



26 January 2022

## AIB GROUP PLC – SREP

### Supervisory Review and Evaluation Process (SREP)

Following the Supervisory Review and Evaluation Process (SREP) performed by the ECB in 2021 and the re-introduction of the UK Countercyclical buffer in December 2022, the minimum requirement for the CET1 ratio for AIB Group plc (AIB) was set at 10.20% for FY 2022 <sup>(1)</sup> – see table below. The Pillar 2 Requirement reduced by 25bps to 2.75% from 3.00%.

AIB continues to have a very strong capital base with a fully loaded CET1 at September 2021 of 16.6%. The Group's reported capital ratios are materially in excess of minimum regulatory requirements and AIB continues to maintain a very significant buffer above maximum distributable amount (MDA) trigger levels.

AIB does not disclose Pillar 2 Guidance (P2G), however following the ECB's revised P2G methodology, AIB confirms it is in bucket 3 which has a P2G range of 1.00% - 2.75%.

The table below shows the total capital requirements of the Group and components based on an assumption of optimal usage of Tier 2 and AT1 instruments permitted under the Capital Requirements Regulation (CRR).

SREP Requirements	AIB SREP Requirement 2021	AIB SREP Requirement 2022	AIB SREP Requirement 2023
Pillar 1 CET1	4.50%	4.50%	4.50%
Pillar 2 Requirement (P2R) CET1 <sup>(2)</sup>	1.69%	1.55%	1.55%
Capital Conservation Buffer (CCB)	2.50%	2.50%	2.50%
Other Systemically Important Institutions Buffer (O-SII)	1.50%	1.50%	1.50%
Countercyclical buffer (CCyB) <sup>(3)</sup>	0.00%	0.15%	0.35%
<b>Total CET 1 requirement</b>	<b>10.19%</b>	<b>10.20%</b>	<b>10.40%</b>
AT1	2.06%	2.02%	2.02%
Tier 2	2.75%	2.69%	2.69%
<b>Total Capital Requirement <sup>(1)</sup></b>	<b>15.00%</b>	<b>14.90%</b>	<b>15.10%</b>
<i>(1) Excludes Pillar 2 Guidance (P2G)</i>			
<i>(2) P2R of 2.75% of which 1.55% must be held in the form of CET1 assuming 52bps AT1 and 69bps Tier 2 to meet P2R requirement</i>			
<i>(3) Countercyclical buffer – re-introduction of the UK CCyB at 1% in December 2022, rising to 2% in 2023. It is estimated to equate to a Group requirement of c.0.15% in 2022 and c. 0.35% in 2023.</i>			

Figures presented may be subject to rounding

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