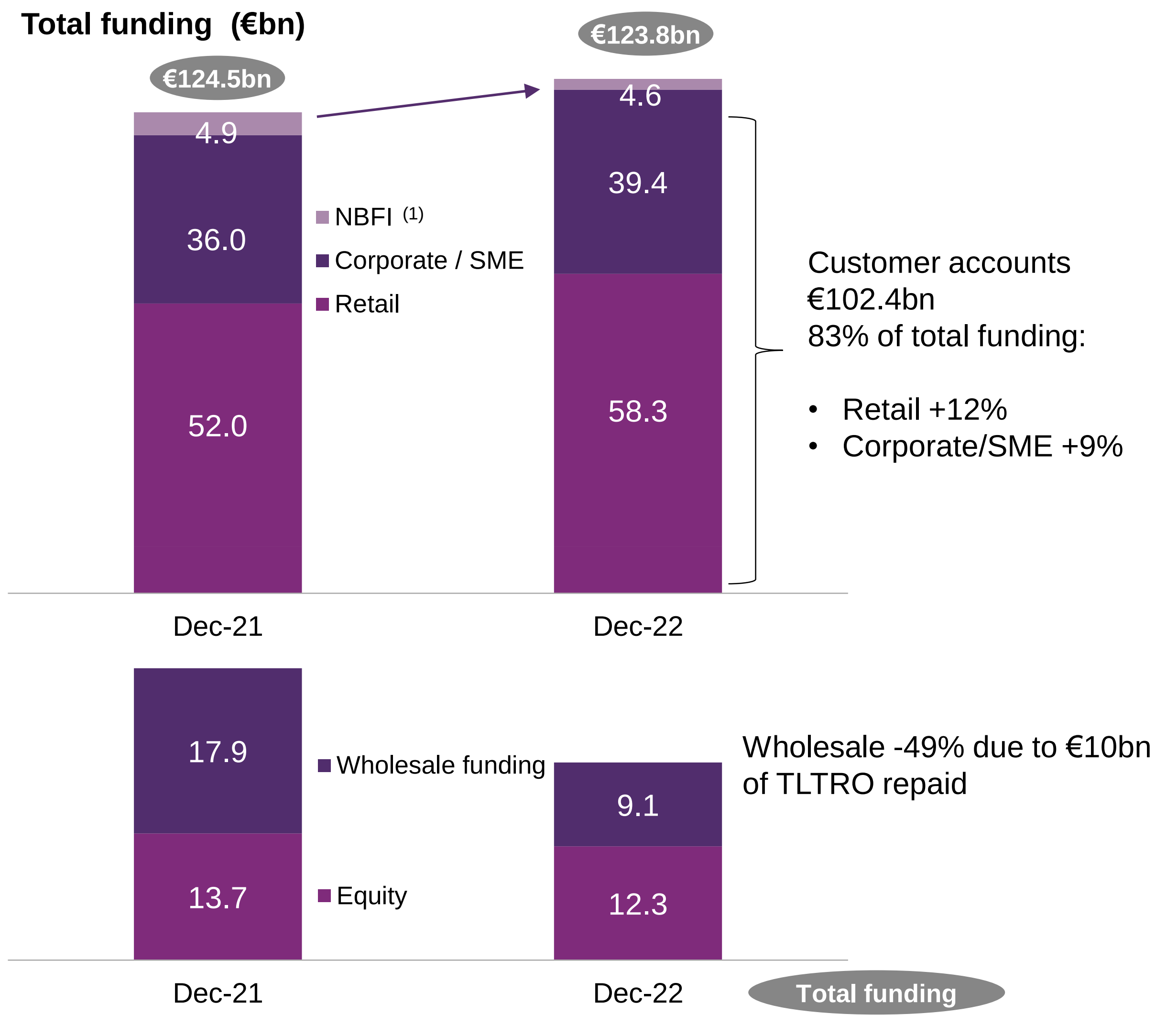
NPEs €2.2bn; NPE ratio 3.5% at Dec 22

- €0.2bn or 0.4% legacy NPEs are those in default prior to Dec 2018 and which may form part of alternative recovery strategies
- €1.9bn or 3.2% non-legacy NPEs are mainly in sectors most impacted by COVID-19 restrictions
  - Corporate and SME €0.7bn or 38% includes accommodation, bars and restaurants
  - Property €0.5bn or 27% includes retail shopping centres
  - Non-legacy assets have a higher propensity to cure
- Weighted average LTV for Irish mortgages; new business: 64% (Dec 21: 67%); stock: 48% (Dec 21: 50%); Stage 3: 46% (Dec 21: 54%)

Note rounding may apply

Funding and capital

Strong funding driven by increased customer deposits



Liquidity metrics (%)	Dec 2022	Dec 2021
Loan to deposit ratio (LDR)	**58**	61
Liquidity coverage ratio (LCR)	**192**	203
Net stable funding ratio (NSFR)	**164**	160

MREL

- MREL ratio 33.7% in excess of 28.5%(2) target
- €8.8bn(3) eligible MREL issued to date; in 2022 four bonds issued, one social bond (€1bn), two green bonds (€1.5bn) and US$750m
- On average expect 2-3 issuances p.a.

TLTRO

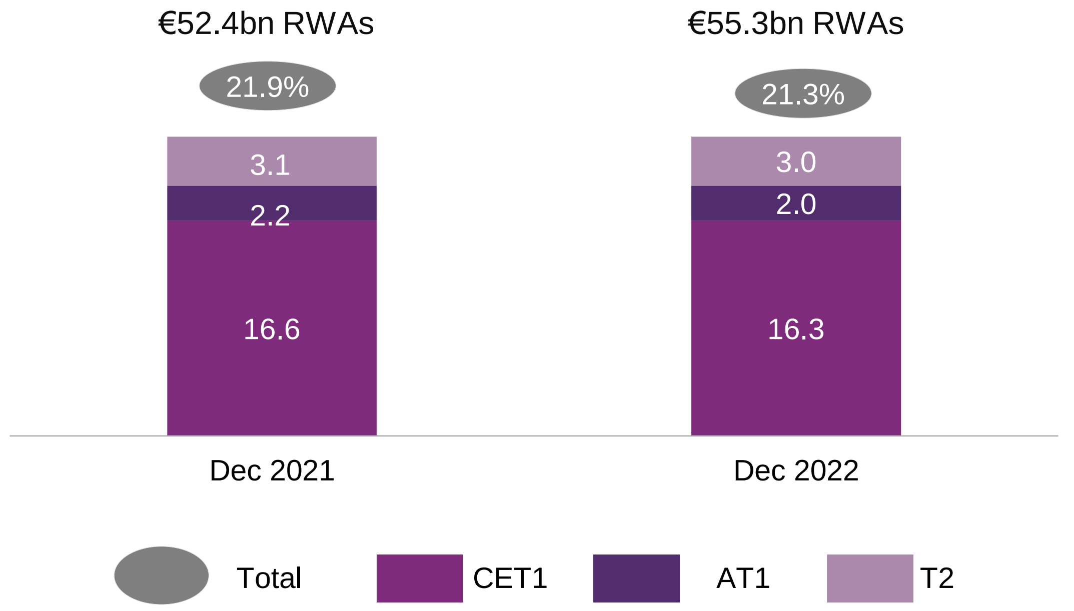
- TLTRO €10bn repaid in full in Dec 2022

(1) Includes Credit Unions & Government deposits
(2) MREL target 28.5% by 1 Jan 2023. Final MREL target 1 Jan 2024 is expected to be higher as the final elements of the MREL calculation are phased in
(3) Total MREL issued includes senior unsecured and hybrid capital issuances

Note rounding may apply

CET1 (FL) 16.3% well ahead of regulatory requirements

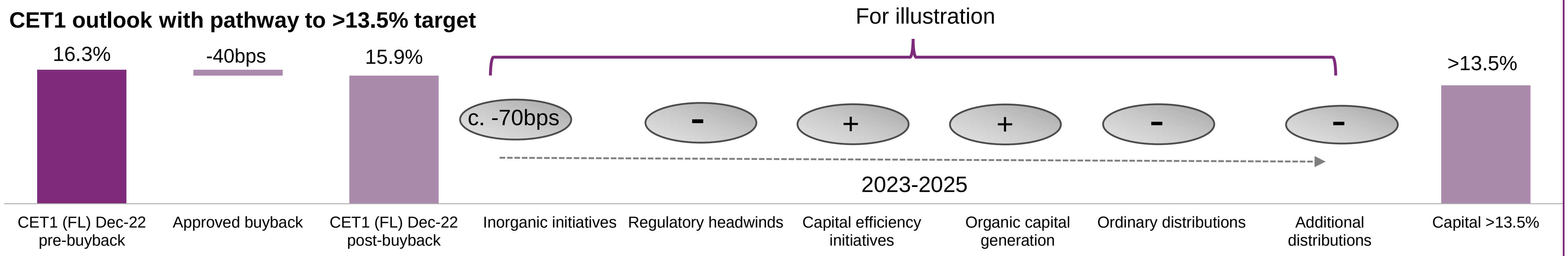
Capital ratios fully loaded (FL) (%)



- **CET1 (FL) 16.3% ahead of SREP 10.23%**
  - 6.1% buffer to CET1 (FL) 16.3%
  - 7.7% buffer to transitional 17.9%
- **CET1 16.3% decreased by 30bps reflecting:**
  - \+ 150bps capital generation
  - \- 20bps share buyback completed in May 22
  - \- 90bps RWA increase mainly Ulster Bank corporate & commercial loans(1)
  - \- 40bps move in investment securities reserve
  - \- 30bps cash dividend
- **Proforma CET1 15.9%** reflects -40bps impact of share buyback

- **Headwinds/tailwinds impacting CET1**
  - \- Impact of inorganic initiatives(2) c.70bps in 2023
  - \- IRB mortgage model review estimated c. -30bps
  - \- SME and corporate models submitted for review
  - \+ Exploring capital efficiency initiatives e.g. SRT/securitisation

CET1 outlook with pathway to >13.5% target



(1) Full RWA impact
(2) Includes -60bps RWA impact for Ulster Bank performing tracker mortgage acquisition and c.-10bps for Great-West Lifeco JV

Distributions outlook

CET 1 16.3%
Proforma 15.9%(1)
FY 2022

FY 2023 – FY 2025

+ Organic capital generation
+ Capital efficiency initiatives
- Ordinary distributions
- Additional distributions
- Inorganic initiatives(2)
- Regulatory headwinds

CET1 >13.5%

Distributions

- Existing policy 40%-60% payout; will assess balance between dividends and buybacks annually
- 2022 distributions €381m(3) (14.3c per share); ordinary cash dividend €166m(3) (6.2c per share) and regulatory approved buyback €215m; total payout ratio 50%
- Subject to a supportive economic environment and annual Board and required regulatory approvals, in the coming years AIB will seek to move towards the CET1 target by prudently increasing levels of distributions, supplementing cash dividend with share buybacks where appropriate.

(1) *Proforma CET1 15.9% reflects -40bps impact of share buyback*
(2) *c. -60bps RWA impact for Ulster Bank performing tracker mortgage acquisition and c.-10bps for Great-West Lifeco JV*
(3) *Total dividend amount is based on the aggregate number of shares currently outstanding*

2023 Guidance and evolving environment

Guidance FY 2023[1]

- NII: >€3.0bn
  NIM: >2.40%
- Other income: c. €750m
- Costs: <€1.75bn
- CoR of c.30-40bps through-the-cycle

Evolving environment

- Two banks exiting
- Rising interest rates
- Inflationary pressures
- Global macro economic uncertainty

Enhance shareholder value and deliver sustainable returns

Medium-term targets

- RoTE **>13%** in 2024
- CET1 **>13.5%**
- Cost **<€1.75bn** in 2024 *with CIR c.50%*

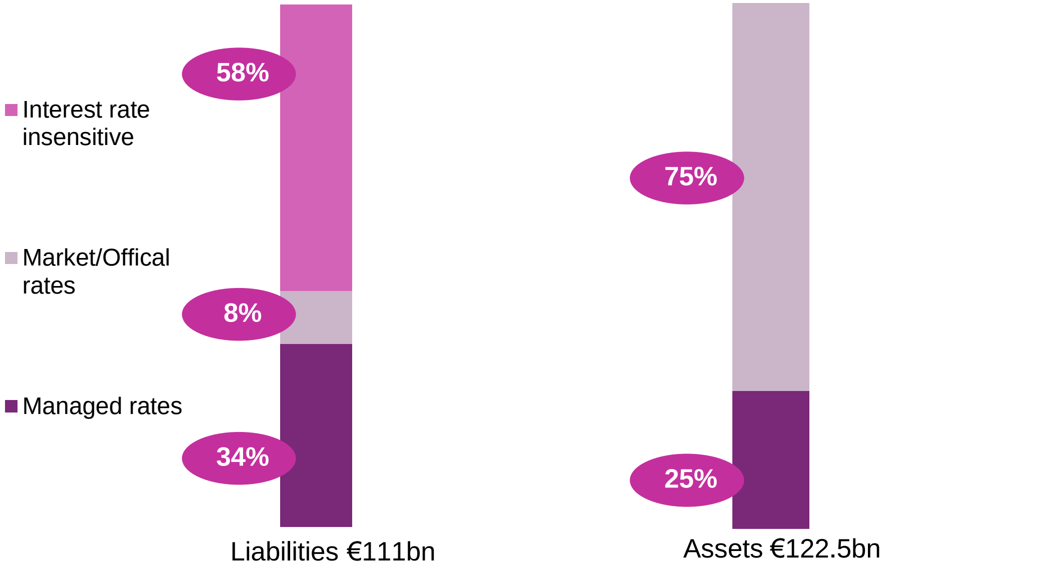
1) *Inclusive of acquisitions of both Ulster Bank corporate and commercial loan book and performing tracker mortgage portfolio*

APPENDICES

AIB Group plc

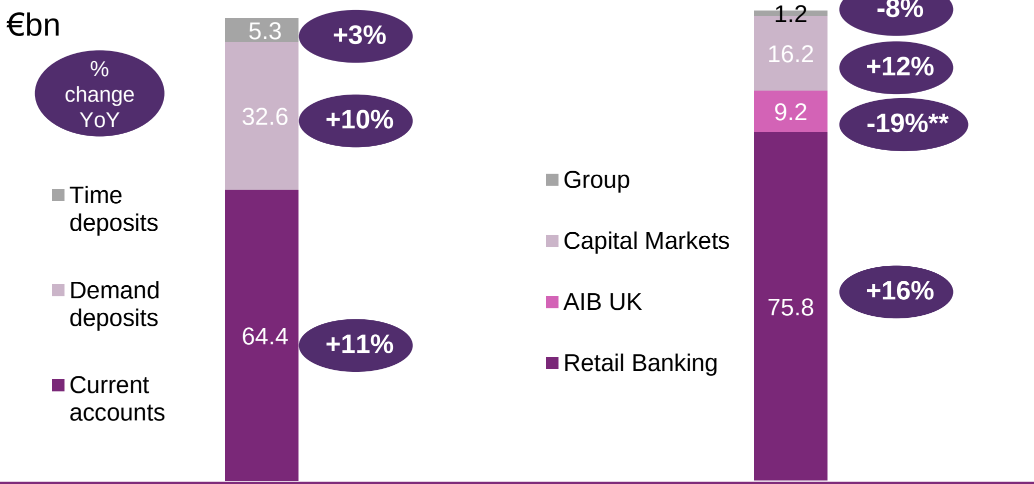
Balance sheet geared for rising rates

Composition of balance sheet by interest rate type at Dec 2022*

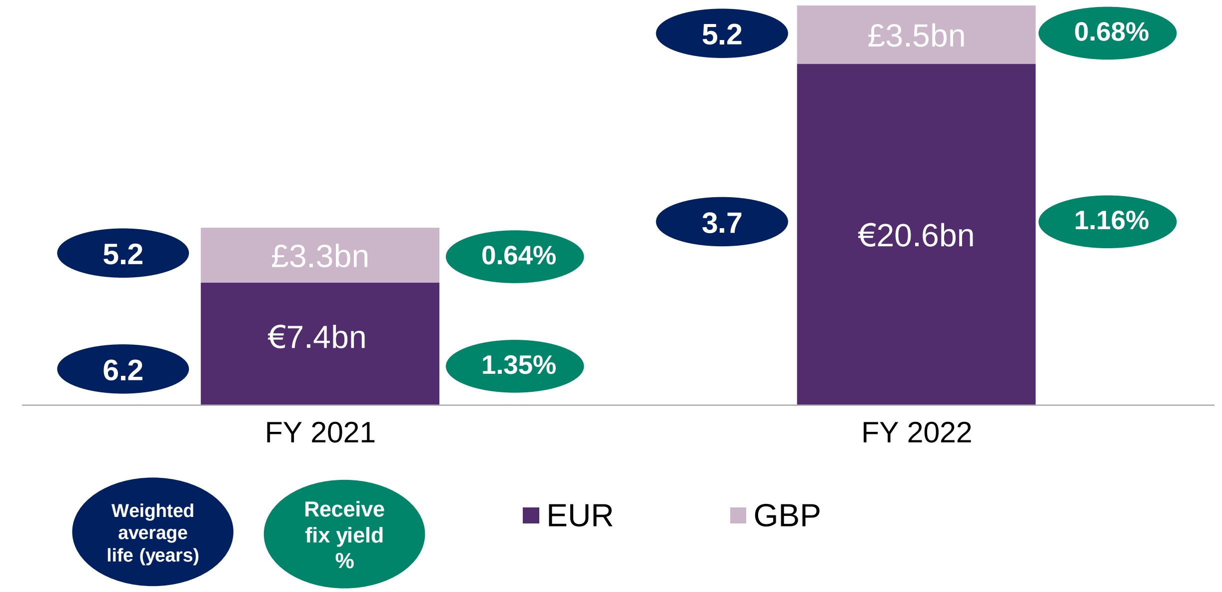


NII sensitivity as at Dec 2022 (€m)	-100bps	-50bps	-25bps	+25bps	+50bps	+100bps
Euro	(324)	(154)	(76)	72	146	288
Sterling	(45)	(22)	(11)	11	22	45
Other (mainly US$)	(18)	(9)	(5)	5	9	18
Total	**(387)**	**(186)**	**(92)**	**88**	**177**	**351**

Profile of €102.4bn customer accounts at Dec 2022



Structural hedge programme



* Assets include customer loans, investment securities, securities financing and central bank balances; liabilities include current accounts, deposits, debt securities in issue, subordinated liabilities and excludes equity

** Excludes impact of FX rates

Some rounding & assumptions may apply

Market leading ESG Customer propositions and commitments

Propositions

Green Mortgage for energy efficient homes across AIB, Haven, EBS brands & UK

Green Personal Loan for retrofitting homes and Electric Vehicles

Green & Social bonds to fund domestic and international projects aimed at emission reduction & social improvement

Nifti Business Nifti

NiftiBusiness & Nifti Personal Leasing to provide more sustainable car leasing options to businesses and personal customers

Widescale lending for projects in **Renewables, Housing, Healthcare, Education**

Sustainability Linked Loans for Corporate customers who commit to ESG targets

1st CPPA with NTR plc places AIB as a corporate leader in Ireland to leverage decarbonisation capabilities & expertise

SBCI SME Sustainability focused loans

Goodbody

ESG Advisory & thought leadership

Commitments

TCFD	Task Force on Climate-Related Financial Disclosures
UNEP FINANCE INITIATIVE PRINCIPLES FOR RESPONSIBLE BANKING	UNEP FI – Principles for Responsible Banking
United Nations Global Compact	UN Global Compact
Industry-led, UN-convened Net-Zero Banking Alliance	NZBA - Net Zero Banking Alliance
WORLD ECONOMIC FORUM	WEF Stakeholder Capitalism Metrics
EQUATOR PRINCIPLES	Equator Principles

Average balance sheet

	FY 2022			FY 2021		
	Average Volume €m	Interest €m	Yield %	Average Volume €m	Interest €m	Yield %
Assets						
Customer loans	**58,681**	**1,957**	**3.33**	57,697	1,846	3.20
Investment securities	**16,456**	**192**	**1.17**	17,676	65	0.37
Loans to banks / other	**49,073**	**183**	**0.37**	38,028	(114)	(0.30)
Interest earning assets	**124,210**	**2,332**	**1.84**	113,401	1,797	1.58
Non interest earning assets	**7,754**			6,294		
Total Assets	**131,964**	**2,332**		119,695	1,797	
Liabilities & equity						
Customer accounts	**48,419**	**(11)**	**(0.02)**	48,439	(3)	(0.01)
Deposits by banks	**11,108**	**(11)**	**(0.10)**	7,722	(102)	(1.32)
Other debt issued	**6,206**	**134**	**2.16**	5,587	55	0.98
Subordinated liabilities	**1,454**	**50**	**3.47**	1,553	41	2.65
Lease liabilities	**315**	**11**	**3.35**	364	12	3.28
Interest earning liabilities	**67,502**	**173**	**0.26**	63,665	3	-
Non interest earning liabilities	**51,443**			42,518		
Equity	**13,019**			13,512		
Total liabilities & equity	**131,964**	**173**		119,695	3	
Net interest income / margin		**2,159**	**1.74**		1,794	1.58

Customer loans

€bn	Performing Loans	Non-Performing Loans	Customer Loans
Gross loans (1 Jan 2022)	**55.3**	**3.1**	**58.4**
New lending	12.6	-	12.6
Redemptions of existing loans	(10.3)	(0.6)	(10.9)
Portfolio acquisition	2.1	-	2.1
Portfolio sales	(0.3)	(0.5)	(0.8)
Net flow to NPE	(0.3)	0.3	-
Foreign exchange / other movements	(0.1)	(0.1)	(0.2)
Gross loans (31 Dec 2022)	**59.0**	**2.2**	**61.2**
ECL allowance	(0.9)	(0.7)	(1.6)
Net loans (31 Dec 2022)	**58.1**	**1.5**	**59.6**

Loan book* by staging and coverage

Dec 2022 Gross loan exposures (€bn)	Stage 1	Stage 2	Stage 3**	Total exposure
Mortgages	28.4	1.2	0.7	30.3
Personal	2.3	0.3	0.2	2.7
Property & Construction	6.8	1.4	0.4	8.6
Corporate & SME	15.4	3.2	0.8	19.4
Total	**52.9**	**6.0**	**2.1**	**61.0**
Stage composition	**87%**	**10%**	**3%**	**100%**
ECL	**0.3**	**0.6**	**0.7**	**1.6**
ECL coverage	**0.5%**	**11%**	**34%**	**2.7%**

Dec 2021 Gross loan exposures (€bn)	Stage 1	Stage 2	Stage 3**	Total exposure
Mortgages	26.9	1.5	1.0	29.4
Personal	2.2	0.2	0.3	2.7
Property & Construction	5.4	1.4	0.6	7.4
Corporate & SME	13.9	3.7	1.1	18.7
Total	**48.4**	**6.8**	**3.0**	**58.2**
Stage composition	**83%**	**12%**	**5%**	**100%**
ECL	**0.2**	**0.8**	**0.9**	**1.9**
ECL coverage	**0.5%**	**10%**	**32%**	**3.2%**

Movements in loan exposures & ECL (€bn)	Stage 1	Stage 2	Stage 3**	Total exposure
Mortgages	1.5	(0.3)	(0.3)	0.9
Personal	-	0.1	(0.1)	-
Property & Construction	1.5	-	(0.2)	1.3
Corporate & SME	1.5	(0.5)	(0.3)	0.7
Total	**4.5**	**(0.7)**	**(0.9)**	**2.8**
ECL movement	**-**	**(0.1)**	**(0.2)**	**(0.3)**

*Loan book at amortised cost
**includes Purchased or Originated Credit Impaired Loans (POCI)

Loan book by staging – €61.0bn loan exposures

- Stage 1 loan exposures increased by €4.5bn to €52.9bn (87% of the loan book) primarily due to Ulster Bank migrated loans and strong new lending
- Stage 2 loan exposures decreased by €0.8bn to €6.0bn (10% of the loan book)
  - Mortgages down €0.3bn
  - Corporate & SME down €0.5bn
- Stage 3 loan exposures decreased by €0.9bn to €2.1bn (3% of the loan book)
  - Mortgages down €0.3bn due to portfolio sale
  - Property & Construction down €0.2bn
  - Corporate & SME down €0.3bn

ECL stock €1.6bn / coverage 2.7% down from 3.2% in Dec-21

- Coverage in Stage 3 increased to 34% from 32% at Dec 21

Note rounding may apply

Stage movements

Dec 2022 Gross loan exposures (€bn) *(excluding Mortgages & Personal)*	Stage 1	Stage 2	Stage 3*	Total exposure
Property & Construction	6.8	1.4	0.4	**8.6**
Hotels, Bars & Restaurants	0.5	1.3	0.3	**2.1**
Retail /Wholesale	1.3	0.2	0.1	**1.6**
Manufacturing	1.8	0.1	0.1	**2.0**
Energy	2.6	0.1	-	**2.8**
Transport	1.8	0.2	-	**2.1**
Financial	0.2	-	-	**0.2**
Agriculture	1.4	0.2	0.1	**1.7**
Other Services	3.3	0.4	0.1	**3.9**
Syndicated & International Finance	2.4	0.5	-	**3.0**
Total	**22.2**	**4.6**	**1.2**	**28.0**

Movements Gross loan exposures (€bn) *(excluding Mortgages & Personal)*	Stage 1	Stage 2	Stage 3*	Total exposure
Property & Construction	1.5	-	(0.2)	1.3
Hotels, Bars & Restaurants	0.1	(0.5)	(0.2)	(0.6)
Retail /Wholesale	0.1	-	(0.1)	-
Manufacturing	0.5	(0.1)	-	0.4
Energy	0.6	-	-	0.6
Transport	0.5	-	-	0.5
Financial	(0.1)	-	-	(0.1)
Agriculture	-	-	-	-
Other Services	0.3	(0.1)	(0.1)	0.1
Syndicated & International Finance	(0.5)	0.2	-	(0.3)
Total	**3.0**	**(0.5)**	**(0.5)**	**1.9**

**includes Purchased or Originated Credit Impaired Loans (POCI)*

Stage movements (excluding Mortgages & Personal)

- Stage 1 loan exposures increased €3.0bn primarily due to Ulster Bank migrated loans, new lending and upward staging movements
- Stage 2 loan exposures decreased by €0.5bn to €4.6bn primarily due to redemptions and some downward staging movements:
  - **Hotels, Bars & Restaurants** down €0.5bn
- Stage 3 exposures decreased by €0.5bn to €1.2bn
  - **Property & Construction** - €0.2bn decrease in Stage 3 loan
  - **Hotels, Bars & Restaurants** - €0.2bn decrease in Stage 3 loan
- **Syndicated and International Finance (SIF)** –Exposures in SIF are well diversified by name and sector with the top 20 names accounting for 28% of the total and 66% of the book is rated B+ or above

Note rounding may apply

ECL coverage by stage Property and Non Property

Dec 2022 ECL Coverage *(excluding Mortgages & Personal)*	Stage 1	Stage 2	Stage 3*	Total exposure
Property & Construction	1.2%	8.5%	29.4%	**3.7%**
Hotels, Bars & Restaurants	3.0%	14.4%	23.7%	**12.9%**
Retail /Wholesale	0.8%	11.3%	42.9%	**4.3%**
Manufacturing	0.7%	11.9%	35.8%	**2.5%**
Energy	0.5%	13.2%	79.3%	**2.0%**
Transport	0.4%	9.4%	67.9%	**2.4%**
Financial	0.9%	-	-	**0.9%**
Agriculture	0.7%	7.9%	35.8%	**3.2%**
Other Services	0.7%	10.3%	39.3%	**3.2%**
Syndicated & International Finance	0.8%	23.1%	36.1%	**5.3%**
Total	**0.9%**	**12.4%**	**32.9%**	**4.1%**

ECL Coverage (excluding Mortgages & Personal)

- Hotels, Bars and Restaurants has the overall highest cover rate at 12.9% within the portfolio
- Stage 2 remains static in the year at 12.4%
- Stage 3 coverage increased to 32.9% from 28.1%

includes Purchased or Originated Credit Impaired Loans (POCI)

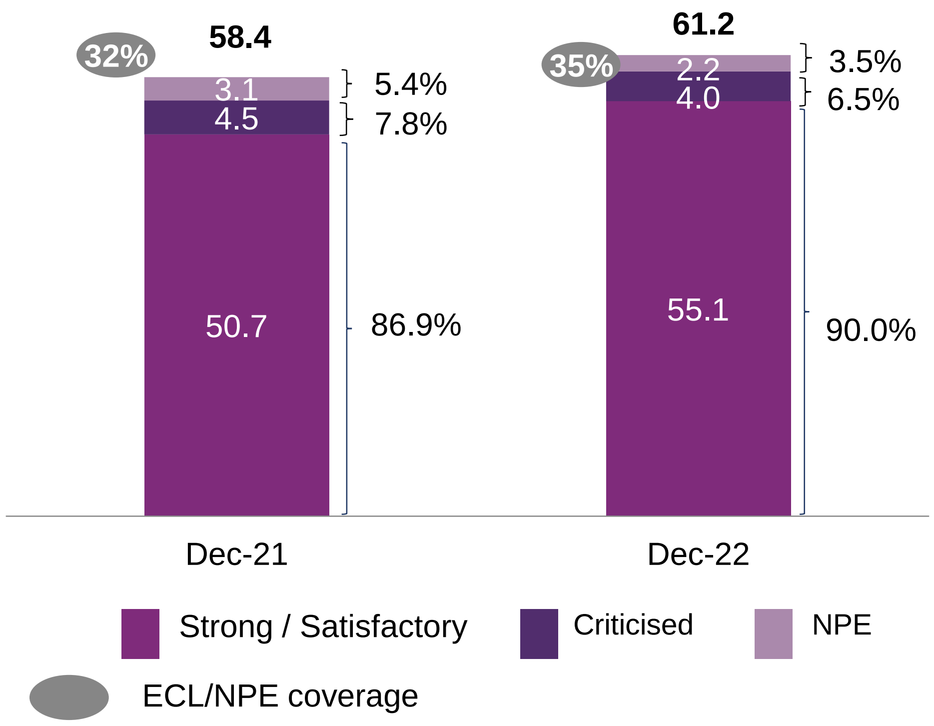
Asset quality by portfolio

€bn	Mortgages	Personal	Property	Corporate & SME	Total
Dec 2022					
Customer loans*	**30.3**	**2.7**	**8.8**	**19.4**	**61.2**
Total ECL cover (%)	**1%**	**7%**	**4%**	**4%**	**2.7%**
of which NPEs	**0.6**	**0.2**	**0.6**	**0.8**	**2.2**
of which legacy NPEs	**0.2**	**0.0**	**0.0**	**0.0**	**0.2**
of which non legacy NPEs	**0.5**	**0.2**	**0.5**	**0.7**	**1.9**
ECL on NPE	**0.2**	**0.1**	**0.2**	**0.3**	**0.8**
ECL / NPE coverage %**	**31%**	**64%**	**29%**	**35%**	**35%**
Dec 2021					
Customer loans*	29.4	2.7	7.6	18.7	58.4
Total ECL cover (%)	1%	8%	4%	5%	3.2%
of which NPEs	1.0	0.2	0.8	1.1	3.1
ECL on NPE	0.3	0.2	0.2	0.3	1.0
ECL / NPE coverage %	30%	64%	28%	29%	32%

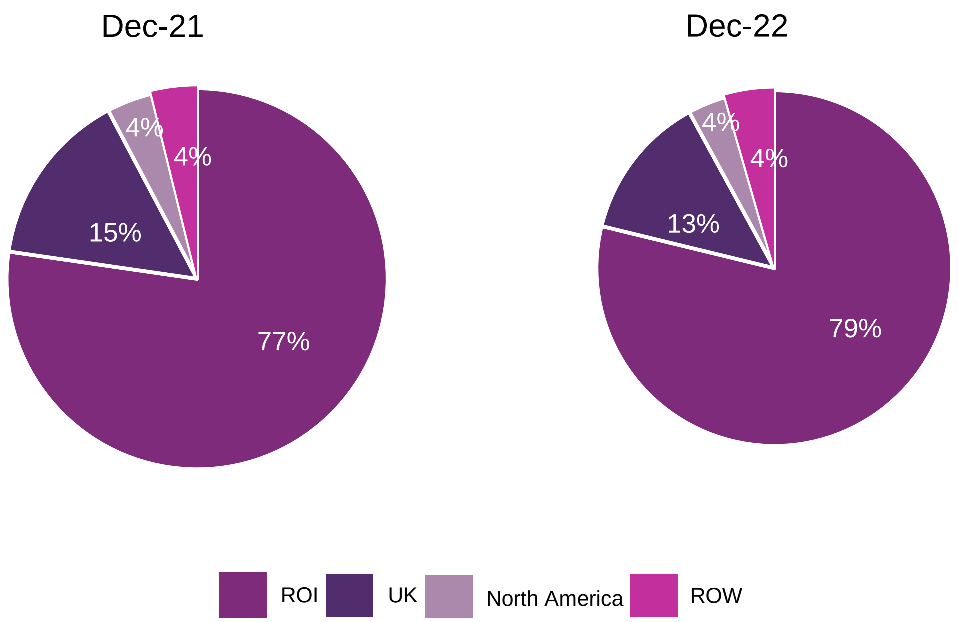
** Includes €0.2bn customer loans at FVTPL*
*** ECL allowance as a % of total loans and advances to customers carried at amortised cost*

Asset quality – total portfolio

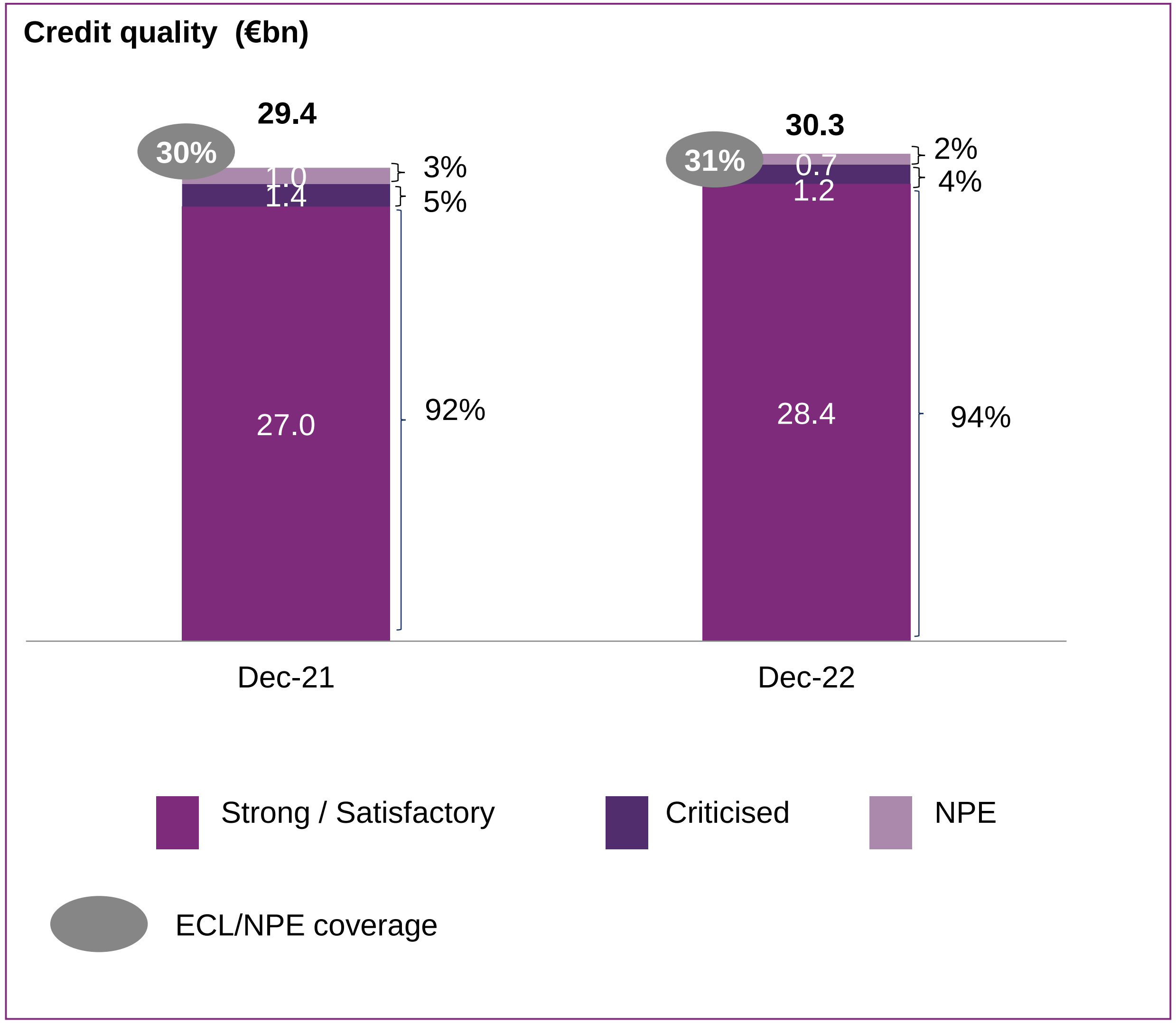
Total portfolio (€bn)

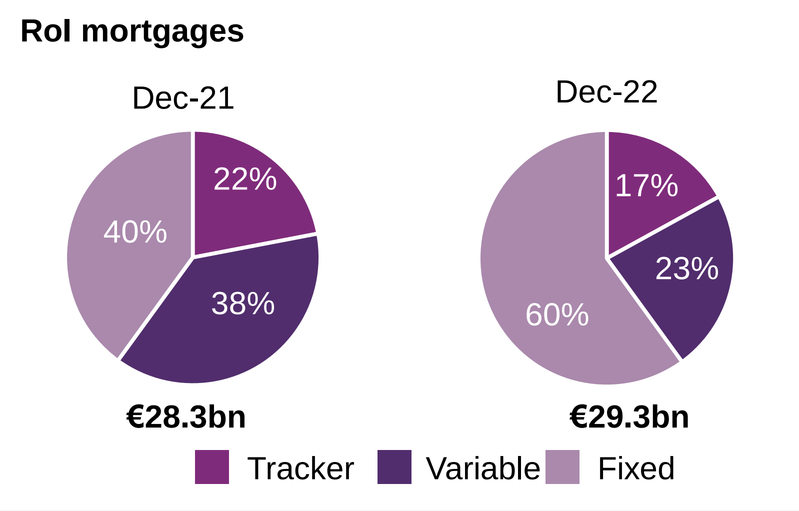


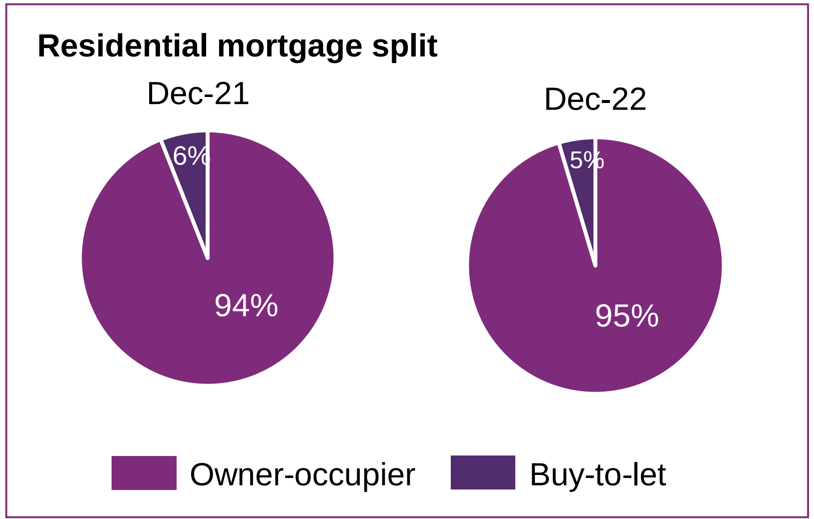
Loans at amortised cost by geography



Asset quality - mortgages

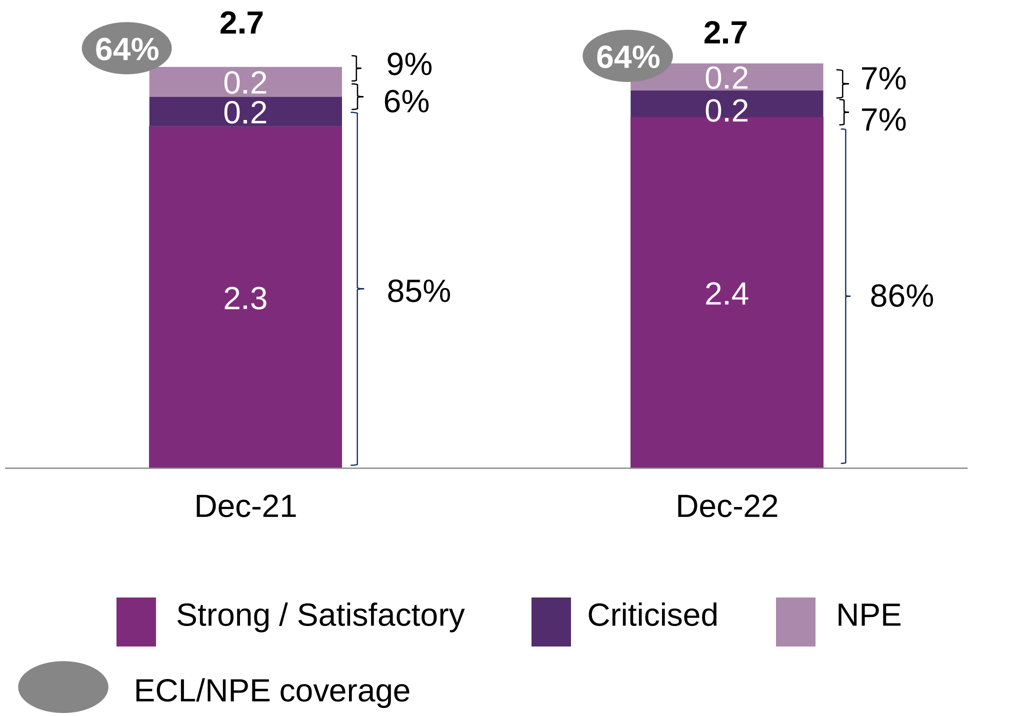




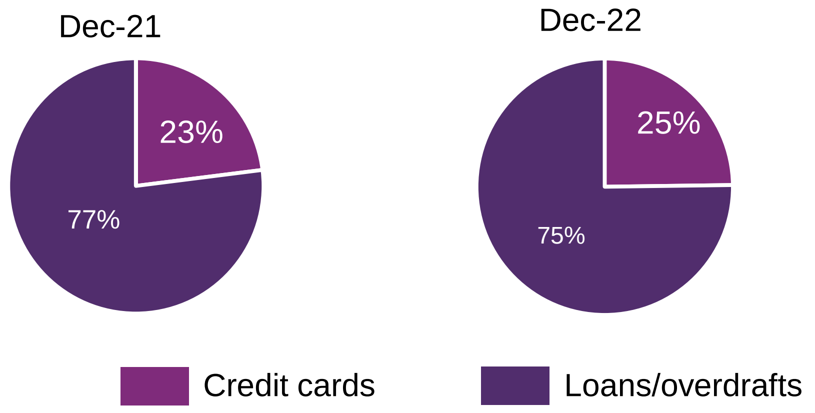


Asset quality – Personal portfolio

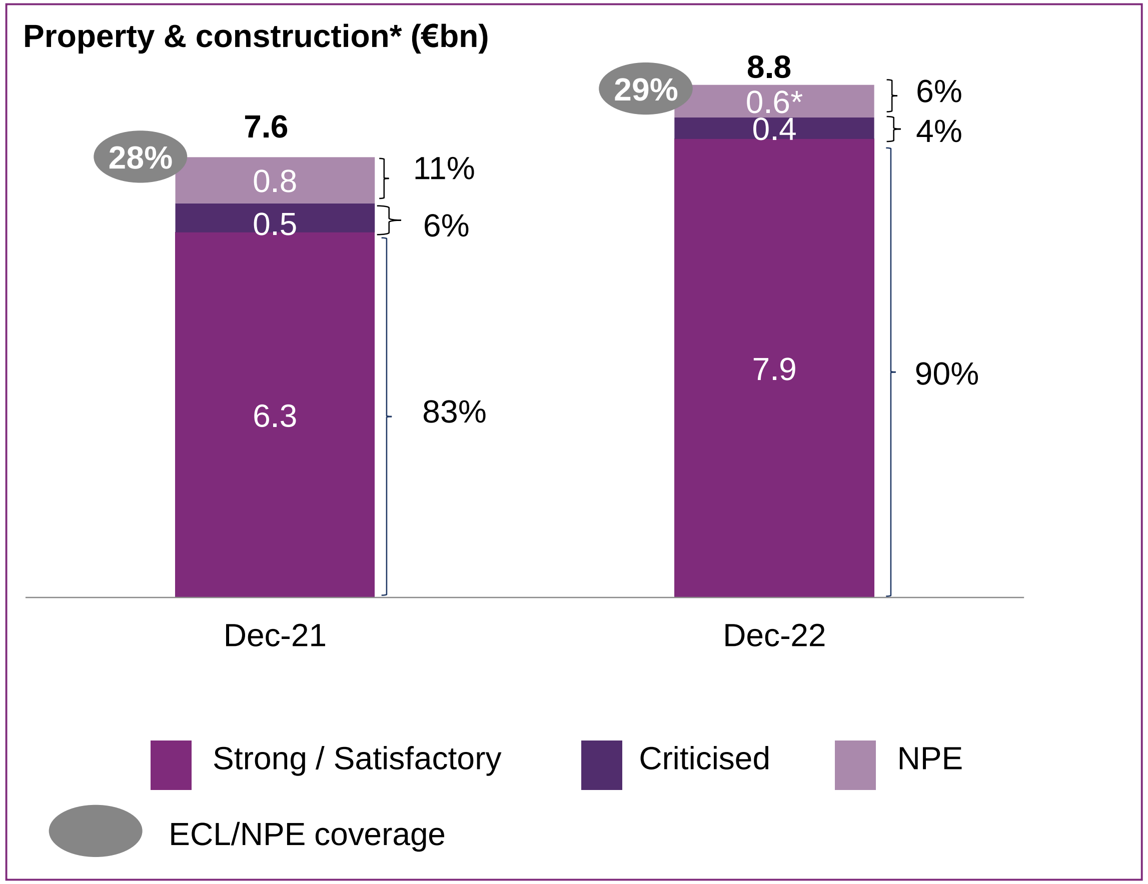
Personal (€bn)

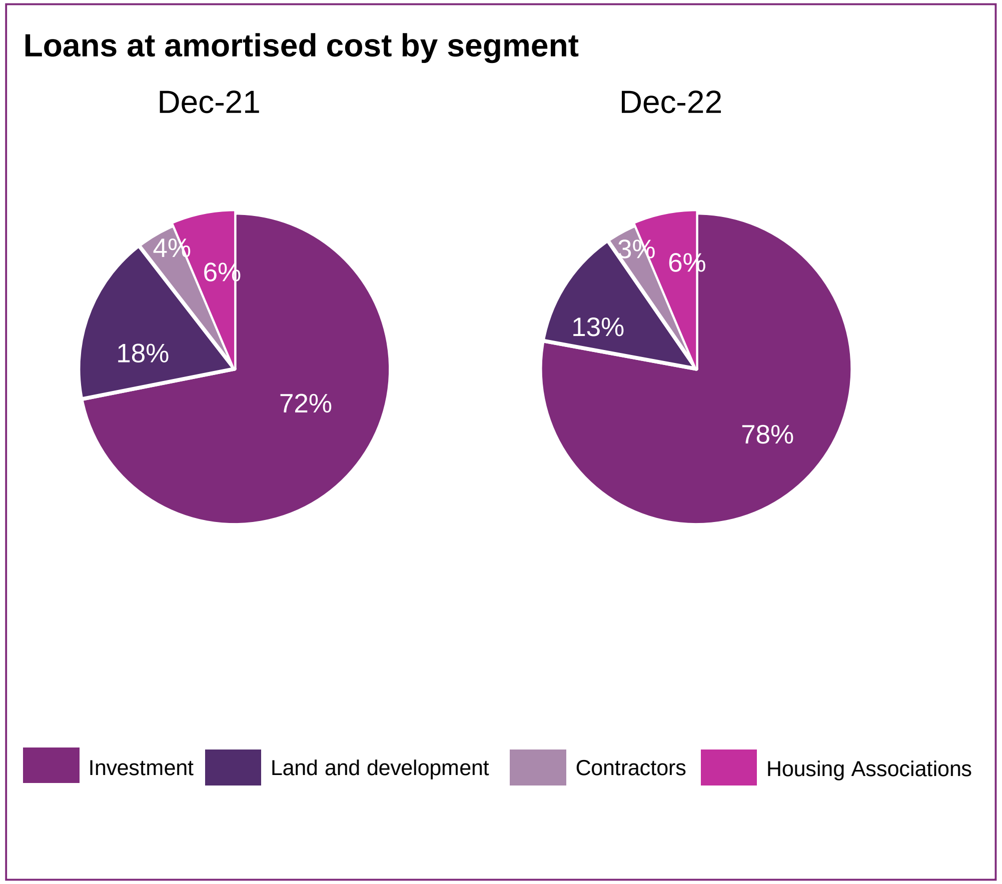


Lending split



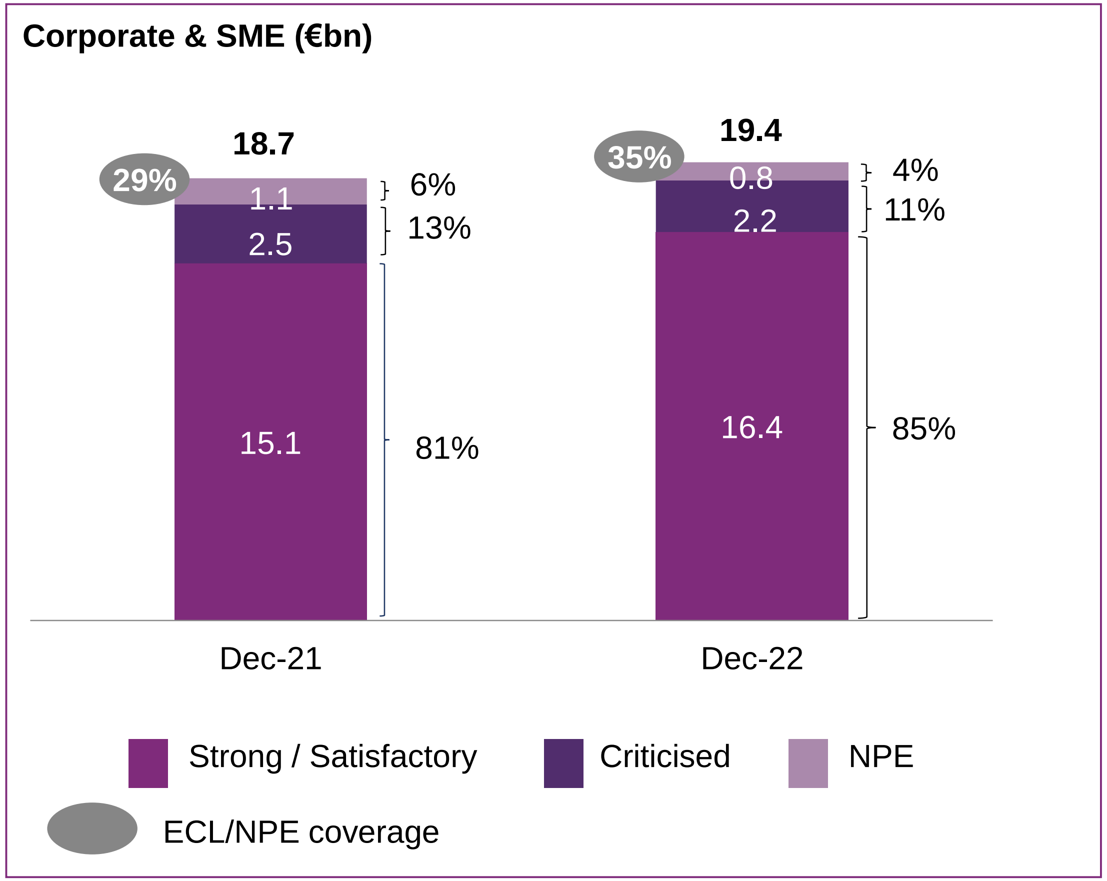
Asset quality – property & construction

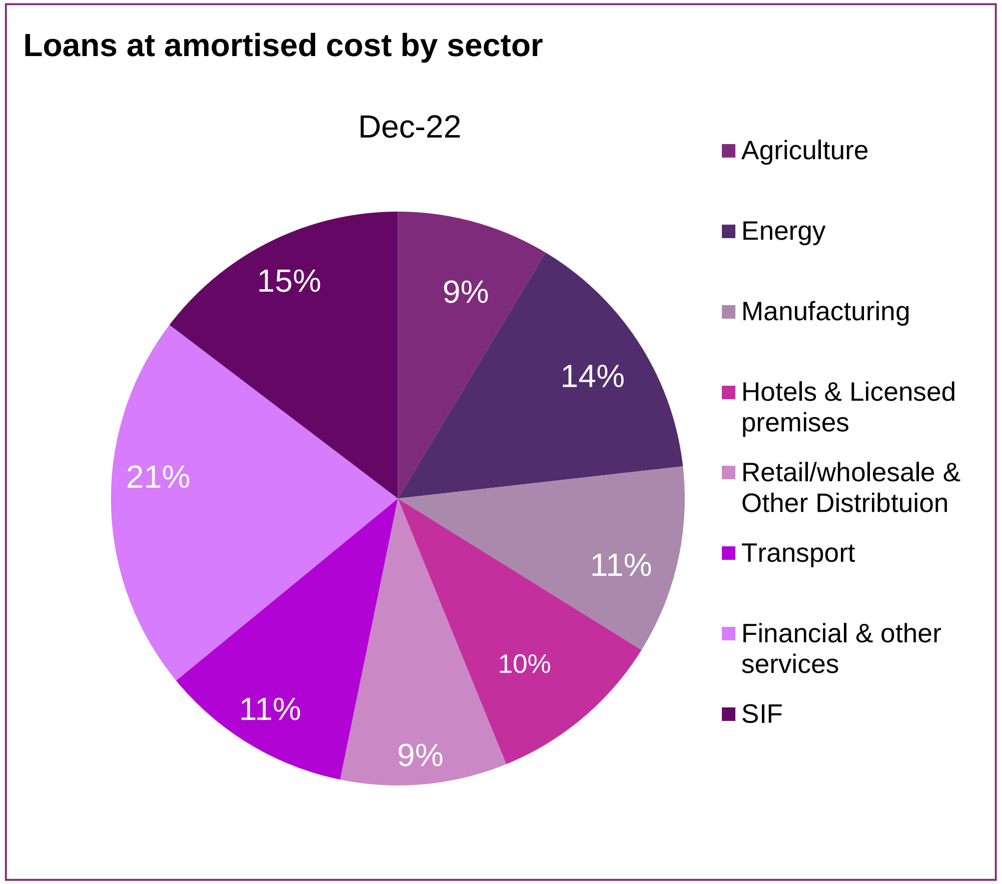




*includes €0.2bn measured at FVTPL

Asset quality – Corporate & SME





Asset quality – internal credit grade by ECL staging*

	Dec 2022					Dec 2021				
€m	Stage 1	Stage 2	Stage 3	POCI**	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Strong	**40,708**	**1,159**	**-**	**3**	**41,870**	36,521	895	-	4	37,420
Satisfactory	**11,365**	**1,772**	**-**	**3**	**13,140**	11,023	2,220	-	3	13,246
Total strong / satisfactory	**52,073**	**2,931**	**-**	**6**	**55,010**	47,544	3,115	-	7	50,666
Criticised watch	**668**	**1,271**	**-**	**1**	**1,940**	755	1,377	-	2	2,134
Criticised recovery	**119**	**1,834**	**-**	**61**	**2,014**	93	2,276	-	25	2,394
Total criticised	**787**	**3,105**	**-**	**62**	**3,954**	848	3,653	-	27	4,528
NPE	**2**	**-**	**1,997**	**19**	**2,018**	2	-	2,885	69	2,956
Total customer loans	**52,862**	**6,036**	**1,997**	**87**	**60,982**	48,394	6,768	2,885	103	58,150

** Dec 2022 excludes €249m loans FVTPL of which €153m are NPEs (Dec 21 €243m; €169m)*
*** Purchased or Originated Credit Impaired Loans (POCI)*

- Stage 1 loans €52.9bn increased €4.5bn from Dec 21, 99% are strong / satisfactory
- Stage 2 loans €6.0bn decreased €0.7bn from Dec 21, 49% are strong / satisfactory
- Stage 3 loans €2.0bn decreased €0.9bn from Dec 21 mainly due to €0.8bn portfolio sales

Reported capital ratios*

Transitional capital ratios

	Dec 22	Dec 21
Total risk weighted assets (€m)	**55,558**	52,637
Capital (€m)		
Shareholders equity excl AT1 and dividend	**10,985**	12,427
Regulatory adjustments / foreseeable charge	**(1,040)**	(2,325)
Common equity tier 1 capital	**9,945**	10,102
Qualifying tier 1 capital	**1,112**	1,115
Qualifying tier 2 capital	**1,524**	1,524
Total capital	**12,581**	12,741
Transitional capital ratios (%)		
CET1	**17.9**	19.2
AT1	**2.0**	2.1
T2	**2.7**	2.9
Total capital	**22.6**	24.2

Fully loaded capital ratios

	Dec 22	Dec 21
Total risk weighted assets (€m)	**55,333**	52,358
Capital (€m)		
Shareholders equity excl AT1 and dividend	**10,985**	12,427
Regulatory adjustments / foreseeable charge	**(1,983)**	(3,714)
Common equity tier 1 capital	**9,002**	8,713
Qualifying tier 1 capital	**1,112**	1,115
Qualifying tier 2 capital	**1,661**	1,661
Total capital	**11,775**	11,489
Fully loaded capital ratios (%)		
CET1	**16.3**	16.6
AT1	**2.0**	2.2
T2	**3.0**	3.1
Total capital	**21.3**	21.9

RWA (Transitional)

Risk weighted assets (€m)	**Dec 22**	Dec 21	**Mvmt**
Credit risk	**50,886**	47,646	3,240
Market risk	**291**	446	(155)
Operational risk	**4,302**	4,435	(133)
CVA	**79**	110	(31)
Total risk weighted assets	**55,558**	52,637	2,921

Shareholders' Equity (€m)

Equity – Dec 2021	**13,664**
Profit 2022	765
Investment securities & cash flow hedging reserves	(1,807)
Other	(356)
Equity – Dec 2022	**12,266**
less: AT1	**(1,115)**
less: Proposed dividend	**(166)**
Shareholders' equity excl AT1 and dividend	**10,985**

** Does not include impact of share buyback*

Capital requirements

Capital requirements	Dec-22	Dec-23	Dec-24
Pillar 1	4.50%	4.50%	4.50%
Pillar 2 requirement (P2R)	**1.55%**	**1.55%**	**1.55%**
Capital Conservation Buffer (CCB)	2.50%	2.50%	2.50%
O-SII Buffer	1.50%	1.50%	1.50%
Countercyclical Buffer (CCyB)	0.18%	1.05%	1.45%
Total CET1	**10.23%**	**11.10%**	**11.50%**
AT1	**2.02%**	**2.02%**	**2.02%**
Tier 2	**2.69%**	**2.69%**	**2.69%**
Total capital	**14.94%**	**15.80%**	**16.20%**

- The table above sets out the capital requirements at 31 December 2022 and the pro forma requirements for 31 December 2023 and 31 December 2024
- The Bank of England has reintroduced the UK Countercyclical capital buffer (CCyB) at 1% in December 2022, increasing to 2% in July 2023
- The Central Bank of Ireland is also reintroducing the CCyB for Irish exposures at 0.5% in June 2023, increasing to 1.0% in November 2023 and potentially to 1.5% in 2024

Loan book analysis and ECL sensitivities

Concentration by sector (%)	FY 2022
Agriculture	3
Energy	5
Manufacturing	5
Property & construction	14
Distribution	7
Transport	4
Financial	1
Other services	8
Resi mortgages	49
Personal	4
Total	**100**

ECL sensitivities*
Customer loans

FY 2022 €m	Reported	Base 100%	Downside scenario 1 100%	Downside scenario 2 100%	Upside scenario 100%
ECL allowance	1,618	1,538	1,672	1,865	1,437
Delta to Reported		(80)	54	247	(181)
Delta to Base			134	327	(101)

** FY 2022 macroeconomic scenarios and weightings: Base scenario (45%); Downside scenario 1 'Lower growth in 2023' (30%); Downside scenario 2 'Energy shock and persistently high inflation' (15%); Upside scenario 'Quick economic recovery' (10%)*

Credit ratings

As at 31 Dec 2022	Moody's	Standard & Poor's
AIB Group plc (HoldCo) Long term issuer rating	**A3**	**BBB-**
Outlook	Stable	Positive
Investment grade	✓	✓
AIB p.l.c. (OpCo) Long term issuer rating	**A1**	**A-**
Outlook	Stable	Positive
Investment grade	✓	✓

Other information

2023 guidance

NII	>€3.0bn
NIM	>2.40%
Other income	c. €750m
Costs	<€1.75bn
CoR	c. 30-40bps through-the-cycle
Bank levies & regulatory fees	c. €165m
Exceptional costs	c. €150m
Customer loans	>8% growth

Inclusive of acquisitions of both Ulster Bank corporate and commercial loan book and performing tracker mortgage portfolio

Dividend timetable

Event	Date
Full year results	Wed, 8 March 2023
Ex-Dividend Date	Thurs, 30 March 2023
Record Date	Fri, 31 March 2023
Currency/Tax Election Deadline	Fri, 14 April 2023 @ 12:00 midday
AGM Date	Thurs, 4 May 2023
Dividend Payment Date	Fri, 12 May 2023

Contact details

Our Investor Relations Department are happy to facilitate your requests for any further information

Name	Email	Telephone
Niamh Hore *Head of Group IR*	niamh.a.hore@aib.ie	+353 86 3135647
Siobhain Walsh *Head of Debt IR*	siobhain.m.walsh@aib.ie	+353 87 3956864
Pat Clarke	patricia.m.clarke@aib.ie	+353 86 1718598
Bernie Glynn	bernie.a.glynn@aib.ie	+353 87 9195707
John McEvoy	john.a.mcevoy@aib.ie	+353 87 3604613

Visit our website at aib.ie/investorrelations