AIB

AIB Group plc
Annual Financial Results

For the year ended
31 December 2023

For the life you’re after

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 27 to 30 in the 2023 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. 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 27 to 30 of the 2023 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 2023.

Agenda: 6 March 2024

1. 2023 Key highlights – Colin Hunt
2. 2023 Financial results – Donal Galvin
3. 2024-2026 Strategic update – Colin Hunt
4. 2026 Medium-term targets – Donal Galvin
5. Questions and Answers

Presenting today

Colin Hunt
Chief Executive Officer

Donal Galvin
Chief Financial Officer

2023 Key highlights

Profit €2,058m
RoTE 25.7%

Strong capital position
15.8% CET1

Proposed distributions
€1.7bn

Transformed balance sheet
NPEs 2.96%

Sustainability leader
€10bn climate action fund exceeded

Return to private ownership

2026 medium-term targets

Costs <€2bn
with CIR <50%

CET1 >14%

RoTE 15%

2023 ESG highlights

Exceeded €10bn Climate Action Fund

30% new green lending

Virtual CPPA generating up to 80% of the Group's electricity

Regular issuer of ESG bonds
€5.75bn issued since 2020

Remuneration policy now includes variable pay and healthcare benefits

Global 1st bank electricity 'maintenance' SBTi target

Non-financial performance targets

Greening our balance sheet
€30bn climate action fund by 2030

Helping customers to buy their first home
>€6bn new lending by 2026

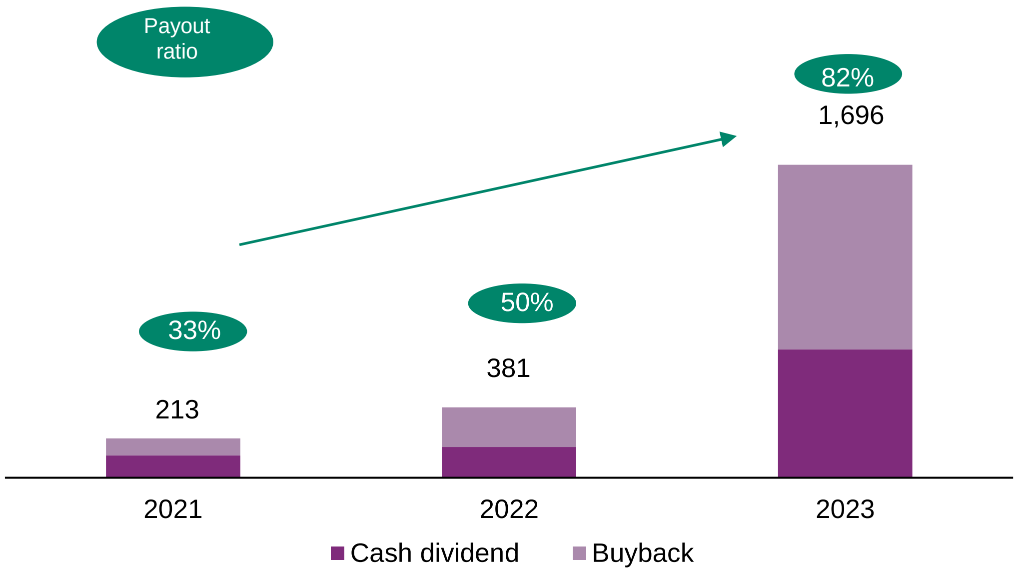
Universal inclusion
Ongoing gender balanced Board, ExCo & management(1)

(1) *The Equileap annual Gender Equality Global Report & Ranking equates 'gender balanced' with between 40% and 60% women*

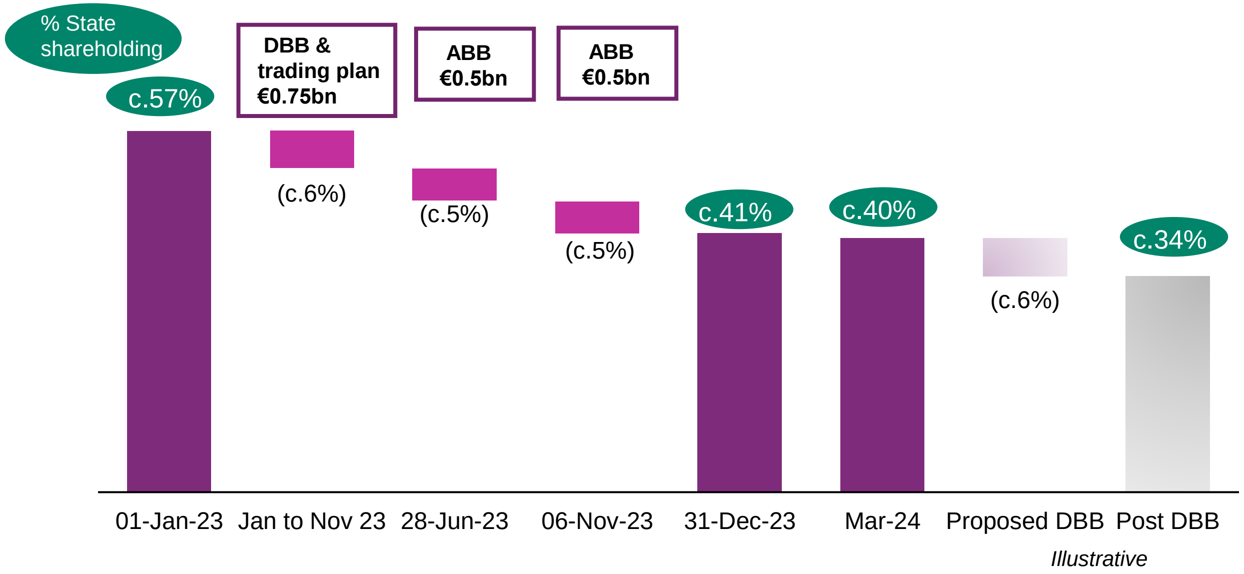
Increased distributions; return to majority private ownership

Significant increase in shareholder distributions

€m



Increased free-float as State shareholding reduces



2023 proposed distributions
- Cash dividend per share of 26.568c / €696m (2022: 6.2c / €166m)
- Regulatory approved buyback €1bn (2022: €215m)
    - Discussions underway with Dept of Finance for directed buyback
    - Shareholder approval required for >5% transaction

Strong organic capital generation supporting shareholder distributions
- €2bn profit after tax
- €1.7bn proposed distributions
- 82% payout ratio

Commenced return of excess capital
- Above-policy payout in 2023
- Moving CET1 ratio towards target level as we return capital to shareholders

State shareholding
- Reduced to c. 41% at Dec 2023 (Dec 2022: c. 57%); c. 40% at March 2024
- Use of all mechanisms: trading plan, accelerated book builds (ABB) and buybacks

Payments to the Irish State
- €14bn repaid to end Dec 2023 with a further €1.3bn of proposed distributions
    - 2022 & 2023: €3bn cumulative payments and proceeds returned

2023 Financial results

Financial performance FY 2023

Profit after tax €2,058m
- RoTE 25.7% with 190% growth in EPS to 75.7c

Total income €4,741m up 64%
- Net interest income €3,841m (+83%) and other income €900m (+13%)

Costs €1,826m(1); FTEs 10,551; both up 10% from Dec 22
- Cost income ratio 39%

Gross loans €67.0bn increased 9% (Dec 22: €61.2bn)
- Organic: €12.3bn new lending versus €12.6bn in 2022
- Inorganic: €4.7bn Ulster Bank loans migrated in 2023

Asset quality remains resilient, ECL coverage of 2.3%
- NPEs 2.96% of gross loans; NPE target achieved

Strong funding position
- Customer accounts €104.8bn increased €2.4bn; 70% in Personal and SME <€1m
- €2.4bn MREL debt issued in 2023, MREL ratio 34.0% in excess of 29.7% target (2)

CET1 fully loaded 15.8%; Transitional 16.5%
- Comfortably ahead of regulatory requirements

Proposed distributions €1.7bn(3) (64.8c per share) up from €381m; 82% payout (4)
- €0.7bn(3) cash dividend (26.6c per share)
- €1bn regulatory approved share buyback

(1) Excludes exceptional items, bank levies and regulatory fees
(2) MREL requirement 29.7% by 1 Jan 2024
(3) Total distribution amount is based on the aggregate number of shares currently outstanding; Dec 23 shares in issue: 2,618,753,655; cash dividend per share 26.568c
(4) Payout ratio based on PAT

Income Statement

Income statement – profit after tax €2,058m

Summary income statement (€m)	FY 2023	FY 2022
Net interest income[(1)]	**3,841**	2,095
Other income[(1)]	**900**	800
Total operating income	**4,741**	2,895
Total operating expenses[(2)]	**(1,826)**	(1,659)
Bank levies and regulatory fees[(3)]	**(185)**	(155)
Operating profit before impairment and exceptional items	**2,730**	1,081
Net credit impairment charge	**(172)**	(7)
Equity accounted investments	**12**	37
Loss on disposal of business	**(26)**	-
Profit before exceptionals	**2,544**	1,111
Exceptional items	**(150)**	(231)
Profit before tax	**2,394**	880
Income tax charge	**(336)**	(115)
Profit after tax	**2,058**	765

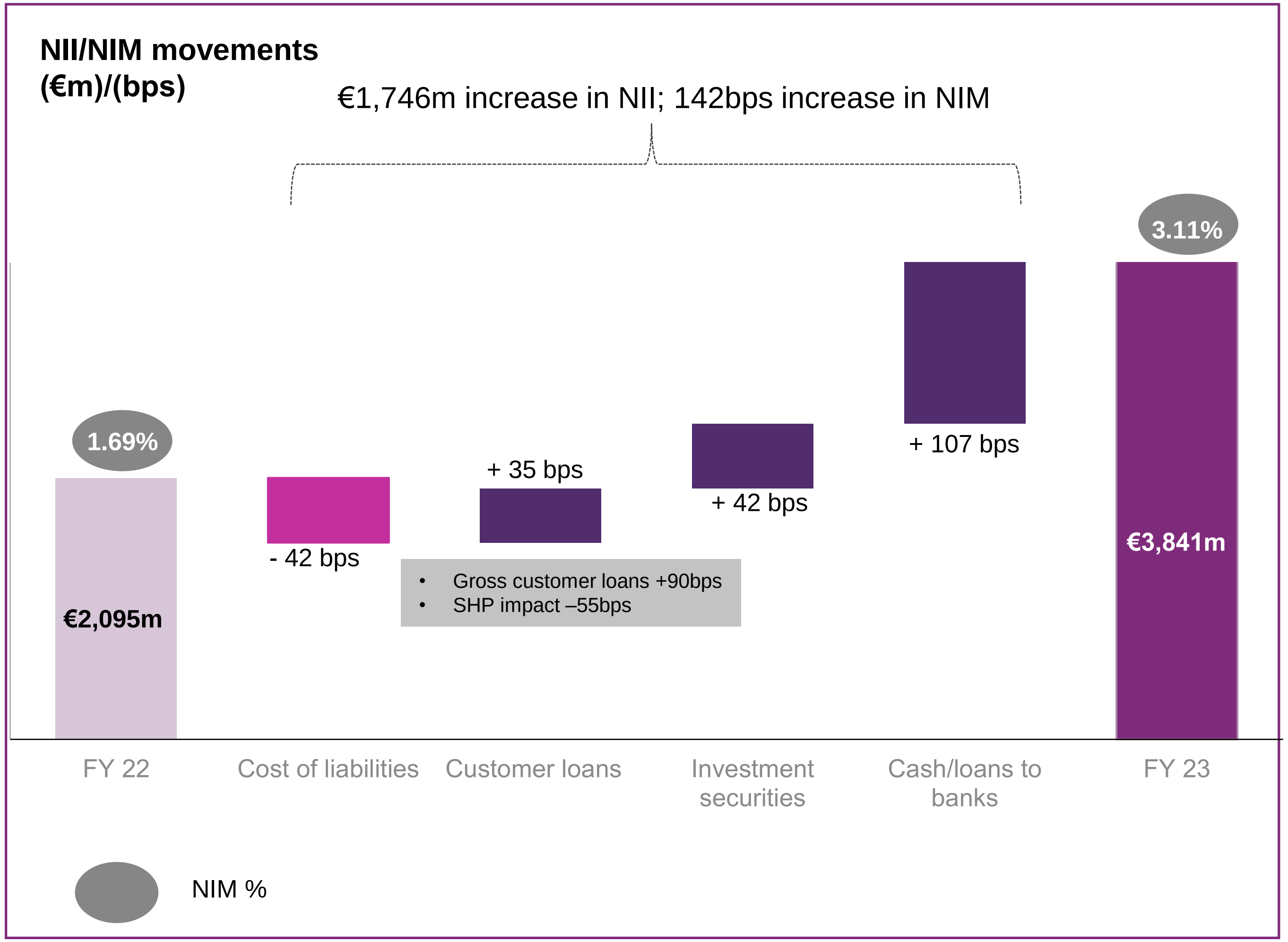
Metrics	FY 2023	FY 2022
Net interest margin (NIM)[(1)]	**3.11%**	1.69%
Cost income ratio (CIR)[(2)]	**39%**	57%
Return on tangible equity (RoTE)[(4)]	**25.7%**	9.6%
Earnings per share (EPS)	**75.7c**	26.1c
Proposed distribution per share (DPS)[(5)]	**64.8c**	14.3c

- Total operating income €4,741m up 64%
- Operating expenses €1,826m up 10%
  - CIR 39%, down from 57%
- Bank levies and regulatory fees €185m increased due to higher Deposit Guarantee Scheme fees
- Net credit impairment charge €172m
- Exceptional items €150m primarily includes:
  - €80m legacy items
  - €70m strategic items
- RoTE 25.7% with 190% growth in EPS
- EPS of 75.7c supporting DPS of 64.8c

Expect 2024:
- Bank levies & regulatory fees c. €145m
- Exceptional items c. €100m

(1) €43m interest expense was reclassed from other income to NII. Prior year has been restated on comparative basis to reclass €64m interest expense to NII
(2) Excludes exceptional items, bank levies and regulatory fees
(3) The DGS fee for 2023 reflects an industry wide increase to complete the build-up of DGS contributory fund to the target level
(4) RoTE using (PAT – AT1) / (CET1 @ 13.5% of RWAs)
(5) Includes €1bn regulatory approved share buyback

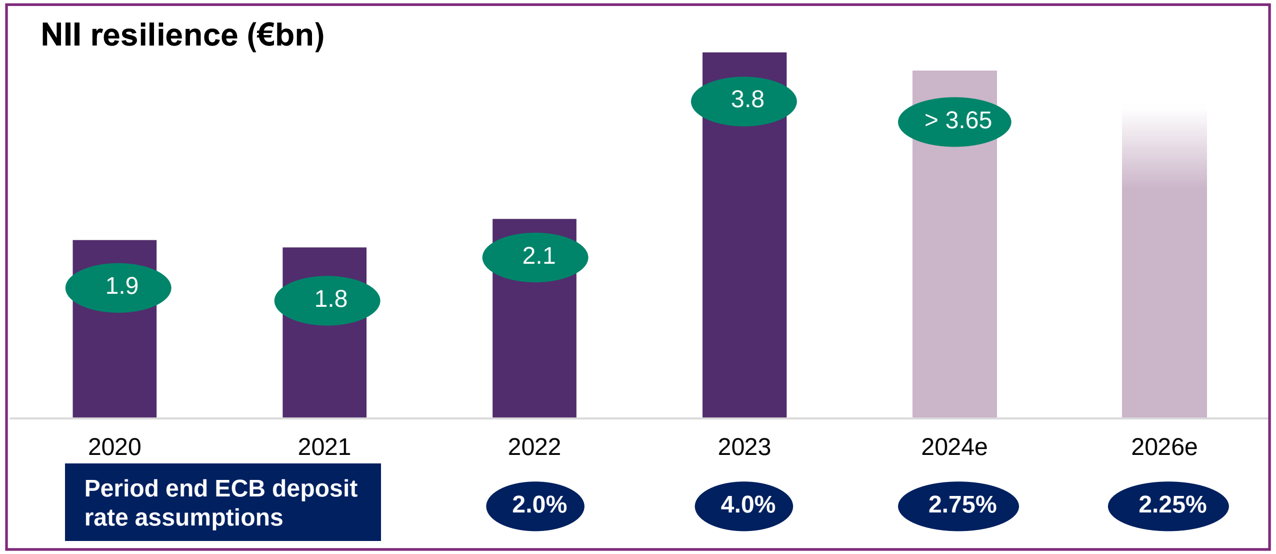
Net interest income €3,841m; up 83%

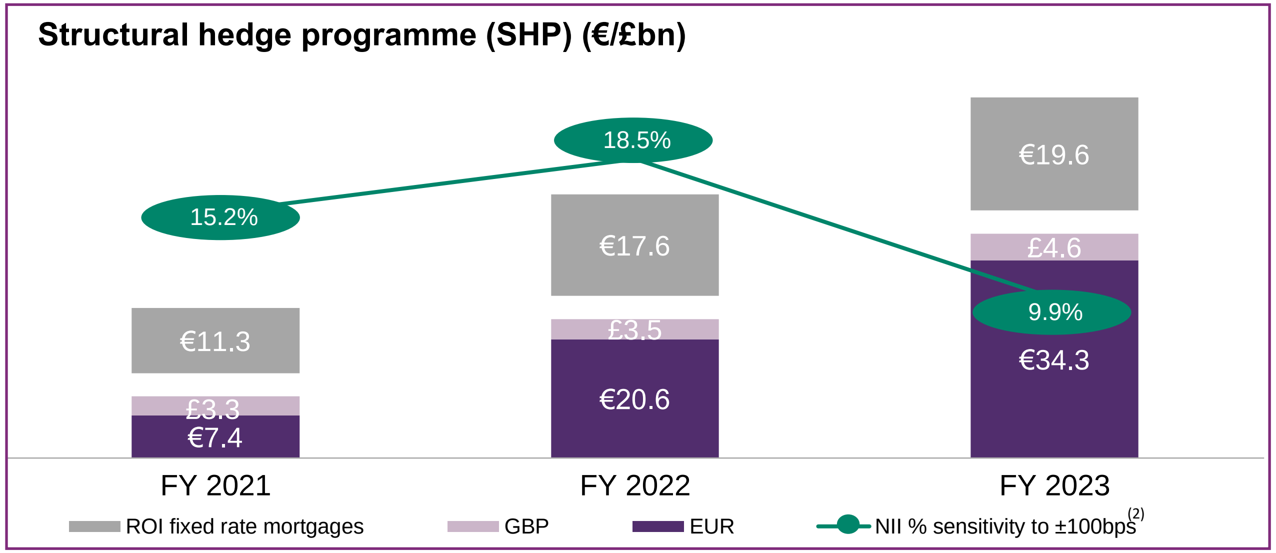


NII €3,841m up €1,746m (+83%) from FY 2022 impacted by:

- -€519m higher cost of liabilities including:
  - -€186m customer accounts reflecting higher deposit interest expense
  - -€333m other liabilities reflecting interest rate impacts and higher MREL costs
- +€434m customer loans from higher interest rate environment and an increase in average loan volumes (Gross loans +€1,111m; SHP -€677m)
- +€520m investment securities primarily driven by higher interest rate environment
- +€1,311m cash/loans to banks driven by higher interest rate environment
- Q4 exit NIM 3.30%

NII outlook: resilience in a stabilising interest rate environment





NII 2024 guidance >€3.65bn

- Assuming period end ECB deposit rate of 2.75%

NII resilience:

- NII remains robust in a stabilising rate environment with 2023 an exceptional year
- Low deposit beta[(1)] to date; to evolve throughout 2024 and 2025
  - <10% 2023; <20% in 2024
- Sticky and granular deposit base
  - €104.8bn customer accounts split 92% ROI and 8% UK
  - 70% of balances Personal and SME<€1m

Structural hedge programme:

- Further increase in structural hedge derivative nominal
- Dec 23 exit receive fixed yield was 2.3% EUR and 2.0% GBP
- Increase in fixed rate assets with customer preference for fixed rate mortgages
- Increased structural hedge reduces NII sensitivity and volatility

	EUR		GBP	
Derivative portfolio	**FY 2023**	FY 2022	**FY 2023**	FY 2022
Weighted average life (years)	**4.2**	3.7	**5.2**	5.2
Average received fixed yield %	**2.0**	1.2	**1.3**	0.7

FY 2024 NII is expected to be >€3.65bn

(1) Deposit beta covers all customer accounts including interest and non-interest bearing accounts
(2) NII sensitivity takes the higher of the +100bps or -100bps scenario: Sensitivity table on slide 54

Strong other income driven by fee and commission

Net fee and commission income (€m)	**FY 2023**	FY 2022
Customer accounts	**240**	226
Lending related fees	**54**	50
Card	**148**	112
Stockbroking client fees and commissions	**46**	47
Customer related FX	**88**	83
Wealth / insurance / other	**57**	70
Total net fee and commission income	**633**	588

Other income (€m)(1)	**FY 2023**	FY 2022
Net fee and commission income	**633**	588
Net income on equity investments	**27**	88
Realisation of cash flows on restructured loans	**3**	13
Other non-interest income(2)	**237**	111
Total other income	**900**	800

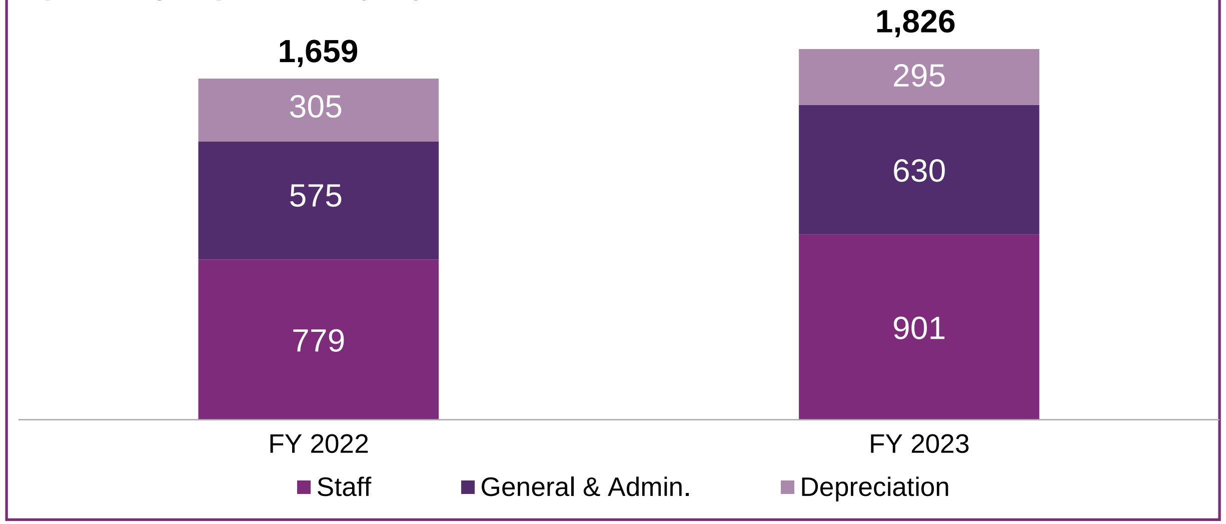
- Other income €900m up 13%
- Fee and commission income €633m up €45m (+8%)
  - Higher card income and transaction volumes reflecting increased customer base
    - Customer accounts up +6%
    - Card income up +31%
    - Customer related FX up +5%
- Other non-interest income €237m includes:
  - €223m forward contracts (FY 2022: €62m) for Ulster Bank loan acquisitions of which €203m relates to tracker mortgages

FY 2024 other income expected to be >€700m

(1) Excludes exceptional items
(2) €43m interest expense was reclassed from other income to NII. Prior year has been restated on comparative basis to reclass €64m interest expense to NII

Costs €1,826m; 10% increase due to inflation and enlarged Group

Operating expenses(1) (€m)



FTEs (2) – employees (#)

- Costs €1,826m, up 10% driven by:
  - Staff costs up 16%: Inflation, increase in FTEs and allowance for variable pay
  - General & Admin up 10%: Inflation, cost to service enlarged Group
  - Depreciation down 3%: reflecting stabilised investment spend
- Cost income ratio (CIR) 39%, down from 57%
- FTEs 10,551, up 10%
  - +2% ex Ulster Bank staff joined in 2023
  - +6% to serve an enlarged customer base
  - +2% increased second & third line defence staff to support an enlarged Group
- FY 2024 cost considerations
  - Variable pay and health benefits
  - Normalising inflationary environment
  - Strategic initiatives supported by c. €300m average investment spend p.a.

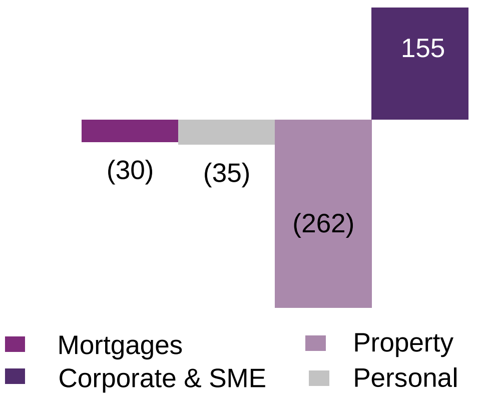
FY 2024 costs expected to increase by 6-7%

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

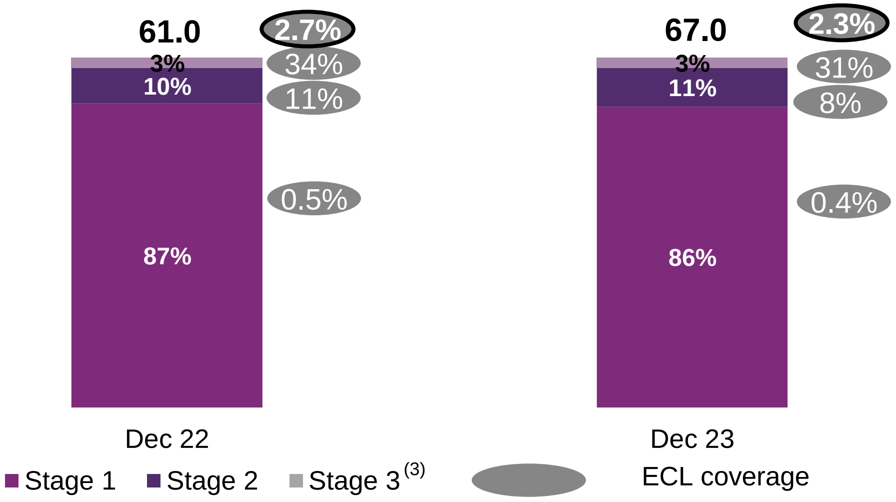
ECL charge €172m (27bps CoR); 2.3% ECL cover

ECL writeback / (charge) (€m)	FY 2023	FY 2022
Macroeconomic assumptions	**19**	31
Other[1]	**(95)**	39
Post-model adjustments	**(96)**	(77)
Total ECL charge	**(172)**	**(7)**

ECL writeback / (charge) by sector €m



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



(1) *Other includes new loans, remeasurements, redemptions and recoveries of amounts previously written off*
(2) *Loan book at amortised cost*
(3) *Includes Purchased or Originated Credit Impaired Loans (POCI)*

ECL charge of €172m for FY 2023

- €327m charge primarily driven by property sector, includes PMA charge of €185m to address potential adverse impacts from higher interest rates and lower valuation within CRE
- €155m writeback within Corporate/SME includes PMA release of €67m reflecting the strong performance of Covid impacted sectors

Stage 2 loans €7.7bn increased by c.€1.6bn including:

- €1.4bn increase in Property to €2.8bn (Jun 2023: €3.7bn) mainly CRE
- €1.2bn increase in Mortgages to €2.4bn primarily due to redeveloped model
- €0.9bn reduction in Corporate/SME to €2.3bn reflecting strong repayment and improved credit performance as cases exited forbearance and returned to Stage 1

Strong ECL cover 2.3%; ECL stock of €1.5bn

- ECL cover 2.3% reduced (Dec 22: 2.7%) primarily due to the disposal of defaulted unsecured loans with higher cover rates and onboarding of Ulster Bank tracker mortgages
- PMA represents 35% of ECL stock

FY 2024 expect CoR at the lower end of 20-30 bps range

Balance Sheet

Balance sheet – strong funding & liquidity to support our customers

Balance sheet (€bn)	Dec 2023	Dec 2022
Performing loans	**65.0**	59.0
Non-performing loans	**2.0**	2.2
Gross loans to customers	**67.0**	61.2
Expected credit loss allowance	**(1.5)**	(1.6)
Net loans to customers	**65.5**	59.6
Investment securities	**17.4**	16.3
Loans to central banks and banks[1]	**45.8**	46.0
Other assets	**7.6**	7.9
Total assets	**136.3**	129.8
Customer accounts	**104.8**	102.4
Deposits by banks	**1.8**	0.5
Debt securities in issue	**8.4**	7.2
Other liabilities	**6.2**	7.4
Total liabilities	**121.2**	117.5
Equity	**15.1**	12.3
Total liabilities & equity	**136.3**	129.8

Assets

- Gross loans €67.0bn increased 9% including
  - €3.8bn Ulster Bank tracker mortgages
  - €0.9bn Ulster Bank corporate and commercial loans
- New lending €12.3bn exceeded redemptions of €11.0bn
- Investment securities up 7% held primarily for liquidity purposes and hedged for interest rate risk
- Loans to banks €45.8bn includes €33.3bn at CBI and €3.9bn at BoE

Liabilities

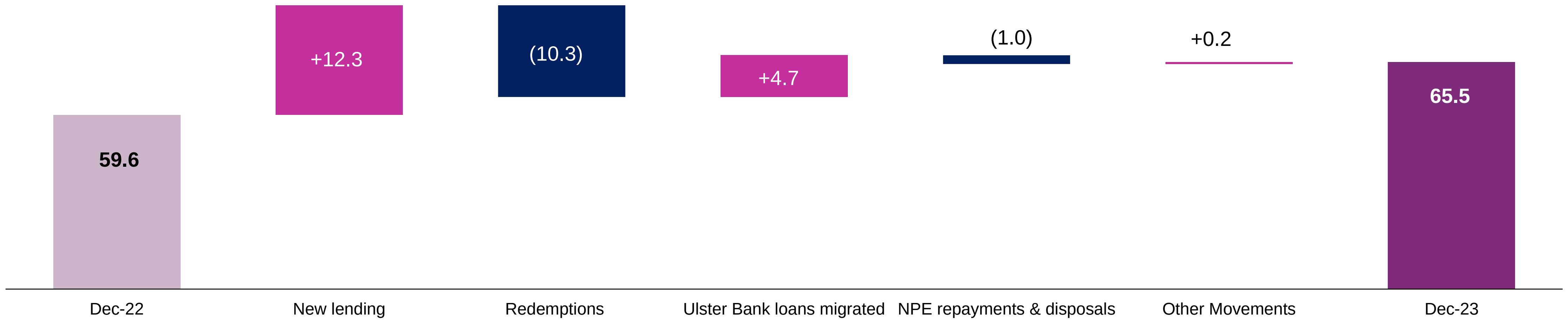
- Customer accounts €104.8bn increased by 2%

Key capital metrics (%)	Dec 2023	Dec 2022
CET1 ratio (FL) [2]	**15.8**	16.3
CET1 ratio (transitional)	**16.5**	17.9
Leverage ratio	**7.5**	7.6

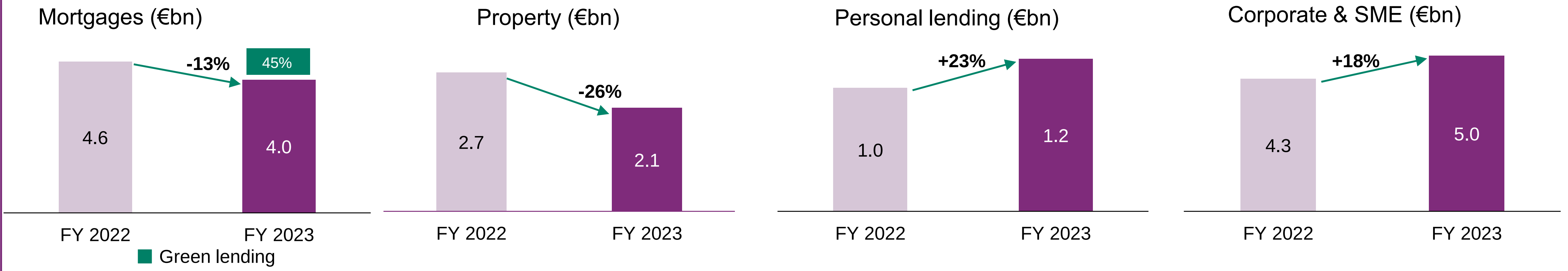
(1) Includes securities financing
(2) CET1 ratio of 15.8% at Dec 23 reflects impact of €1bn approved regulatory share buyback (-180bps); CET1 ratio of 16.3% at Dec 22 excludes impact of €215m share buyback completed in April 23 (-40bps)

Net loans €65.5bn; new lending of €12.3bn in FY 2023

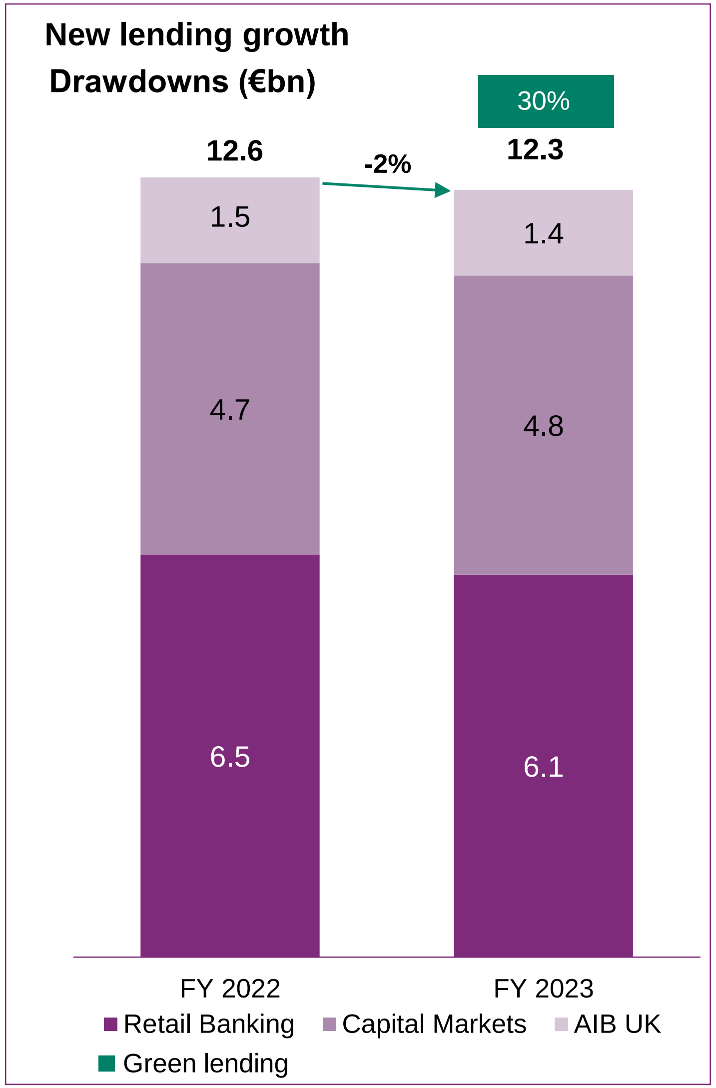
Net loans €65.5bn increased €5.9bn
(€bn)

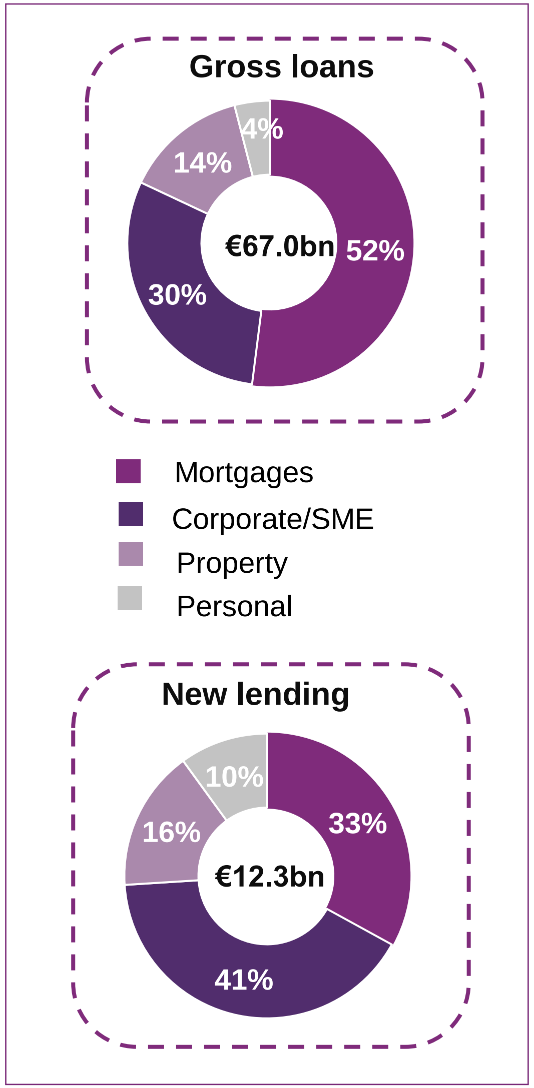


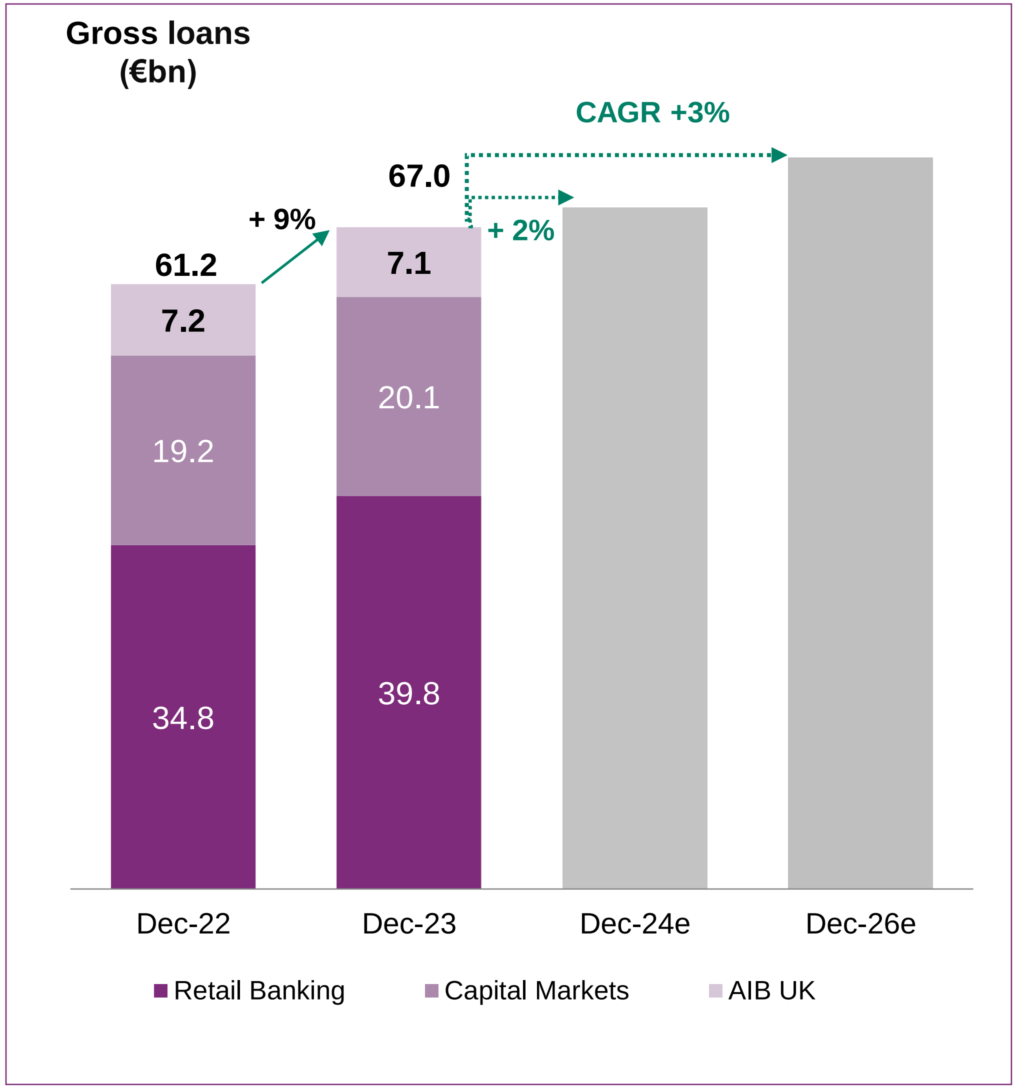
New lending across asset classes



Loan book growth in 2023-2026





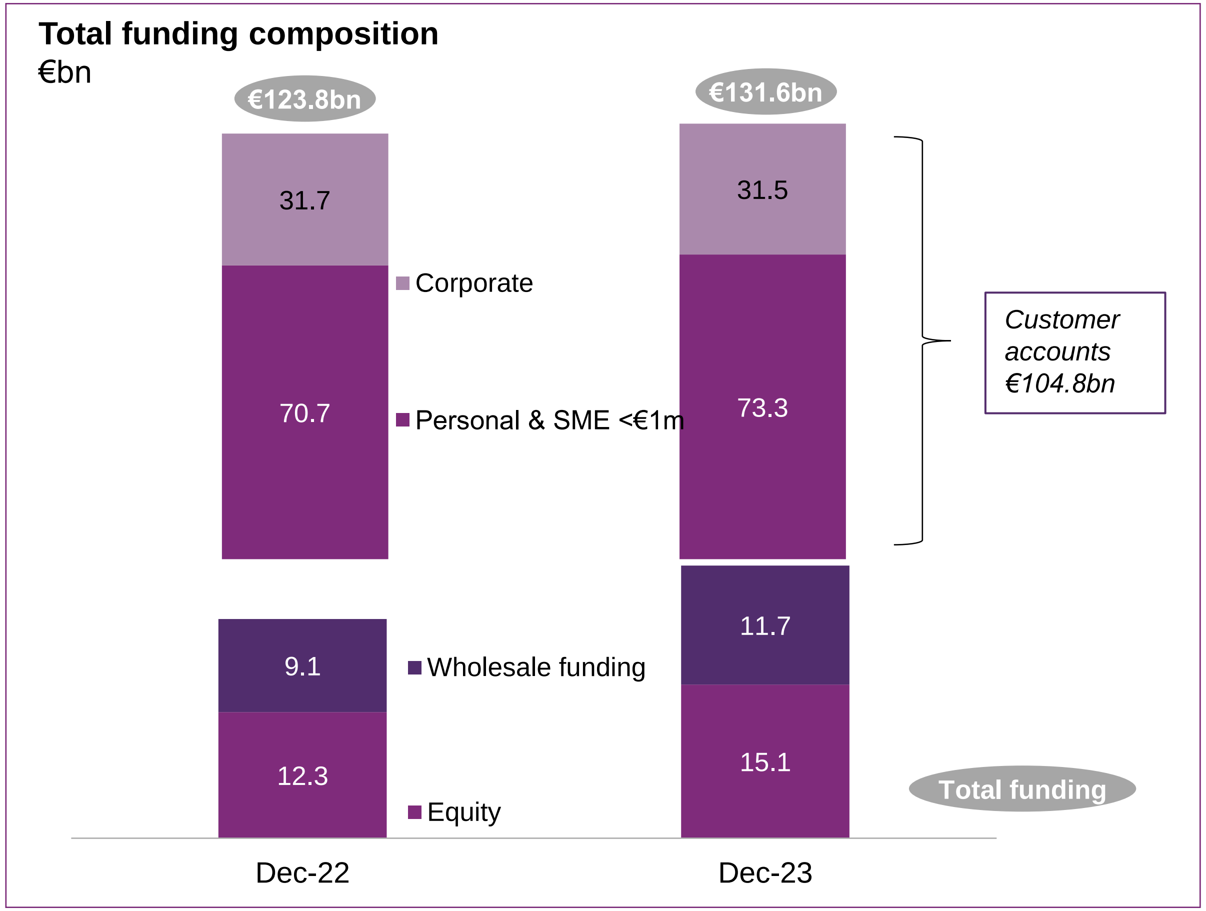


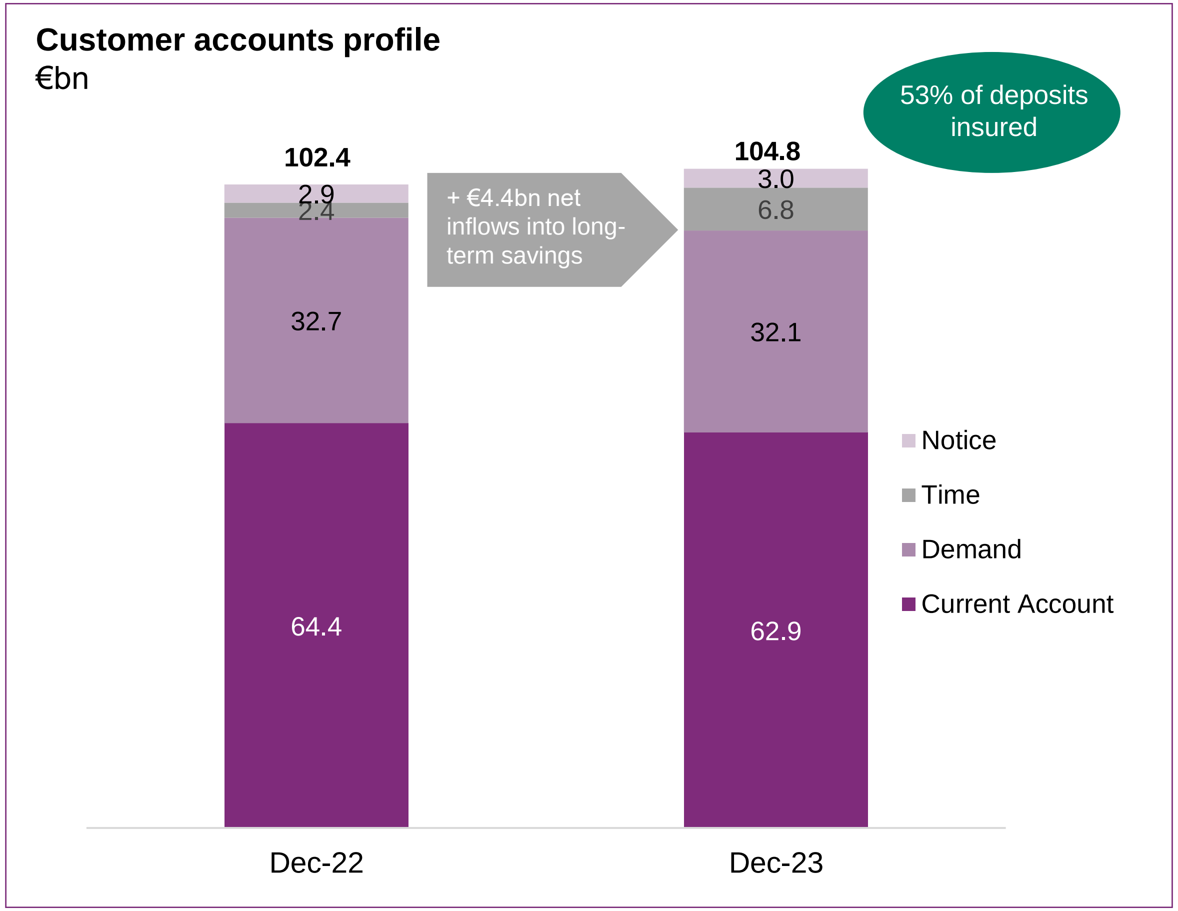
Gross loans are expected to grow by 2% in 2024

Note rounding may apply

Funding and capital

Strong funding and liquidity reserves



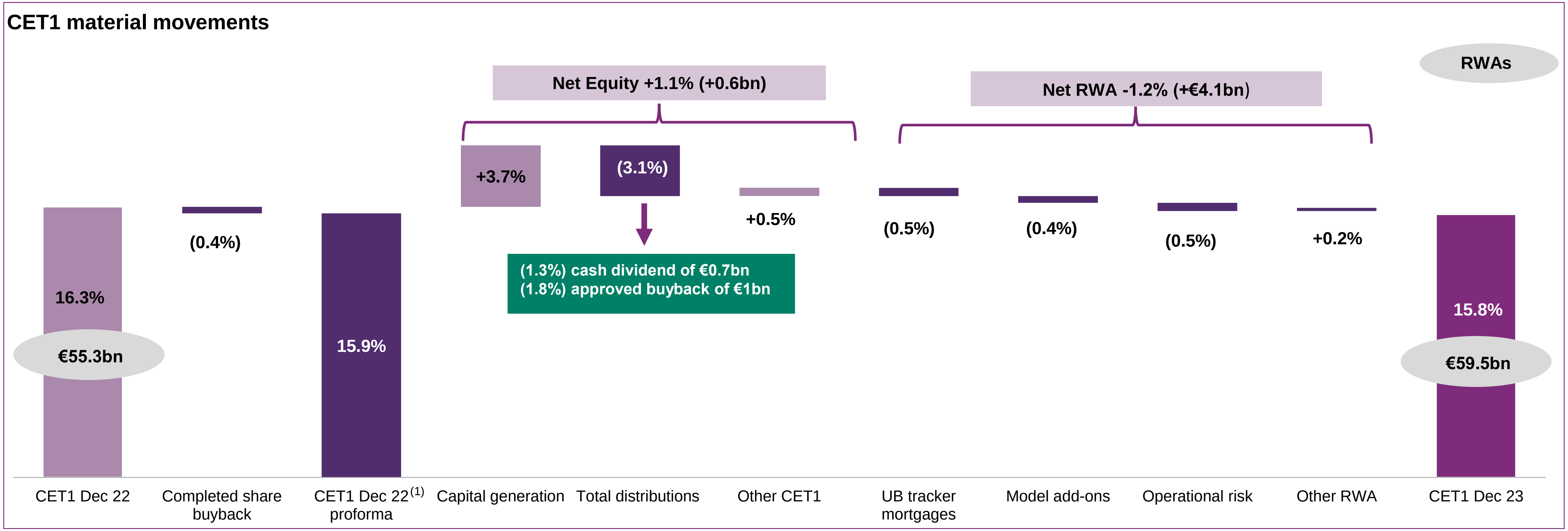


- 80% of funding is customer accounts of which 70% are Personal and SME <€1m
- MREL ratio 34.0% in excess of 29.7%(1) requirement
- On average expect three issuances p.a.
  - Regular issuer of ESG bonds

Liquidity metrics (%)	Dec 2023	Dec 2022
Loan to deposit ratio (LDR)	**63**	58
Liquidity coverage ratio (LCR)	**199**	192
Net stable funding ratio (NSFR)	**159**	164

(1) MREL requirement 29.7% by 1 Jan 2024

Strong organic capital generation; CET1 15.8%



CET1 movements to 15.8%

Equity impact +110bps

- + 370bps strong organic capital generation
- - 130bps cash dividend of €0.7bn
- - 180bps approved €1bn buyback
- + 50bps other, primarily DTA utilisation

RWA impact -120bps (€4.1bn RWA increase)

- - 50bps Ulster Bank tracker mortgage acquisition
- - 40bps IRB model development
- - 50bps increase in operational risk due to higher average income
- + 20bps other RWA moves

CET1 15.8% comfortably above SREP 11.13%

- 4.67% buffer to CET1 FL 15.8%
- 5.37% buffer to CET1 transitional 16.5%
- P2R reduced to 2.6% from 2.75% for 2024

(1) CET1 Dec 22 proforma includes the impact of €215m share buyback completed in April 2023 (-40bps CET1)
Note rounding may apply

2024-2026 Strategic update

AIB

Strategy 2020 – 2023 has transformed AIB

Providing a strong and resilient platform for the future

Dec 2020

Three year plan to accelerate strategy through transformation

RoTE (11.2%)[1]

Ways of working
- Lower property and carbon footprint
- Hybrid working model

Sustainability
- Expanded suite of green products
- ESG integrated credit decision making

Digitalisation
- Enhanced digital credit processes
- Refocused branch network

Dec 2022

Revised medium-term targets in light of changed operating environment

RoTE 9.6%

Changed environment
- Two banks exited the Irish market
- Rising interest rates and inflation

Customer recruitment
- Safely onboarded new customers

Corporate development
- Exit of GB SME business
- Acquired Ulster Bank loan books
- Acquired Goodbody
- JV with Great-West Lifeco

End 2023

Strategy 2023 completed
Reshaped AIB delivering sustainable returns

RoTE 25.7%

Enhanced customer base and franchise
- 3.3m customers (2020: 2.8m)
- Filled product gaps, especially wealth offering

Transformed and de-risked balance sheet
- 14% growth in loan book since 2020[2]
- 3% NPE target achieved

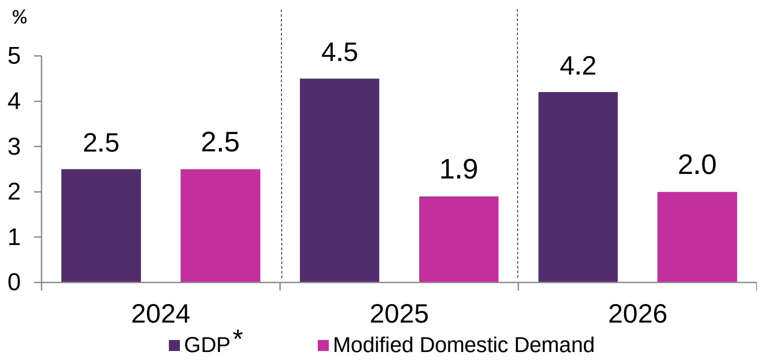
Resilient customer-focused technology
- c.€300m average investment spend p.a.
- 2.19m digitally active customers

Underpinned by our long-standing commitment to sustainability

[1] Reflects impact of €1.46bn ECL charge for the potential impact of Covid-19 pandemic
[2] Includes remaining c. €1bn Ulster Bank tracker mortgages to migrate in 2024

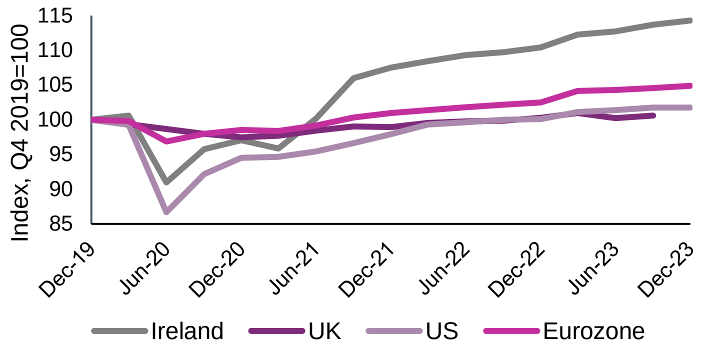
Attractive Irish economic fundamentals

Good growth forecast for 2024-26 despite headwinds



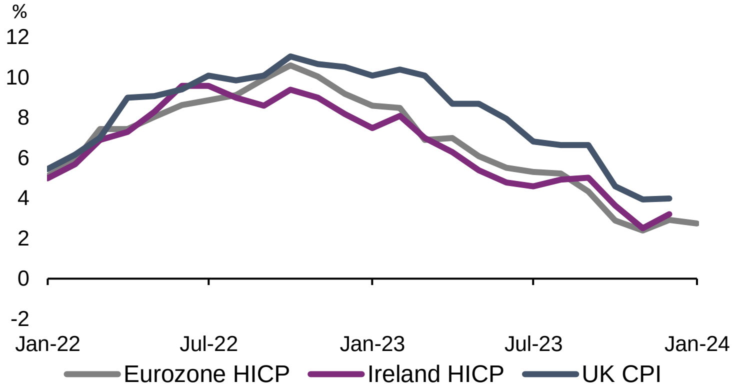
Source: CBI 'Quarterly Bulletin Q4 2023'

Irish employment rises sharply post the pandemic



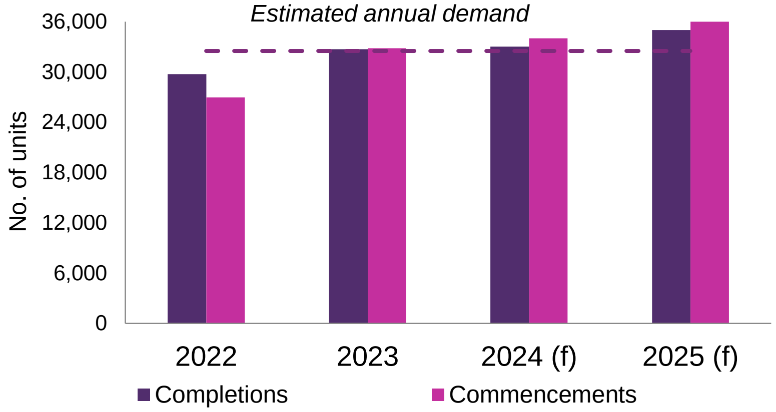
Source: CSO, ONS, EuroStat, BEA

Irish inflation rate falls sharply, in-line with elsewhere



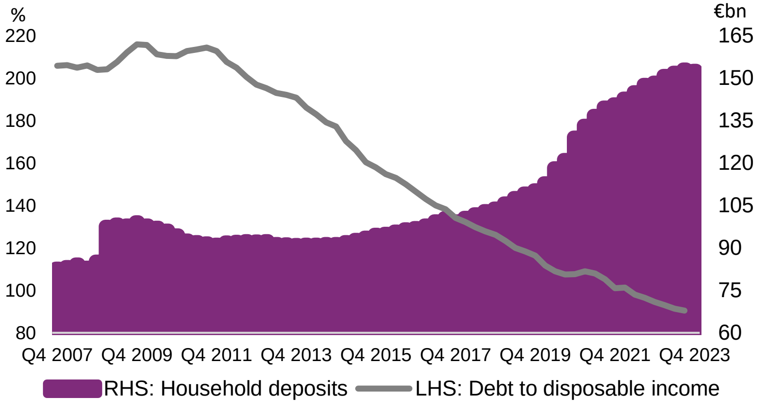
Source: CSO, ONS, EuroStat

Housing activity expected to continue to trend higher



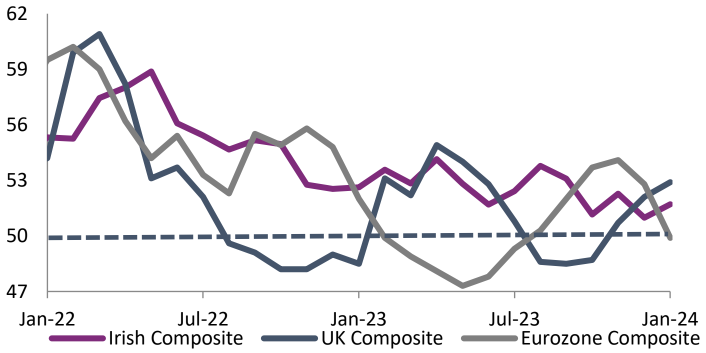
Source: CSO, CBI, Dept. of Housing, AIB ERU

Household deposits remain elevated, indebtedness falls



Source: CSO, Central Bank, AIB ERU

Irish composite PMI consistently in expansion mode



Source: S&P Global

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

AIB is Ireland's #1 Bank

#1 Irish Retail Bank

Leading mortgage provider

33% mortgage market share(1)

No. 1 credit card provider

#1 Green Bank

Sustainability leader

30% new green lending

Climate capital segment

#1 Business Bank

Relationship-driven corporate business

47% share of business current accounts (2)

No. 1 corporate bank for FDI

#1 Fully digital life offering

Extensive wealth management

Goodbody-Private

AIB life

#1 Digital and physical channels

Largest branch network in Ireland

78% of key products sold digitally

7.9bn digital wallet payments

(1) *Source: Mortgage drawdowns BPFI for YTD Dec 2023*

(2) *Source: Ipsos B&A, AIB SME Market Monitor 2023*

Our purpose is to empower people to build a sustainable future

Strategy 2024-2026 puts our purpose into action

Guided by our strategic pillars

Customer First	Simple & Efficient	Risk & Capital	Talent & Culture	Sustainable Communities

with three strategic priorities

Customer First: Developing more enduring relationships with our customers

Greening the Loan Book: Leveraging transformative growth opportunities

Operational Efficiency: Enabling each other to deliver for our customers by investing in capabilities and capacity

delivering 2026 medium-term targets

Costs <€2bn with CIR <50%

CET1 >14%

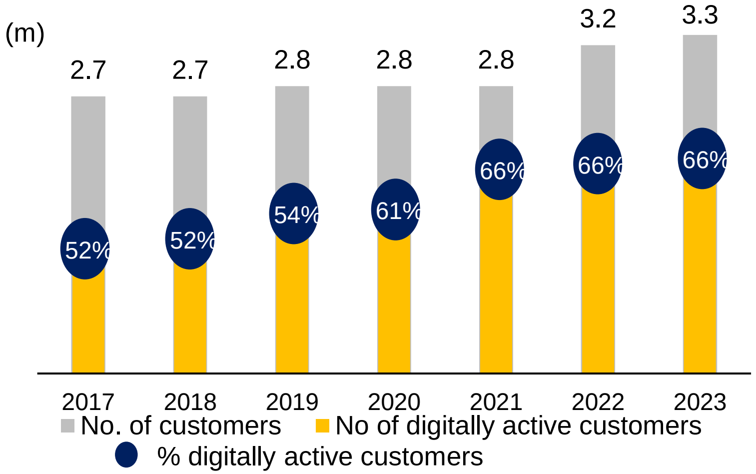
RoTE 15%

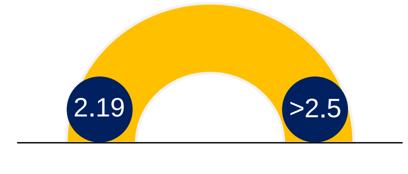
Customer First – a step change in customer experience

Centred on an informed view of our customers' needs anchored in a progressive ESG agenda

- **Deep understanding** of customer needs informs our strategy
- Develop **deeper, more enduring relationships**
- Deliver a **transformed banking customer experience (CX)**
- Customer financial needs met in a **proactive, seamless and innovative** manner
- **Customer centricity** delivers tangible NPS benefits
- Supporting customers in the **transition to a low-carbon future**

Strategy 2024+ to deliver a seamless CX to an enlarged and increasingly digital & ESG-focused customer base





Digitally active customers (m)

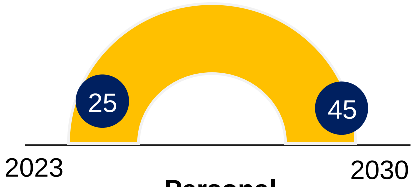
ESG customer propositions

Green mortgage

Green personal loan

Renewables, housing, healthcare & education

Sustainability linked loans



Personal relationship NPS

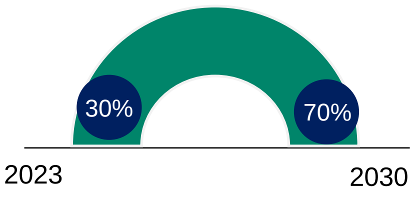
Greening the loan book

Supporting customers in the transition to a greener future

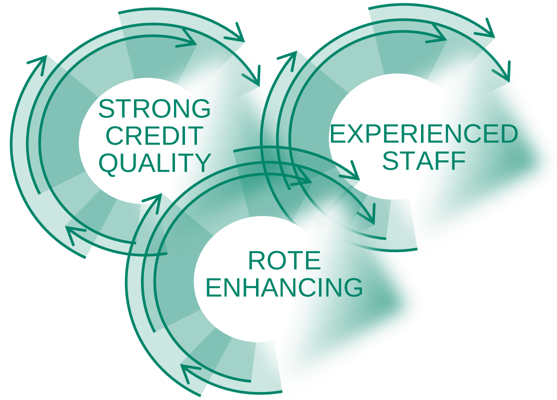
- Amplification of **ESG leadership**
- **Net zero ambition** set: 2030 in own operations; 2040 in financed emissions (agri 2050)
- **Green & transition lending**: financed emissions targets set for 75% of the loan book
- Dedicated green-financing segment: '**Climate Capital**'
- Ambition to be a **market leader in financing energy transition & ESG infrastructure**
  - Focus on solar PV, onshore wind and offshore wind in Europe, UK and North America
- **€30bn climate action fund** to support transition to a low-carbon economy
  - €10bn fund exceeded with lending of €11.6bn since 2019

Net-zero transition from 2021-2050 requires c. $275 trillion globally or on average $9.2 trillion p.a.[1]

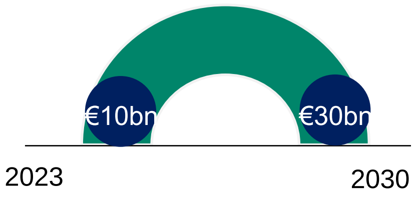
% New green and transition lending to increase



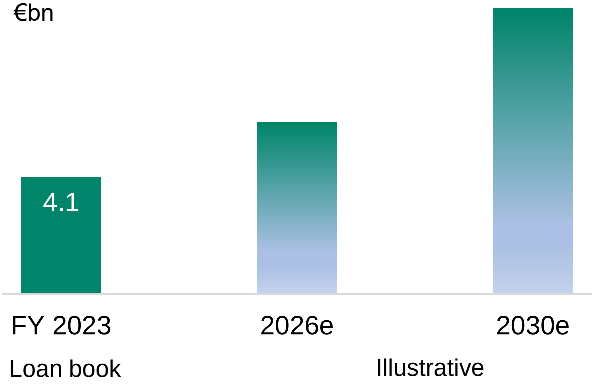
New Climate Capital segment



Climate action fund tripled to €30bn



Strong growth expected in Climate Capital



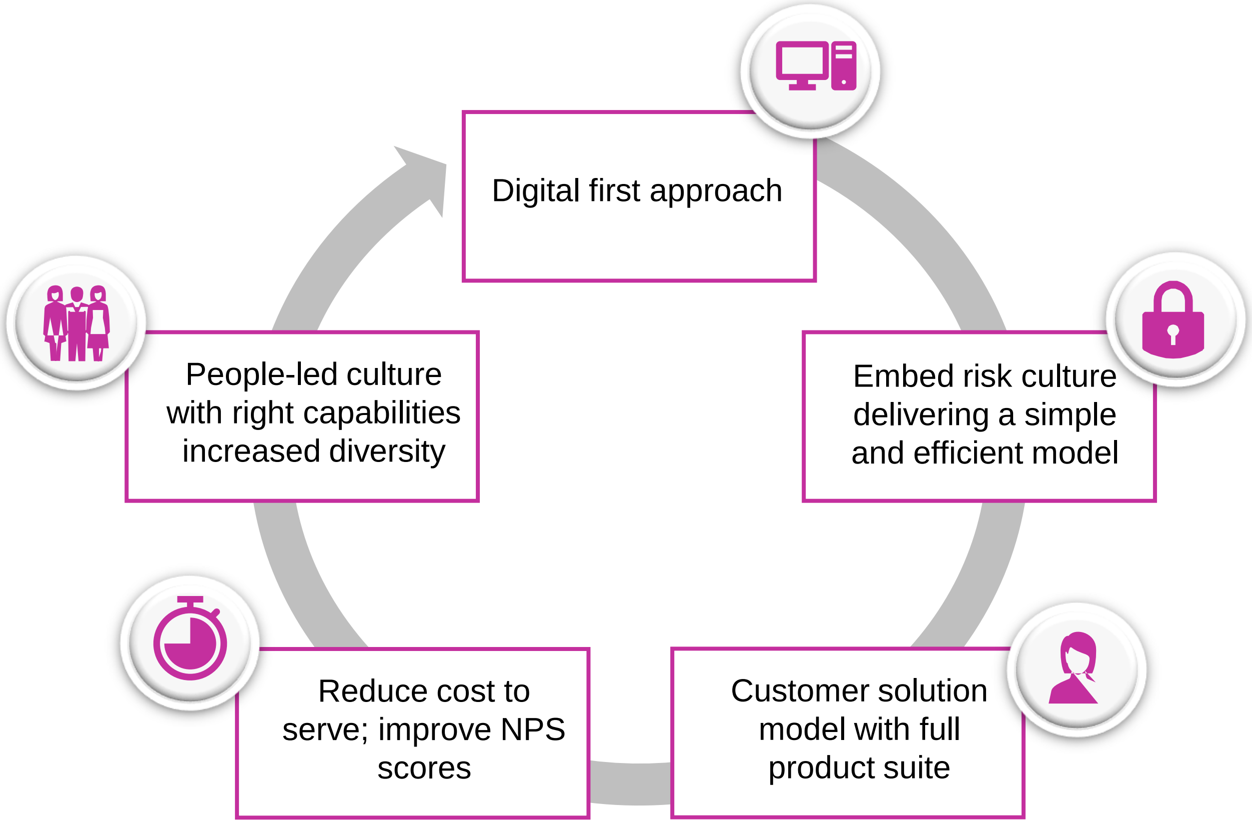
[1] *Source: McKinsey*

Operational efficiency

Reduce cost to serve; focus on efficiency and removing complexity

- **Enhanced customer experience**: simplify / digitise processes, efficient access to products and services and increased share of wallet
- **Technology**: modernising channel experience, future-proofing & resilience
- **Risk & credit**: delivering a simple & seamless model to transform credit process and risk management
- **Operations and capacity:** deployment of Agile & Tribes to drive efficiency of operations and change management
- **People strategy**: Dynamic workforce management, focus on capabilities to enable strategy
- **ESG:** Delivering towards net zero commitment

Strong focus on optimising customer interactions, digitising our data & systems and tightening our product set and corporate structure



Transforming business credit process and mobile banking app

Digitalisation improving operational efficiency and customer experience

Business credit transformation

- Increased digital adoption and customer volumes
- Data enablement to make fast, robust decisions
- Increased agility in a dynamic market

Originations:
60% of originations via customer self-serve

Time to decision:
90% auto decision rate

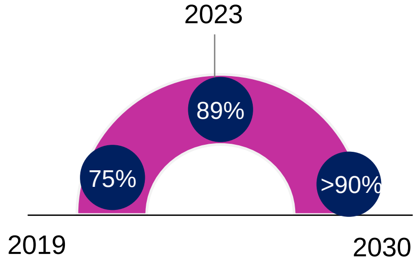
Time to cash:
75% <4 days

Fast, frictionless business credit for customers

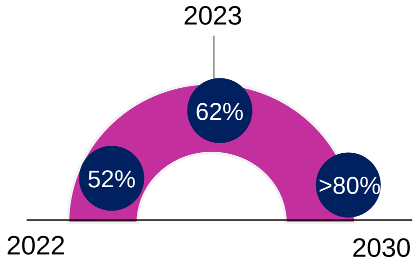
Mobile banking app

- Innovative interface for personal and business customers
- Modern, flexible journeys
- Increased functionality and integrate new services
- Drive efficiencies and grow our business

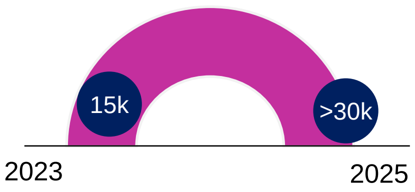
% Personal loans applied digitally



% Accounts opened digitally



Business app users



Modern, digital channel for personal & business customers

Progressive modernisation of technology

Continuous investment in technology

c.€300m investment on average p.a. 2024 to 2026 ensuring a 'Future fit' platform to deliver strategic priorities

Customer channel experience

- **Broadening digital capability** with business mobile app
- **Modernising our credit platforms** to enable faster credit decisions and time to cash
- **Transforming our channels** through personalised customer experiences and integrated digital product & service journeys

Resilient & secure foundations

- **Improved staff experience** through major end user computing platform upgrade
- **Enhancing the resilience** of critical banking services e.g. DORA
- **Continued strengthening of security measures** for greater customer trust with reduced friction

Data & AI capabilities

- **Improving customer engagement** through the deployment of speech analytics and conversational AI in our contact centres
- **Scaling cloud capabilities and tooling** to accelerate the availability of insight and establish next generation data capability
- **Progressing generative AI trials** across a range of use cases supporting staff creativity and productivity

Intelligent automation | **Modern engineering** | **Dynamic workforce** | **Agile practices**

Modern, reliable technology provides foundations for the future

Transformed, reshaped and revitalised Group

Investment Thesis

- Exceptional financial performance over the last three years
- Supportive domestic macroeconomic backdrop
- Well-positioned enlarged Group with customer-centric focus
- Resilient balance sheet; conservative credit management
- Leader in sustainability
- Focused on targeted growth and operational efficiency
- Strong capital generation and distributions

2026 medium-term targets

Cost
< €2.0bn
with CIR <50%

CET1
>14%

RoTE
15%

Non-financial targets

Greening our balance sheet
€30bn climate action fund by 2030

Helping customers to buy their first home
>€6bn new lending by 2026

Universal inclusion
Ongoing gender balanced Board, ExCo & management[1]

[1] *The Equileap annual Gender Equality Global Report & Ranking equates 'gender balanced' with between 40% and 60% women*

2026 Medium-term targets

Guidance and Medium-term targets

2024 Guidance

- Net interest income >€3.65bn
- Other income >€700m
- Cost increase 6-7%
- Cost of risk at the lower end of 20-30bps range
- Bank levies & regulatory fees c. €145m
- Exceptional costs c. €100m
- Customer loans to grow by 2%

2026 medium-term targets

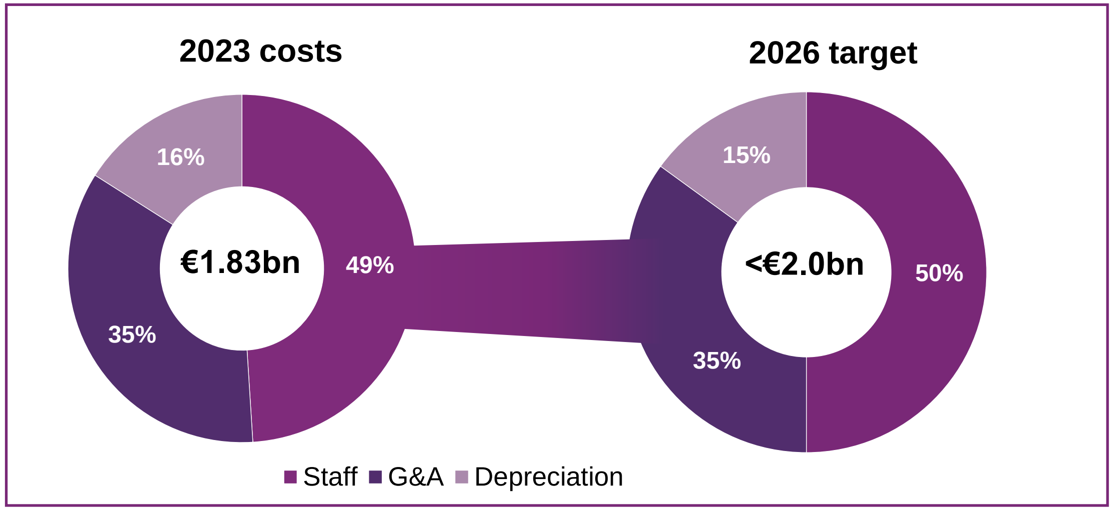
Cost(1)
< €2.0bn
with CIR <50%

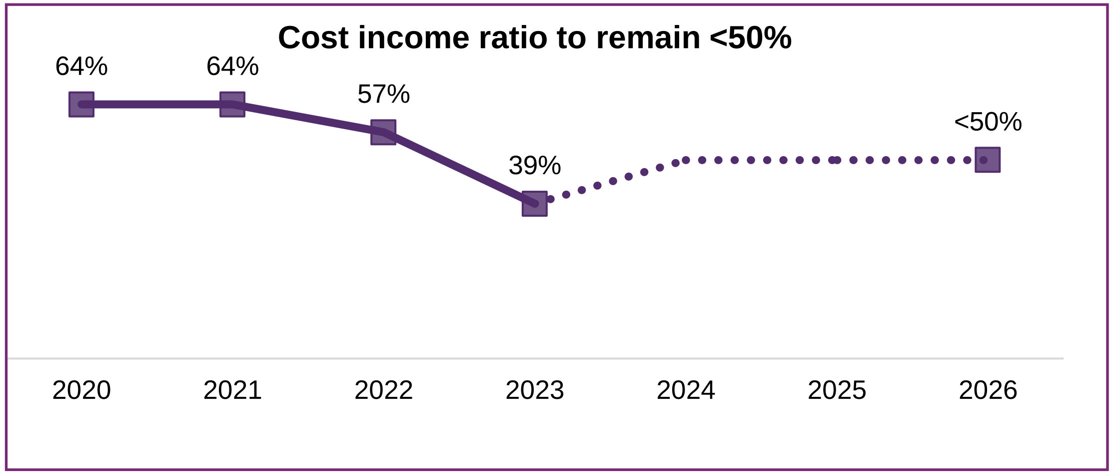
CET1(2)
>14%

RoTE(3)
15%

1) *Costs before bank levies, regulatory fees and exceptional items*
2) *Fully loaded*
3) *RoTE = (PAT – AT1) / (CET1 @ 14% of RWAs)*

Medium-term target: Costs(1) <€2.0bn





Cost target <€2.0bn in 2026 with CIR <50%

Transformed Group: Enhanced product suite and more customers to serve

Variable pay and health benefits

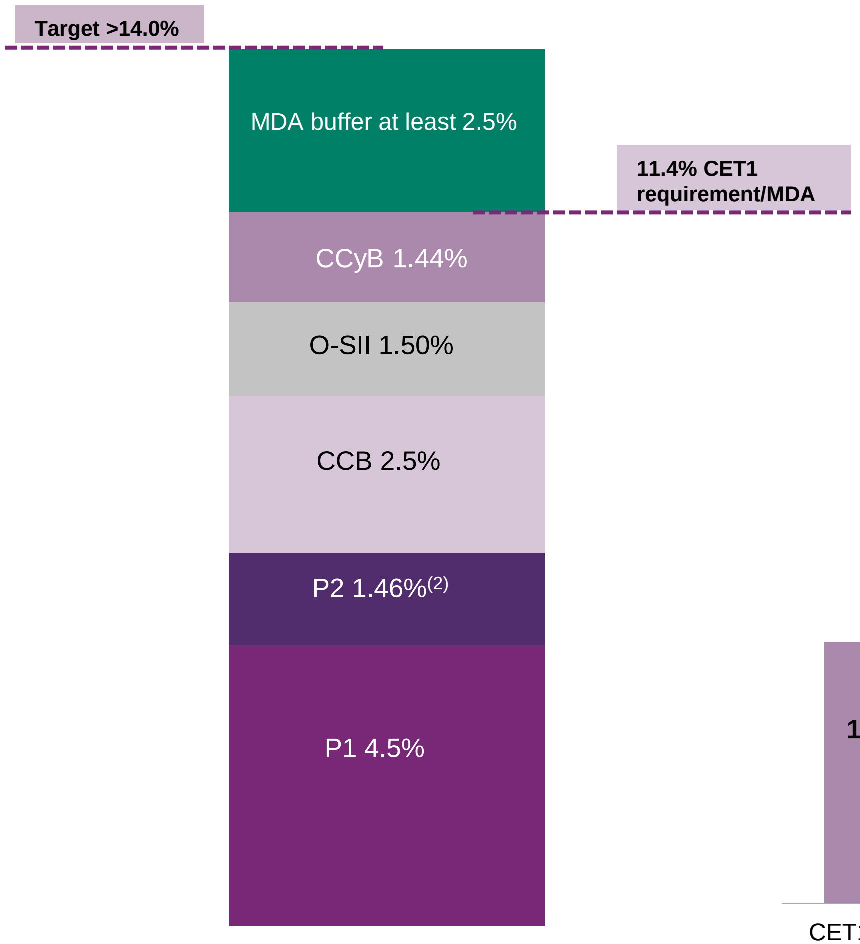
Normalising inflationary environment

Strategic initiatives with c. €300m average investment p.a. Operational efficiency driving ongoing cost savings

1) *Costs before bank levies, regulatory fees and exceptional items*

Medium-term target: CET1 >14% with a buffer over MDA at least 250bps

Capital requirement 2026[1]



CET1 target >14%

CET1 target >14%

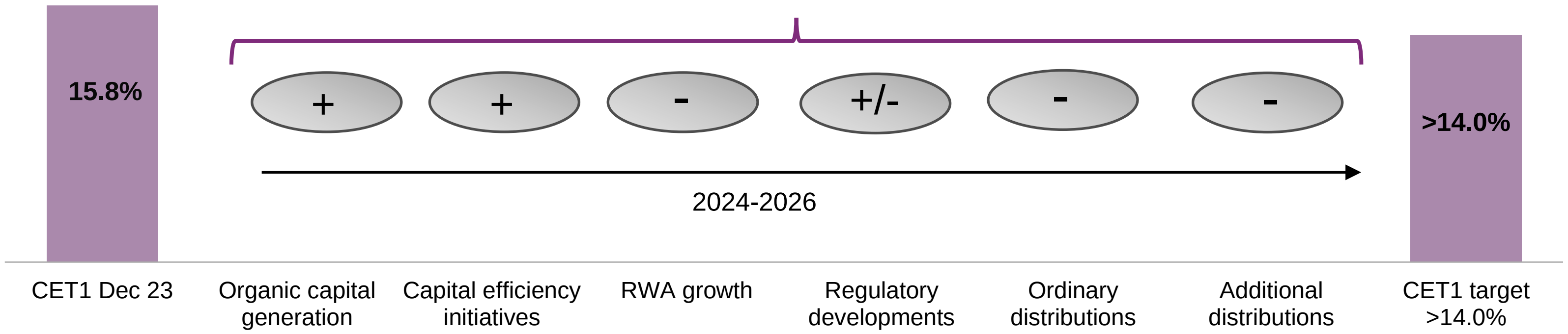
- Reflecting a prudent approach to capital management
- A buffer over MDA of at least 250bps
- Anticipate moving towards CET1 target as we return capital to shareholders

Capital headwinds/tailwinds

- IRB model redevelopment and build
- Basel III – implementation 1 Jan 2025; impact not expected to be material
- RWA efficiencies – SRT programme underway; expect to transact in H2

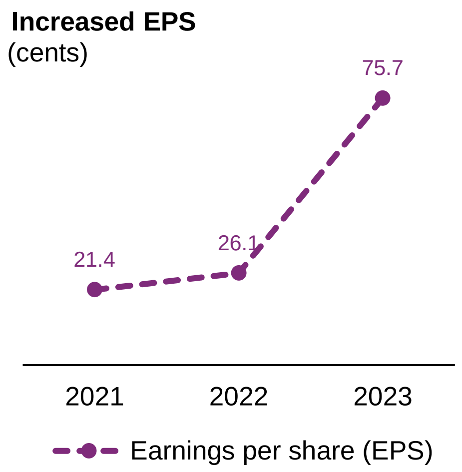
CET1 outlook with pathway to >14.0% target

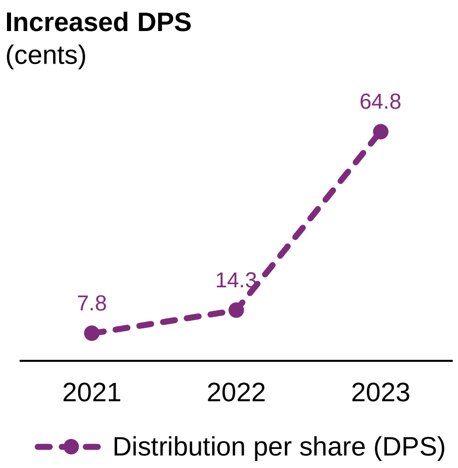
For illustration

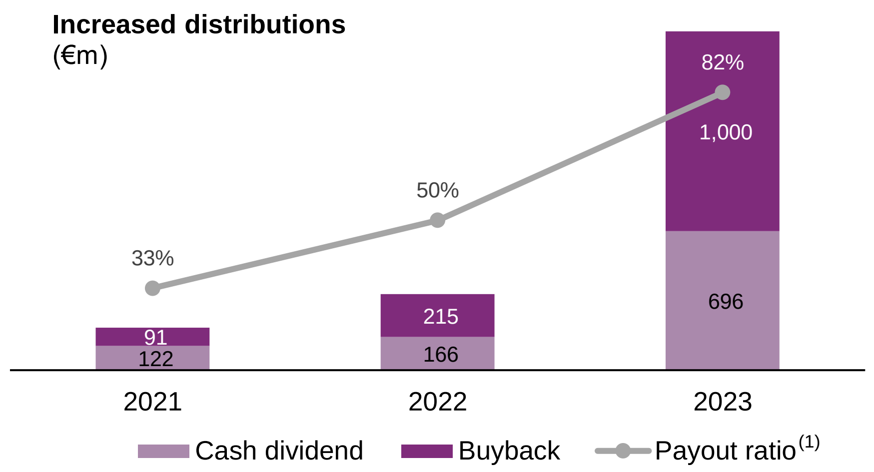


(1) 2026 CET1 estimate on a look through basis
(2) P2R reduction from 2.75% to 2.60% for 2024; total capital requirements on slide 53

Commitment to deliver sustainable capital return to shareholders







Distributions outlook

Capital return 2021-2023

Increasing payout[(1)] ratios; €2.3bn cumulative distributions:

- 2021: 33%
- 2022: 50%
- 2023: 82%

- Discussions with the Department of Finance in relation to a €1bn directed buyback underway
- Shareholder approval required given size
- Intention to seek approval at AGM on 2 May 2024

Capital return 2024-2026

- Expected organic capital generation to average over 250bps p.a.
- Target a payout ratio at the upper end of 40-60% ordinary policy range
- Plus additional distributions moving towards CET1 medium-term target (Subject to annual Board and regulatory approval)
- Grow cash dividend per share on a sustainable and progressive basis
- Balanced approach to cash dividends and share buybacks

CET1 target

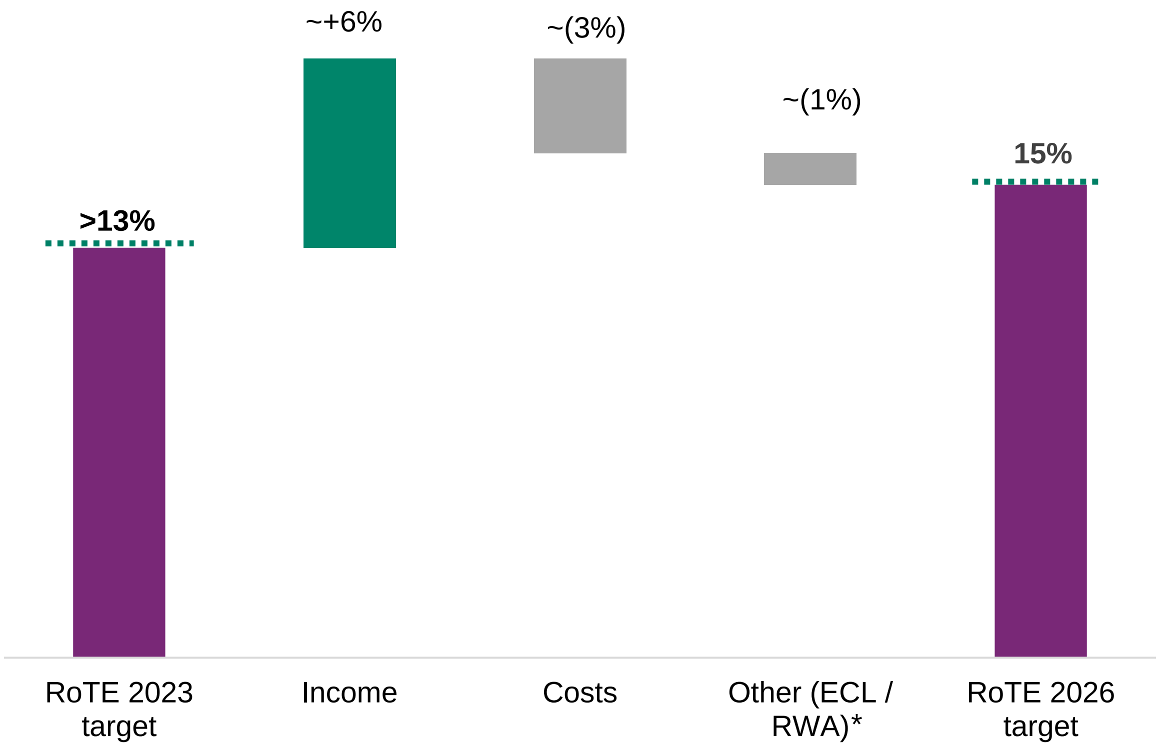
Reaching and maintaining a prudent CET1 ratio of >14%

In considering our distribution plans we have prudently re-calibrated our management buffer to at least 250bps over MDA

[(1)] *Payout ratio based on PAT*

RoTE target 15% in 2026

RoTE target increased from >13% to 15%



- Resilient income
- Focus on cost discipline
- Conservative approach to asset quality
- RWA optimisation
- RoTE target 15% in 2026

Sustainable RoTE 15%
Delivering attractive shareholder returns

RoTE: (PAT-AT1) / CET1 @ 14%)
*Includes impact of change to CET1 target to 14% from 13.5%

Appendices

AIB Group plc
Annual Financial Results

For the year ended
31 December 2023

For the life you’re after

Market leading ESG Customer propositions and ESG ratings

Propositions

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

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

Green Personal Loan for retrofitting homes and Electric Vehicles

Sustainable Lending for Corporate customers who commit to ESG targets

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

vCPPA places AIB as a corporate leader in Ireland to leverage decarbonisation capabilities & expertise

NiftiBusiness & Nifti Personal Leasing provides car leasing including sustainable options to businesses and personal customers

SBCI SME Sustainability focused loans

Goodbody CLEARSTREAM

ESG Advisory Services

12.7 Sustainalytics

AA MSCI

61 S&P Global

A- CDP

Average balance sheet

	FY 2023			FY 2022		
	Average Volume €m	**Interest €m**	**Yield %**	**Average Volume €m**	**Interest €m**	**Yield %**
Assets						
Customer loans	63,441	2,391	3.77	56,681	1,957	3.33
Investment securities	16,410	712	4.34	16,456	192	1.17
Loans to banks / other	43,742	1,540	3.52	49,073	183	0.37
Interest earning assets	123,563	4,643	3.76	124,210	2,332	1.84
Non-interest earning assets	8,123			7,754		
Total Assets	131,686	4,643		131,964	2,332	
Liabilities & equity						
Customer accounts	44,528	175	0.39	48,419	(11)	(0.02)
Deposits by banks	1,066	42	3.96	11,108	(11)	(0.10)
Other debt issued	7,284	436	5.98	6,206	134	2.16
Subordinated liabilities	1,429	97	6.86	1,454	50	3.47
Lease liabilities	248	9	3.47	315	11	3.35
Interest earning liabilities	54,555	759	1.39	67,502	173	0.26
Non-trading derivatives (economic hedges)[(1)]		43			64	
Non-interest earning liabilities	63,978			51,443		
Equity	13,153			13,019		
Total liabilities & equity	131,686	802		131,964	237	
Net interest income / margin		3,841	3.11		2,095	1.69

(1) €43m interest expense was reclassed from other income to NII. Prior year has been restated on comparative basis to reclass €64m interest expense to NII

Customer loans

€bn	Performing Loans	Non-performing Loans	Customer Loans
Gross loans (1 Jan 2023)	**59.0**	**2.2**	**61.2**
New lending	12.3	-	12.3
Redemptions of existing loans	(10.3)	(0.7)	(11.0)
Portfolio acquisition	4.7	-	4.7
Portfolio sales	-	(0.3)	(0.3)
Net flow to NPE	(0.9)	0.9	-
Foreign exchange / other movements	0.2	(0.1)	0.1
Gross loans (31 Dec 2023)	**65.0**	**2.0**	**67.0**
ECL allowance	(0.9)	(0.6)	(1.5)
Net loans (31 Dec 2023)	**64.1**	**1.4**	**65.5**

Loan book* by staging and coverage

Dec 2023 Gross loan exposures (€bn)	Stage 1	Stage 2	Stage 3**	Total Exposure
Mortgages	31.6	2.4	0.8	34.8
Personal	2.6	0.2	0.1	2.9
Property & Construction	5.8	2.8	0.7	9.2
Corporate & SME	17.2	2.3	0.5	20.0
Total	57.3	7.7	2.0	67.0
Stage composition	**86%**	**11%**	**3%**	**100%**
ECL	**0.3**	**0.6**	**0.6**	**1.5**
ECL coverage	**0.4%**	**8.3%**	**30.9%**	**2.3%**

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%**	**10.7%**	**34.0%**	**2.7%**

Movements in loan exposures & ECL (€bn)	Stage 1	Stage 2	Stage 3**	Total Exposure
Mortgages	3.2	1.2	0.1	4.5
Personal	0.3	(0.1)	(0.1)	0.2
Property & Construction	(1.0)	1.4	0.3	0.6
Corporate & SME	1.8	(0.9)	(0.3)	0.6
Total	**4.4**	**1.6**	**(0.1)**	**6.0**
ECL movement	**-**	**-**	**(0.1)**	**(0.1)**

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

Loan book by staging – €67.0bn loan exposures

- Stage 1 loan exposures increased by €4.4bn to €57.3bn (86% of the loan book) largely reflecting the Ulster Bank tracker mortgage portfolio acquisition
- Stage 2 loan exposures increased by c. €1.6bn to €7.7bn (11% of the loan book)
  - Mortgages up €1.2bn
  - Property & Construction up €1.4bn
  - Corporate & SME down €0.9bn
- Stage 3 loan exposures decreased by €0.1bn to €2.0 bn (3% of the loan book)
  - Mortgages up €0.1bn
  - Property & Construction up €0.3bn
  - Corporate & SME down €0.3bn

ECL stock €1.5bn / coverage 2.3% down from 2.7% in Dec 22

- Coverage in Stage 3 reduced to 31% from 34% at Dec 22 driven by disposal of non-performing loans with higher cover rates

Note rounding may apply

Loan book by sector

Concentration by sector (%)	Dec 2023
Natural Resources	5
Leisure	4
Manufacturing	4
Health, education and social work	3
Services	3
Agriculture, forestry and fishing	3
Retail and wholesale trade	3
Transport and storage	2
Telecommunications, media and technology	2
Financial, insurance and other government activities	1
Residential mortgages	52
Property & construction	14
Personal	4
Total	**100**

Concentration by geography (%)	Dec 2023
Republic of Ireland	81
United Kingdom	12
North America	3
Rest of World	4
Total	**100**

Dec 2023 Gross loans (bn) At amortised cost *(excluding mortgages & personal)*	Stage 1	Stage 2	Stage 3*	Total exposures
Property & Construction	5.8	2.8	0.7	9.2
Natural resources	3.5	0.1	0.0	3.6
Leisure	1.8	0.4	0.2	2.4
Manufacturing	1.6	0.2	0.0	1.9
Health, education & social work	1.4	0.4	0.0	1.8
Agriculture, forestry and fishing	1.4	0.3	0.1	1.8
Retail and wholesale trade	1.4	0.2	0.0	1.6
Transport & storage	1.5	0.1	0.0	1.6
Telecomms, media & technology	0.7	0.1	0.0	0.8
Services	1.4	0.2	0.0	1.6
Financial, insurance and other govt activities	0.3	0.0	0.0	0.3
Syndicated & International finance	2.2	0.4	0.0	2.6
Total	**23.0**	**5.0**	**1.2**	**29.2**

Movements in 2023 Gross loans (bn) At amortised cost	Stage 1	Stage 2	Stage 3*	Total exposures
Property & Construction	(1.0)	1.4	0.3	0.6
Natural resources	0.7	(0.0)	(0.0)	0.7
Leisure	0.9	(0.9)	(0.2)	(0.2)
Manufacturing	(0.2)	0.0	(0.0)	(0.2)
Health, education & social work	(0.2)	0.2	(0.0)	0.0
Agriculture, forestry and fishing	0.1	0.0	0.0	0.1
Retail and wholesale trade	0.1	(0.0)	(0.0)	0.0
Transport & storage	0.1	(0.1)	0.0	0.0
Telecomms, media & technology	0.2	0.0	(0.0)	0.2
Services	0.3	0.0	(0.0)	0.3
Financial, insurance and other govt activities	0.1	(0.0)	0.0	0.1
Syndicated & International finance	(0.2)	(0.2)	(0.0)	(0.4)
Total	**0.9**	**0.4**	**0.0**	**1.3**

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

Note rounding may apply

ECL coverage by stage

Dec 2023 ECL coverage	Stage 1	Stage 2	Stage 3*	Total cover
Mortgages	0.1%	3.2%	27.1%	**0.9%**
Personal	0.8%	12.9%	55.2%	**3.3%**
Property & Construction	1.4%	9.6%	29.4%	**5.9%**
Natural resources	0.5%	7.8%	65.2%	**1.1%**
Leisure	1.0%	14.1%	24.0%	**5.0%**
Manufacturing	0.4%	7.1%	55.1%	**2.0%**
Health, education & social work	2.3%	9.0%	25.9%	**4.2%**
Agriculture, forestry and fishing	0.4%	4.9%	31.2%	**2.5%**
Retail and wholesale trade	0.5%	11.8%	34.4%	**2.9%**
Transport & storage	0.6%	4.7%	27.5%	**1.6%**
Telecomms, media & technology	0.5%	9.8%	43.5%	**1.9%**
Services	0.7%	7.6%	47.4%	**2.4%**
Financial, insurance and other govt activities	1.4%	3.5%	97.1%	**4.6%**
Syndicated & International finance	0.9%	23.0%	78.8%	**4.3%**
Total	**0.4%**	**8.3%**	**30.9%**	**2.3%**

Dec 2022 ECL coverage	Stage 1	Stage 2	Stage 3*	Total cover
Mortgages	0.1%	3.2%	28.3%	**0.9%**
Personal	1.1%	13.6%	64.6%	**6.5%**
Property & Construction	1.2%	8.5%	29.3%	**3.7%**
Natural resources	0.5%	12.6%	75.2%	**2.0%**
Leisure	2.0%	14.4%	25.8%	**11.6%**
Manufacturing	0.7%	11.7%	36.2%	**2.5%**
Health, education & social Work	0.8%	8.7%	34.9%	**2.5%**
Agriculture, forestry and fishing	0.8%	7.9%	35.9%	**3.2%**
Retail and wholesale trade	0.8%	11.3%	43.3%	**4.3%**
Transport & storage	0.5%	9.6%	55.7%	**2.4%**
Telecomms, media & technology	0.4%	5.8%	31.4%	**1.3%**
Services	0.6%	10.3%	53.0%	**3.7%**
Financial, insurance and other govt activities	0.7%	4.2%	37.3%	**0.9%**
Syndicated & International finance	0.8%	23.1%	34.5%	**5.3%**
Total	**0.5%**	**11.0%**	**34.0%**	**2.7%**

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

Note rounding may apply

Asset quality by portfolio

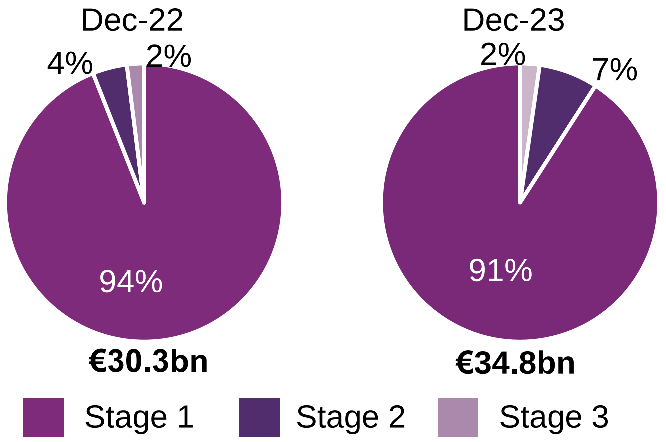
					At amortised cost	At FVTPL	
€bn	Mortgages	Personal	Property	Corporate & SME	Total	Total	Total
Dec 2023							
Customer loans	34.8	2.9	9.2	20.0	67.0	0.0	67.0
Total ECL cover (%)	0.9%	3.3%	5.9%	2.9%	2.3%		
of which NPEs	0.7	0.1	0.7	0.5	2.0	-	2.0
ECL on NPE	0.2	0.0	0.2	0.2	0.6		0.6
ECL / NPE coverage* %	30%	55%	29%	35%	32%		
Dec 2022							
Customer loans	30.3	2.7	8.6	19.4	61.0	0.2	61.2
Total ECL cover (%)	0.9%	6.5%	3.7%	4.3%	2.7%		
of which NPEs	0.6	0.2	0.4	0.8	2.0	0.2	2.2
ECL on NPE	0.2	0.1	0.2	0.3	0.8		0.8
ECL / NPE coverage* %	31%	64%	29%	35%	35%		

** ECL allowance as a % of total loans and advances to customers carried at amortised cost*

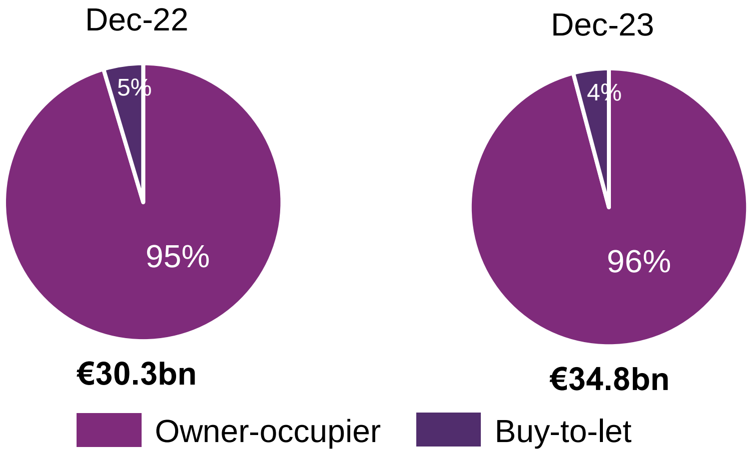
Note rounding may apply

Mortgages and personal lending

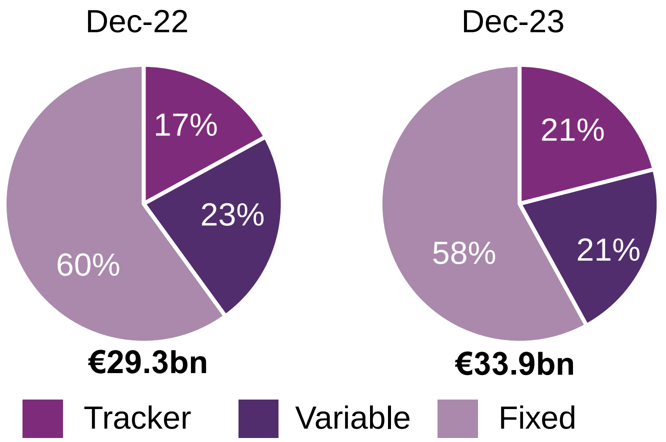
Total Mortgages



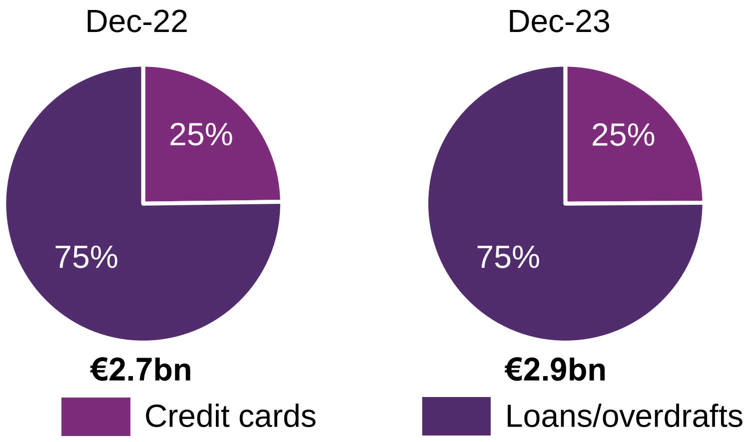
Total Mortgages



ROI Mortgages*



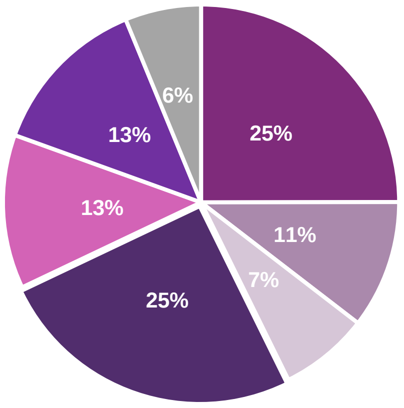
Personal lending



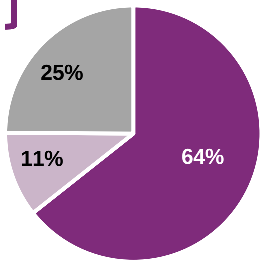
*Weighted average LTV for Irish mortgages; new business: 71% (Dec 22: 64%); stock: 49% (Dec 22: 48%); Stage 3: 45% (Dec 22: 46%)

Property and Corporate/SME

Property €9.2bn/ ECL cover 5.9%

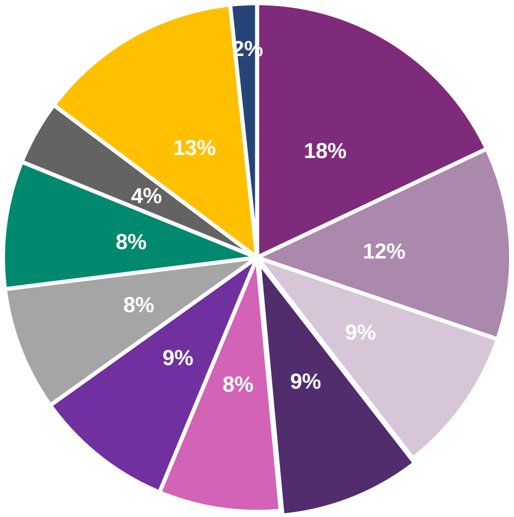


CRE investment €7.9bn



Land & development €1.3bn

Corporate/SME €20.0bn



- Strong ECL cover on the overall property portfolio of 5.9%
- Stage 2 loans increased c.€1.4bn to c.€2.8bn with 9.6% ECL cover rate (8.5% Dec'22)

CRE investment

- Well-diversified portfolio split ROI 75% and UK 25%; no US exposure
- Prudent origination metrics results in a book characterised by moderate LTVs and solid interest coverage ratios (ICR)
  - Average indexed LTV of c. 60%(1) on ROI CRE investment
  - Rental income and occupancy rates remain robust

Land and development

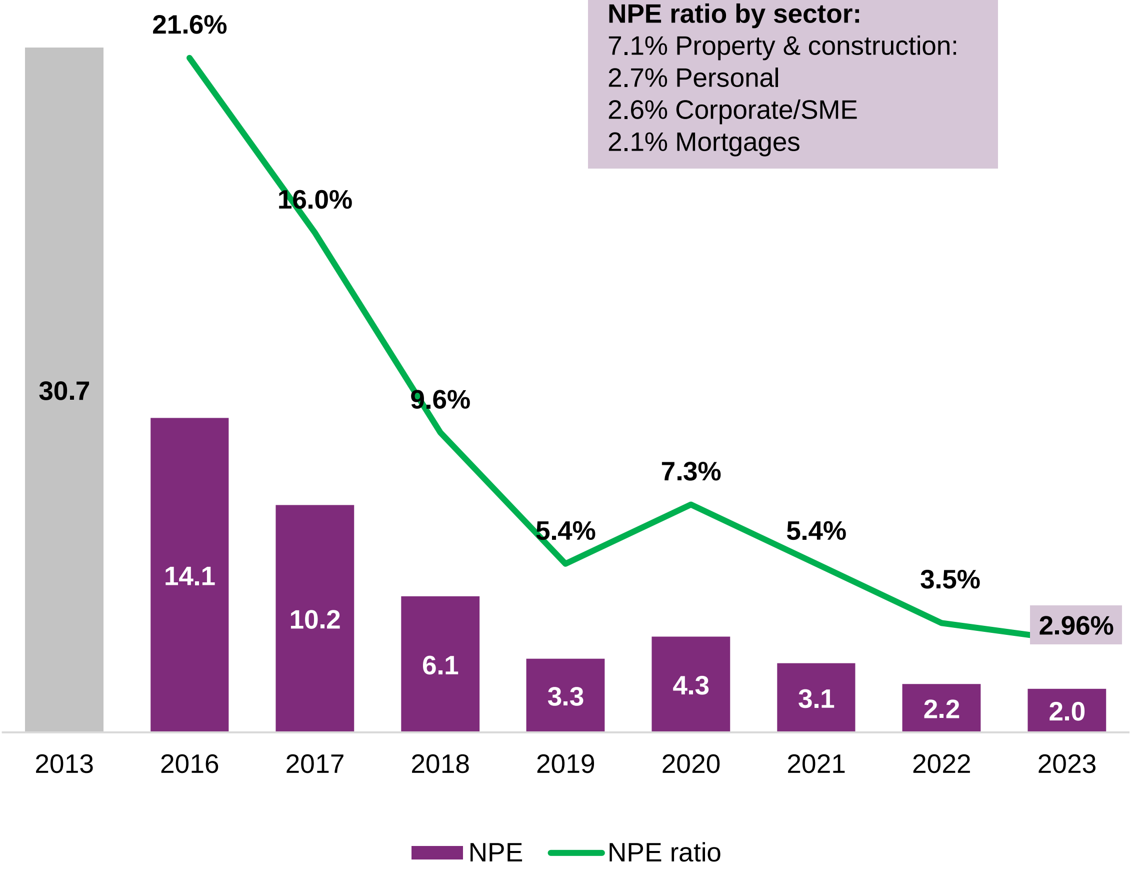
- No speculative lending; strong counterparties; pre-lets in place

- Well-diversified portfolio includes SMEs and exposures to larger corporates
- €0.7bn increase in 2023 of which €0.7bn due to migration of Ulster Bank loans
- Syndicated and International Finance (SIF) decreased by €0.4bn to €2.6bn
  - Portfolio is well-diversified by name and sector
  - Top 20 names accounted for 31% of exposures
  - 86% are rated by S&P with 70% rated B+ or above
  - Geographical split; 56% US, 37% ROW (primarily Europe) and 7% UK

(1) LTVs estimated using MSCI property indices to index the portfolio to end 2023 values

NPEs 2.96% of gross loans: c. 3% target achieved

NPEs at historically low levels since 2013 peak
€bn



NPE ratio by sector:
7.1% Property & construction:
2.7% Personal
2.6% Corporate/SME
2.1% Mortgages

NPEs target achieved

- NPEs €2.0bn; NPE ratio 2.96% at Dec 23 made up of:
  - €0.7bn Property (34%) includes retail shopping centres
  - €0.7bn Mortgages (36%)
  - €0.5bn Corporate and SME (26%) includes accommodation, bars and restaurants
  - €0.1bn Other personal (4%)
- ECL coverage 32%
- Weighted average LTV for Irish mortgages in Stage 3: 45% (Dec 22: 46%)

Asset quality – internal credit grade by ECL staging*

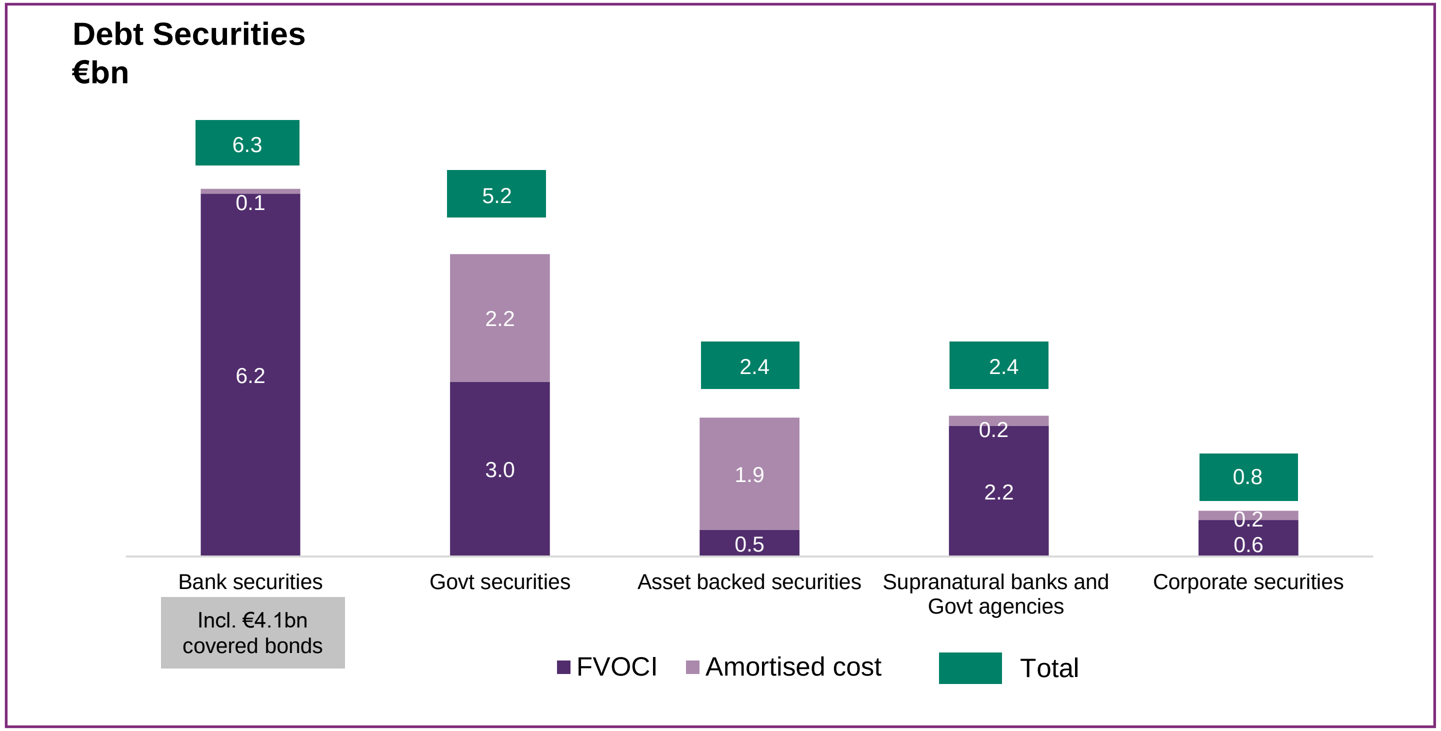
Dec 2023 €m	Stage 1	Stage 2	Stage 3	POCI**	Total
Strong	**44,273**	**2,808**	**-**	**15**	**47,096**
Satisfactory	**12,014**	**2,697**	**-**	**6**	**14,717**
Total strong / satisfactory	**56,287**	**5,505**	**-**	**21**	**61,813**
Criticised watch	**919**	**1,473**	**-**	**5**	**2,397**
Criticised recovery	**44**	**694**	**-**	**40**	**778**
Total criticised	**963**	**2,167**	**-**	**45**	**3,175**
NPE	**2**	**-**	**1,923**	**56**	**1,981**
Total customer loans	**57,252**	**7,672**	**1,923**	**122**	**66,969**

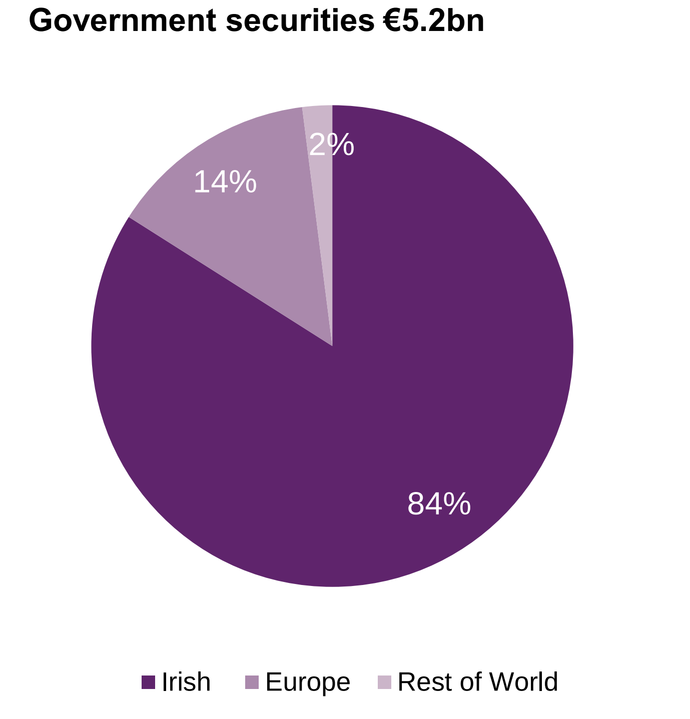
Dec 2022	Stage 1	Stage 2	Stage 3	POCI**	Total
Strong	40,708	1,159	-	3	**41,870**
Satisfactory	11,365	1,772	-	3	**13,140**
Total strong / satisfactory	52,073	2,931	-	6	**55,010**
Criticised watch	668	1,271	-	1	**1,940**
Criticised recovery	119	1,834	-	61	**2,014**
Total criticised	787	3,105	-	62	**3,954**
NPE	2	-	1,997	19	**2,018**
Total customer loans	52,862	6,036	1,997	87	**60,982**

** Dec 2023 excludes €42m loans FVTPL of which none are NPEs (Dec 22 €249m FVTPL; of which €153m NPEs)*
*** Purchased or Originated Credit Impaired Loans (POCI)*

- Stage 1 loans €57.3bn increased €4.4bn from Dec 22, 98% are strong / satisfactory
- Stage 2 loans €7.7bn increased €1.6bn from Dec 22, 72% are strong / satisfactory
- Stage 3 loans €1.9bn decreased €0.1bn from Dec 22 including €0.3bn portfolio sales

Debt securities €17.0bn; primarily held for liquidity purposes





Debt securities €17.0bn:

- €12.5bn FVOCI; €4.5bn HTM (amortised cost); >99% are investment grade
- Circa 82% of the portfolio is fixed rate and hedged from an interest rate risk perspective
- €41m net change in FVOCI deducted from CET1 in FY 2023
- No unrealised loss on HTM portfolio in FY 2023

Reported capital ratios

Transitional capital ratios	Dec 23	Dec 22*
Total risk weighted assets (€m)	**59,643**	55,558
Capital (€m)		
Shareholders equity excl AT1 and dividend	**12,266**	10,985
Regulatory adjustments / foreseeable charge	**(2,398)**	(1,040)
Common equity tier 1 capital	**9,868**	9,945
Qualifying tier 1 capital	**1,112**	1,112
Qualifying tier 2 capital	**1,572**	1,524
Total capital	**12,552**	12,581
Transitional capital ratios (%)		
CET1	**16.5**	17.9
AT1	**1.9**	2.0
T2	**2.6**	2.7
Total capital	**21.0**	22.6

Fully loaded capital ratios	Dec 23	Dec 22*
Total risk weighted assets (€m)	**59,463**	55,333
Capital (€m)		
Shareholders equity excl AT1 and dividend	**12,266**	10,985
Regulatory adjustments / foreseeable charge	**(2,861)**	(1,983)
Common equity tier 1 capital	**9,405**	9,002
Qualifying tier 1 capital	**1,112**	1,112
Qualifying tier 2 capital	**1,638**	1,661
Total capital	**12,155**	11,775
Fully loaded capital ratios (%)		
CET1	**15.8**	16.3
AT1	**1.9**	2.0
T2	**2.7**	3.0
Total capital	**20.4**	21.3

RWA (Transitional)

Risk weighted assets (€m)	Dec 23	Dec 22	Movement
Credit risk	**53,409**	50,886	2,523
Market risk	**342**	291	51
Operational risk	**5,822**	4,302	1520
CVA	**70**	79	(9)
Total risk weighted assets	**59,643**	55,558	4,085

Shareholders' Equity (€m)

Equity – Dec 2022	12,266
Profit 2023	2,058
Investment securities & cash flow hedging reserves	1,141
Other	(388)
Equity – Dec 2023	**15,077**
less: AT1	**(1,115)**
less: Proposed distribution	**(1,696)**
Shareholders' equity excl AT1 and distribution	**12,266**

** Does not include impact of share buyback*

Regulatory capital requirements

Regulatory capital requirements	**Dec-23**	**Dec-24***	**Dec-25***
Pillar 1	4.50%	4.50%	4.50%
Pillar 2 requirement (P2R)	**1.55%**	**1.46%**	**1.46%**
Capital Conservation Buffer (CCB)	2.50%	2.50%	2.50%
O-SII Buffer	1.50%	1.50%	1.50%
Countercyclical Buffer (CCyB)	1.08%	1.44%	1.44%
Total CET1 / Maximum distributable amount (MDA)	**11.13%**	**11.40%**	**11.40%**
AT1	**2.02%**	**1.99%**	**1.99%**
Tier 2	**2.69%**	**2.65%**	**2.65%**
Total capital	15.84%	16.04%	16.04%

- The table above sets out the capital requirements at Dec 2023 and the proforma requirements for 31 Dec 2024 and 31 Dec 2025
- The Group is required to maintain a CET1 ratio of 11.13% on a regulatory basis at 31 Dec 2023, increasing to 11.4% in 2024
- CET1 P2R reduced to 2.60% from 2.75% from 1 Jan 2024 following 2023 regulatory decision
- CCYB increases to 1.44% from Jun 24 which is the ROI CCYB moving from 1% to 1.5%
- CET1 buffer of 4.67% to regulatory capital requirements of 11.13% at Dec 2023
- Total capital ratio of 20.4% at Dec 2023 provides a buffer of 4.56% above 2023 total capital requirement of 15.84%

**Dec 24 and 25 estimated on a look through basis*

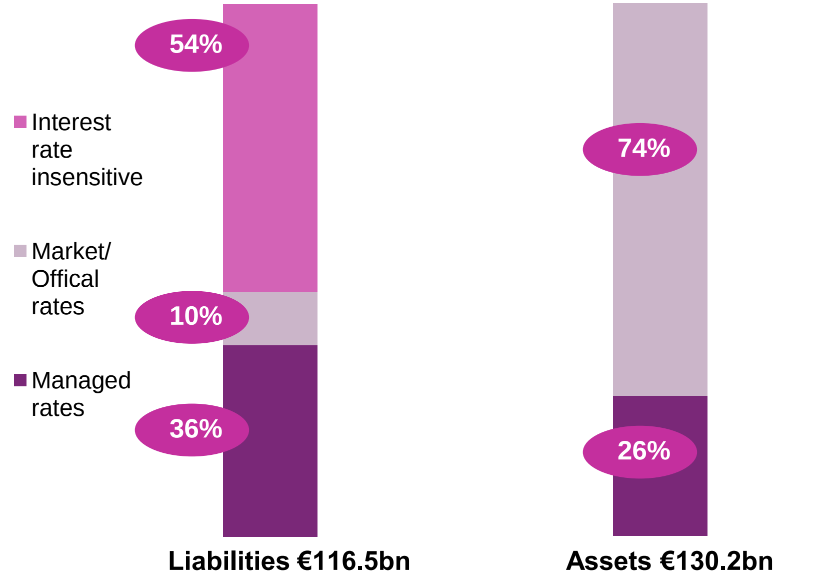
Macroeconomic scenarios and sensitivities

Macroeconomic scenario - Base (%)	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**
Republic of Ireland						
GDP growth*	1.0	3.7	4.0	3.5	3.2	3.0
Residential property price growth	(1.5)	1.0	2.0	2.5	2.5	2.5
Unemployment rate	4.5	5.1	5.3	5.6	5.7	5.8
Commercial property price growth	(12.0)	(2.5)	4.0	5.0	3.0	3.0
Employment growth	2.9	1.8	1.7	1.6	1.6	1.5
Average disposable income growth	7.7	6.8	5.7	4.6	4.6	4.5
Inflation	5.3	3.0	2.4	2.0	2.0	2.0
United Kingdom						
GDP growth	0.5	0.7	1.2	1.5	1.4	1.3
Residential property price growth	(6.5)	(2.0)	2.0	2.0	2.0	2.0
Unemployment rate	4.3	4.9	5.2	5.0	4.9	4.8
Commercial property price growth	(2.5)	5.0	3.5	3.0	3.0	2.0
Inflation	8.0	4.0	2.2	2.0	2.0	2.0

Customer loans ECL sensitivities*

Dec 2023 €m	**Reported**	**Base 100%**	**Downside scenario 1 100%**	**Downside scenario 2 100%**	**Upside scenario 100%**
ECL allowance	1,520	1,429	1,612	2,204	1,275
Delta to Reported		(91)	92	684	(245)
Delta to Base			183	775	(154)

Composition of balance sheet by interest rate type at Dec 2023**



***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*

NII sensitivity as at Dec 2023

€m	**-100bps**	**-50bps**	**-25bps**	**+25bps**	**+50bps**	**+100bps**
Euro	(332)	(145)	(53)	49	130	292
Sterling	(37)	(19)	(9)	9	18	37
Other (mainly US$)	(12)	(6)	(3)	3	6	11
Total	**(381)**	**(170)**	**(65)**	**61**	**154**	**340**

Dec 2023 macroeconomic scenarios and weightings: Base scenario (50%); Downside scenario 1 'Persistent inflation' (30%); Downside scenario 2 'Credit crunch' (10%); Upside scenario 'Quick recovery' (10%)

**The macroeconomic scenario assumptions were prepared in Q4 2023 using information available at the time. Subsequent data released by the CSO now indicates that Irish GDP may have contracted for 2023 as a whole.*

Note rounding may apply

Credit ratings

As at 31 Dec 2023	Moody's	Standard & Poor's
AIB Group plc (HoldCo) Long term issuer rating	**A3**	**BBB**
Outlook	Positive	Stable
Investment grade	✓	✓
AIB p.l.c. (OpCo) Long term issuer rating	**A1**	**A**
Outlook	Positive	Stable
Investment grade	✓	✓

Dividend timetable: cash dividend per share 26.568c

Dividend Timetable	
Event	**Date**
Full year results	Wed, 6 March 2024
Ex-Dividend Date	Thurs, 21 March 2024
Record Date	Fri, 22 March 2024
Currency/Tax Election Deadline	Tues, 9 April 2024 @ 12:00 midday
AGM Date	Thurs, 2 May 2024
Dividend Payment Date	Fri, 10 May 2024

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