

2025

Bank of Ireland Group plc
Annual Report

Our vision is to offer unrivalled financial choice - now and for generations to come.

Our purpose is to help customers, colleagues, shareholders and society to thrive.

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This Annual Report and other information relating to Bank of Ireland is available at:
www.bankofireland.com

The Group's forward-looking statement can be found on page 439.

Strategic Report

2025 key performance highlights

Growing, generating capital and attractive returns in 2025.

Sustainable growth	Strong financial performance	Generating attractive returns
▲6% Irish loans	€1.4bn PBT *(2024: €1.9bn)*	13.9% RoTE adjusted[2] *(2024: 16.8%)*
▲6% Irish deposits	49% CIR[1] *(2024: 46%)*	270bps Capital Generation[3]
▲9% AUM	15.1% CET1 *(2024: 14.6%)*	c.€1.20bn Total distributions *100% payout ratio*

[1] *The Group's financial results are presented on an underlying basis. Underlying excludes non-core items which are those items that the Group believes obscure the underlying performance trends in the business. See non-core table on page 32 for further details. For calculation of underlying cost / income ratio (CIR) see page 477.*
[2] *Return on tangible equity (adjusted) is an alternative performance measure, for calculation see page 476.*
[3] *Net organic capital generation.*

Further information on financial measures referred to above can be found in alternative performance measures on page 471.

Chairman's review

Related pages
CEO review *(page 8)*
Sustainability *(page 112)*
Risk Management Report *(page 223)*

'We have continued to deliver on our strategy with strong results. Our strategy is clear – to innovate, simplify and strengthen our business and the actions we are taking now will build on strong foundations to deliver future success.'



Akshaya **Bhargava**
Chairman

Chairman's review *(continued)*

Introduction

As Chair of Bank of Ireland Group, I am pleased with our performance for the year for a number of reasons - we delivered a strong financial performance; we delivered on all components of our strategy; we improved our operational and financial resilience; and we ended the year with a strong position on capital, liquidity as well as with our customers and colleagues. Through deeper customer relationships, a more efficient and technology-enabled organisation, and a commitment to the long-term sustainability of our franchise, we are building a business that is resilient, responsive, and future ready.

2025 Performance

The Group made good progress across a range of strategic priorities in 2025. We continued to grow our wealth assets under management (AUM), deposits and Irish loans, while retaining cost discipline as we continue to simplify our business. Our performance underscores our model of investing to achieve attractive shareholder returns.

The Group delivered a PBT of €1.4 billion in 2025 compared to €1.9 billion in 2024. As expected, this was mainly driven by lower interest rates and higher non-core charges primarily relating to UK Motor Finance.

Strategy for Our Future Success

In addition to reporting on financial performance for 2025, we are unveiling the next iteration of the Group's strategy. Under the tenets of this strategy, you will see us innovate, simplify and strengthen the Group to deliver sustained value over the next three years and beyond.

Our ambition is simple - to maximise our full potential in Ireland; optimise and deliver Group portfolio returns; and build future-ready capabilities. Being a well-run, well-capitalised National Champion Bank with a strong and diversified franchise, we want our customers to see us as long-term partners who are invested in their success.

We announce our new strategy at a time of geopolitical turbulence and trade uncertainties. However, we also note the resilience of the Irish economy and that of our customers, as evidenced by continued consumer demand. Eurozone interest rates appear to have stabilised following a series of cuts, and we know that we are entering an era of profound technological transformation that will have lasting implications. These developments give us reason for caution as well as excitement.

This is why our Board and the Executive team have spent significant time developing a strategy that we believe will focus us on the long term, while affording us flexibility to adapt to near term changes.

Transformative Power of Artificial Intelligence

'Artificial Intelligence (AI) will transform every organisation' is a truism. However, different organisations are taking different approaches. Some banks are using AI to make internal processes more efficient. Others are using it to enhance customer service.

All of these are the right things to do and we are already doing them too but, in my view, this is not sufficient.

We are challenging ourselves on use cases for AI, including innovation of new products, customer segments and improved customer experiences.

Using AI to generate new revenues will be the new frontier and we want to encourage our colleagues to innovate with customers in mind.

Capital and Distributions

Our highly capital generative business model supports attractive distributions and our approach has been for a progressive per-share dividend with surplus capital returned to shareholders.

In line with this distribution policy, the Group is proposing a final dividend of 45 cent, bringing total dividends in respect of 2025 performance to 70 cent, which is an 11% increase over the previous year, making this the fifth successive year in which the Group has increased its full year dividend per share.

During 2025 the Group also repurchased 5% of its shares at a cost of c.€590 million. Today we are announcing a €530 million buyback, with 2026 being the fifth successive year in which the Group has repurchased shares.

Taking this buyback and the dividends declared in respect of 2025 together, distributions total €1.2 billion, which is equivalent to c.8% of the Group's end-2025 market capitalisation, underscoring the strong returns our model is delivering for shareholders.

Purpose and Culture

Our unchanged purpose is to enable our customers, colleagues, shareholders and society to thrive, and this lies at the heart of our strategy.

We want to do this by building long-term partnerships with our customers, empowering our colleagues with the technology and tools they need to achieve more, and continue delivering for shareholders and society through our ongoing programmes and initiatives.

We want to reduce complexity, bringing simplicity as a part of our culture, ultimately making it easier for our customers and colleagues to get things done.

We are proud of how we have performed against these priorities. Some evidence of this for 2025, includes:

- a 24% reduction in customer complaints in Ireland;
- the maintenance of the Group's #1 ranking for Financial Wellbeing in Ireland; and
- our number seven ranking in the Irish Independent's annual survey of Ireland's best employers.

Chairman's review *(continued)*

Remuneration

As we move into the next phase of our strategy, it is vital we maintain a flexible and responsive business model to keep pace with the rapid changes facing the banking sector. Attracting and retaining top talent, and rewarding colleagues appropriately, remains a challenge given the current remuneration restrictions that we, along with certain other Irish banks, face. This gives a competitive advantage to our non-domestic peers and we continue to engage with relevant stakeholders to advocate lifting these restrictions.

Board and Senior Management

During 2025, we strengthened the Board with several new appointments, helping us maintain a strong and diverse mix of experience and perspectives that are relevant to our strategy.

We were delighted to welcome Niamh Marshall, Emer Finnan and Hans van der Noordaa to the Board as Independent Non-Executive Directors. Collectively they bring deep experience in the areas of finance, banking, technology and transformation.

Eileen Fitzpatrick retired from the Board in May 2025 having served since 2019. Richard Goulding will retire in March 2026 and Ian Buchanan in April 2026, having served on the Board since 2017 and 2018 respectively. I would like to thank each of Eileen, Richard and Ian for their significant contributions to the Board and its committees during their tenure.

Michele Greene was appointed Deputy Chair and Senior Independent Director in June 2025. Michele has served as an Independent Non-Executive Director since 2019 and is highly regarded by her fellow directors.

The resulting changes to the composition of our committees are outlined in more detail on page 73.

During the year, the Board oversaw several senior management appointments that bring fresh expertise to support the delivery of our new strategy.

Rhys Kiff joined as Chief Risk Officer in January 2025, and Billy O'Connell was appointed Chief Strategy Officer in May 2025.

Sarah McLaughlin, who has been Group Company Secretary and Head of Corporate Governance since September 2019, also assumed the role of Chief of Staff following the departure of Oliver Wall in December.

Steve Sanders departed from his role as Group Chief Internal Auditor. The appointment of Michelle McGreal as the new Group Chief Internal Auditor was announced in November.

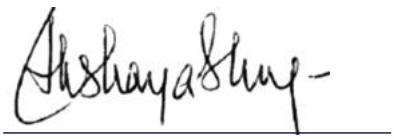
Matt Elliott recently announced that he will be stepping down as Chief People Officer.

On behalf of the Board, I want to welcome Rhys, Billy and Michelle; wish Sarah well in her new role; and express our sincere thanks to Oliver, Steve, and Matt for their significant contributions to the Group.

Conclusion

In closing, I am proud of what we achieved in 2025, which has been a function of the tremendous hard work from Myles, his senior executive team and all our c.11,000 colleagues.

We enter this new strategic cycle with momentum and our eyes open to changes in our environment. But we also look to the future with excitement about our strategy and a sense of conviction that we are doing the right thing and that our team has the tenacity to do it right. We are confident that we will continue to create a great institution that Ireland can be proud of.



Akshaya Bhargava
Chairman



Chief Executive's review

We are entering a new strategic cycle with momentum, coming from a position of strength across our franchise. Looking ahead, we have the right strategy for growth, to optimise the opportunities we see from the unique breadth of our business, and to deliver attractive shareholder returns and consistent value to all of our stakeholders.



Myles **O'Grady**
Group Chief Executive Officer

Chief Executive's review *(continued)*

Introduction

Last year marked the successful conclusion of our 2023 to 2025 strategic cycle and we closed it out on a strong footing. Over that time, we delivered tangible benefits for all of our stakeholders – customers, colleagues, shareholders and society.

For our customers, our lending, deposits and assets under management (AUM) have all grown. We have launched new products and invested thoughtfully in improving our technology and customer service. This has helped to improve customer satisfaction – with our personal customer relationship net promoter score (RNPS) improving to an all-time high of +31 from a baseline of +15 in 2022.

We have delivered strong returns for our shareholders. In the past three years, we have announced c.€3.6 billion of buybacks and dividends. These distributions have been underpinned by excellent execution on the financial targets that we set for the Group.

Today we are announcing a final dividend of 45 cent for 2025, which will be paid on 9 June 2026 to ordinary shareholders on the Company's register on 24 April 2026, the record date for the dividend, subject to shareholder approval.

This is the fifth successive year that the Group has increased its full year DPS, with a total of 70 cent payable in respect of 2025 performance. Taken in conjunction with the €530 million approved share buyback announced today, 2026 will be the fifth successive year in which the Group has repurchased its own shares. Our share count has reduced by a cumulative 12% since early 2022.

For colleagues, we have made real progress towards being one of Ireland's best places to work. The Group was ranked #7 in the Irish Independent and Statista's list of Ireland's top 200 employers in 2025, up from #133 in 2021. This has been supported by a range of factors including progressive people policies and hybrid working, which help the Group to attract and retain the talent it needs to succeed, innovate and grow.

The Group makes a very positive contribution to society and takes an active role in addressing some of the priorities and challenges we face today. This includes housing, where the Group is currently supporting the development of c.26,000 residential units across Ireland, and our advocacy at national and EU level for greater protections from fraud for more than 450 million European consumers. In 2025, the Group also exceeded its target for sustainable lending.

2025 financial performance

The Group's PBT was lower in the year at €1.4 billion, down from €1.9 billion in 2024 reflecting the lower rate environment, higher non-core charges and increased impairments.

Our loan book was €82.5 billion at year end. This was flat versus the previous year, as planned deleveraging in a number of Corporate portfolios and FX headwinds largely offset the strong 6% growth in our Irish loan books. A highlight last year was our maintained leading position in the growing Irish mortgage market, achieving a 42% share of drawdowns and providing finance for the purchase of c.16,000 homes. Housing output is expected to continue to grow over the coming years, supporting our lending. Our expectation for 2026 is for c.4% growth in the Group's loan book.

Net interest income of €3.37 billion was lower than the 2024 out-turn of €3.57 billion, primarily reflecting the prevailing rate environment. Our guidance is for net interest income of c. €3.4 billion in 2026.

Growth in total fee income, including JVs and associates, was a strong 7%, led by an excellent performance from Wealth and Insurance, where AUM grew 9% to a record €60 billion, with our Davy and New Ireland franchises both seeing good momentum, supported by Ireland's demographics, savings rates and a positive economic backdrop. We expect c.4% growth in fee income in 2026, once more led by Wealth and Insurance.

Customer deposit volumes rose 4% last year to €107.5 billion, led by our Irish Everyday Banking franchise. For 2026 our expectation is for c.3% growth.

We remain focused on efficiency and, notwithstanding the inflationary and interest rate dynamics, we are pleased to have delivered an underlying cost income ratio of 49% in 2025, once again meeting our sub-50% ambition. From 2026 onwards our cost income ratio will reflect restructuring costs (which will also be shown in operating expenses) and income from our JVs and associates.

Operating expenses rose 3% last year, as guided. We expect total costs of c. €2.2 billion in 2026, with c.2% growth in operating expenses reflecting incremental investment to support strategic delivery and restructuring costs in line with 2025.

Non-core items were €430 million in 2025 and here I would note the additional €264 million provision taken in respect of historical commission arrangements in the Group's UK Motor Finance business. The balance of the non-core items primarily relates to €153 million of restructuring and transformation costs, including those relating to our simplification agenda.

The net impairment loss was higher in 2025 at €193 million (2024: €123 million). Within that, the net loan loss experience and portfolio activity charge was €65 million, where the impact was partly offset by credit insurance protection. A further €128 million loss reflects model updates, including macroeconomic assumptions, of €78 million; and a €50 million post model adjustment charge, including €40 million related to geopolitical risks. For 2026 our expectation is for an impairment charge in the low to mid 20s basis points.

On 17 February, it was announced that, following the completion of a strategic review, the Group will exit its US Acquisition Finance business, with the c.€1.2 billion book expected to run down over the next c.3 years. I would like to take this opportunity to thank our impacted colleagues for their unwavering commitment to this business over many successful years.

The Group's adjusted Return on Tangible Equity (RoTE) was 13.9%, down from 2024's 16.8%. On a statutory basis, which will be our basis of presentation going forward, 2025 RoTE was 10.9%. We guide to a statutory RoTE of c.12.5% in 2026.

Our net organic capital generation was a strong 270 basis points in 2025. This supported distributions of c.€1.2 billion or 225 basis points, equivalent to a 100% payout ratio. The Group invested 65 basis points in business growth. IRB model scalars accounted for 40 basis points.

Chief Executive's review *(continued)*

Our CET1 ratio finished the year at 15.1%, positioning the Group strongly for future investment and also capital returns to our shareholders. We guide to net organic capital generation of c.250 basis points in 2026.

2025 Strategic Delivery

During 2025, we made clear progress across each of our strategic pillars, building stronger customer relationships; a simpler business; and a sustainable company.

Our customers' needs evolve over time and, as a result, we constantly challenge ourselves to be responsive and innovative. We have added to our broad suite of products and services to ensure we are a relevant and trusted partner for all of their financial needs.

In 2025 we grew our new to bank customer base by 5%. We also launched a number of new products to better serve customers, including:

- Smart Start, a new personal current account proposition for seven to 15 year olds;
- Coming to Ireland, a bespoke account-opening service for those moving or returning to Ireland, which has been availed of by customers in 130 countries to date;
- a new lending platform for small business and agri customers in Ireland; and
- an enhanced business deposit proposition in the UK.

This year will see the roll-out of further customer products and services, including:

- a new Mobile App;
- Zippay, a person-to-person mobile payments service for Irish customers; and
- a new loan product to Irish homeowners seeking to trade down.

Simpler business is another key strategic priority for the Group. The investment we have been making in our systems, processes, and people is producing tangible results. We are removing friction and making everyday banking faster and more intuitive.

To better support customers and colleagues, we have implemented significant upgrades to a wide number of areas. New telephony and customer relationship management (CRM) systems support quicker resolution for customers. Enhanced fraud protection and payment upgrades further improve overall customer experience. We continue to progress our multi-year ATMs and branch network investment across Ireland.

We are also building a truly sustainable company. A highlight in this regard in 2025 was the achievement of our €15 billion sustainable lending target ahead of schedule. At year end, our stock of sustainability-related lending stood at €17.7 billion, more than double the c. €8 billion 2022 baseline, and positioning us well for our ambition to grow this to €30 billion by 2030.

For our colleagues, we have helped to simplify ways of working by improving processes and systems in a range of ways. We have also established a continuous learning culture, with infrastructure in place to ensure our people are future-ready.

2025 Key Metrics

Irish loans **€57.2bn** *(2024: €54.0bn)*	AUM **€60.0bn** *(2024: €54.8bn)*	Personal Customer RNPS **+31 pts** *(2024[1]: +25 pts)*	RoI Customer Complaints **▼24%** *(2024: -21%)*
Group Deposits **€107.5bn** *(2024: €103.1bn)*	NPE Ratio **2.2%** *(2024: 2.2%)*	Cost / Income Ratio **49%** *(2024: 46%)*	Operating Expenses **€2.0bn** *(2024: €2.0bn)*
Non-Core Items **€430m** *(2024: €275m)*	Adjusted RoTE **13.9%** *(2024: 16.8%)*	Net Organic Capital **270bps** *(2024: 310bps)*	Total Distributions **€1.20bn** *(2024: €1.22bn)*

[1] *RNPS is reported on a rolling six month basis to 31 December.*

The economic backdrop

The Irish economy is expected to grow and perform resiliently in 2026. The Group forecasts real GDP growth of 2.8%, with net exports, consumer spending and government investment all contributing. Modified domestic demand, which more closely reflects the indigenous sectors, is expected to advance by 2.3%.

Labour market conditions are expected to remain tight, with total employment forecast to increase by 1.5% and the unemployment rate anticipated to remain sub-5%. House prices are expected to grow at a more moderate pace of 4% this year, from 7% in 2025.

This economic outlook of growth and resilience, and positive factors such as the expected growth in the population and household savings, continue to make Ireland a highly attractive market driving quality growth.

In the UK, the outlook is for steady but moderate growth. The Group's economists expect real GDP to increase by 1% this year.

Our new strategy – The Next Three Years

Today we are announcing a Strategy Update, covering the 2026 to 2028 period with an eye to the delivery of sustained value creation beyond this strategic horizon.

Our ambition is anchored on three pillars:

- **Stronger Relationships:** Deepening engagement and primacy with customers;
- **Simpler Business:** Creating operating leverage and agility through structural efficiency; and
- **Resilient Company:** Reinforcing trust, stability and disciplined risk management.

We are entering this new era from a position of strength. Our strategy builds from the foundation established in the last cycle to the next phase of disciplined growth. It also optimises the opportunities we see from the unique breadth of our business, supported by structural drivers that supplement growth potential:

Chief Executive's review *(continued)*

- in Ireland, the Group holds leading positions across retail, business and corporate banking, underpinned by trusted brands, customer affinity, and a resilient funding base;
- our scaled, integrated Wealth and Insurance platform enables us to deepen relationships and capture one of Ireland's fastest-growing value pools;
- our scale, reach and reputation, coupled with investments in core capabilities, give us the platform to lead in a growing economy; and
- outside of Ireland, we will focus on market segments with attractive economics where we can leverage our Group capabilities and create synergies.

Our new strategy will deliver across three priorities:
- reaching our full potential and scale in Ireland, by enhancing our mortgage, Wealth and Insurance, and Everyday Banking franchises;
- leveraging core Ireland strengths to ensure disciplined growth in our UK and international businesses; and
- earning the right to win by building future ready core capabilities, harnessing investments in digital, data, our people and culture, and customer insights.

AI is also core to our new strategy. We are deploying AI in a range of ways, including to speed up customer service, improve efficiency, enable automation at all stages of our software development lifecycle and deepen customer insights and protections. We will continue to harness AI for efficiency and performance this year, and our longer term ambition is to fully embed AI across our business to accelerate strategic delivery and enhance both customer and colleague experience.

Our growth is driven by strategic opportunities that build on our strengths, diversify income and enhance efficiency. We will also make targeted investments to improve our capabilities and enable stronger top-line growth and operating leverage.

Delivering significant value to our shareholders

We have set new financial targets over our strategic plan, with statutory RoTE building from 10.9% in 2025 to >16% by 2028.

The building blocks for this strong outcome are:
- our unique leading positions in Ireland's structurally outperforming economy that will support a revenue compound annual growth rate (CAGR) of more than 4%, underpinned by deposit and loan book CAGRs of c.3% and c.4% respectively and Wealth AUM CAGR of c.10%;
- we will reduce our cost income ratio by c.6 percentage points to the mid 40s by 2028, with an ambition to get to <45% by 2030, reflecting revenue growth and efficiency initiatives driving significant operating leverage; and
- annual capital generation building to >270 basis points by 2028.

The Group has also updated its CET1 guidance to c.14.5% as it embarks on the new strategic cycle. Our objective is to operate at this CET1 guidance. Our updated distribution policy is to maintain a progressive ordinary dividend per share supported by a c.50% payout ratio. The Board will also consider the distribution of surplus capital on at least an annual basis.

Case Study: Bank of Ireland's role in supporting housing delivery



Bank of Ireland Group CEO Myles O'Grady and Park Developments MD Sean O'Neill pictured at Park Developments' new housing building site in Leopardstown, Co. Dublin

Housing is the most pressing issue in Ireland today. As a National Champion Bank, the Group is playing an important role in helping to address this. The Group has made available €2.5 billion of funding for new housing, including €1 billion for social and affordable projects.

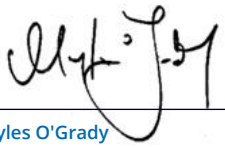
At the end of 2025 the Group was supporting the construction of c.26,000 homes across Ireland through debt and equity funding, with work being undertaken by major listed builders as well as regional Irish developers and SMEs.

The Group is also a leading funder of student accommodation, with c.€700 million invested at end-2025 to deliver and operate more than 7,000 student beds, helping to ease pressure on the wider housing market.

Conclusion

The Group has started this new strategic cycle with momentum. Our plan will see the Group provide consistent value for customers, colleagues, shareholders and society. Operating in supportive markets with helpful structural characteristics, and with a demonstrated record of strategic execution, we are optimistic for the future and ambitious for the Group's prospects.

I thank our customers for their custom which we do not take for granted, our colleagues for their continued dedication, and our shareholders for their trust in the Bank of Ireland Group.



Myles O'Grady
Group Chief Executive Officer

Our strategy SBM-1

Related pages
CEO review *(page 8)*
Sustainability *(page 112)*
Divisional review *(page 38)*
Risk Management Report *(page 223)*

We commenced a Group Strategy update in H2 2025, which is announced today. Having completed the 2023 to 2025 strategic cycle on a strong footing and with clear momentum, the new 2026 to 2028 strategic cycle builds on the outcomes and capabilities delivered in recent years.



We regularly assess our strategy considering changes to the external environment and evolving customer needs to ensure that we remain focused on delivering the best outcomes for all of our stakeholders.

The Group operates within a highly attractive home market. Ireland is one of the fastest growing European economies, with favourable demographics and wealth creation fuelling long-term growth. Furthermore, the private and public sectors are positioned for strong growth.

While uncertainties persist on a global basis, customer needs continue to evolve, and use of technology and AI accelerates, we constantly seek to enhance our differentiated proposition and unrivalled position as Ireland's national champion bank, with over four million customers across the Group.

We have carefully considered how we can build on the Group's progress and delivery track record from previous strategy cycles. The Group has moved through periods of organic growth, transformation and acquisition, establishing the foundation and momentum for the next phase of disciplined growth.

In updating our strategy, we have taken into account the needs of our stakeholders to ensure that our strategy supports the Group's purpose which is to help customers, colleagues, shareholders and society to thrive.

This section covers two areas:
- key achievements in 2025 against the Group's 2023 to 2025 strategic pillars; and
- our new Group Strategy and target outcomes for 2026 to 2028.

Our strategy *(continued)*

Key achievements in 2025 *against the Group's 2023 to 2025 strategic pillars*

Stronger relationships

Establish deeper, mutually value-adding customer relationships led by our colleagues through tailored engagement, and easier, joined-up services and products across customers' financial needs and life stages.



Target outcomes
2023 to 2025

- **+10 Relationship Net Promoter Score** *by 2025, up from +4 in 2022, demonstrating stronger customer relationships.*
- **Growth in mortgage balances** *whilst maintaining risk and commercial discipline.*
- **5% increase in financial needs met per customer,** *equivalent to 250,000 incremental products for existing customers over the 2023 to 2025 period.*

As we move into the next strategic cycle with momentum and confidence, it is timely to reflect on key achievements in 2025, the final year of our three-year strategic cycle:

- **Continued focus on customer service and technology enhancements** has helped to improve customer satisfaction, with our Personal customer Relationship Net Promoter Score (RNPS) finishing the year strongly at +31, its **highest ever level**, and Group customer RNPS improving to +21 from a H2 2022 baseline of +4. RoI customer complaints continue to trend downwards (24% lower year on year), with 2025 experiencing the **lowest volume of customer complaints on record**.
- Building on the Group's **strong performance in mortgage lending** over the course of the strategic cycle, we have remained the **#1 mortgage lender in Ireland** in 2025, achieving a 42% share of drawdowns and providing finance for the purchase of c.16,000 homes. We continue to take an active role in helping to address Housing priorities and challenges, including currently supporting **the development of 26,000 residential units nationwide.**
- In our Wealth and Insurance Division (W&I), **assets under management (AUM) increased by 9%** in 2025 to **a record €60 billion**, as a result of onboarding new clients, greater investment from existing clients and favourable investment performance. Also in W&I, New Ireland won **Best Pension Scheme Administrator** at the Irish Pensions Awards 2025 and **Best Term Insurance Provider** at the Bonkers.ie Awards 2025.
- During 2025, we **launched a number of new products** to better serve customers, including (inter alia): **Smart Start**, a new personal current account proposition for 7 to 15 year olds; **Coming to Ireland**, a bespoke account-opening service for those moving or returning to Ireland and **Sustainable Business Coach**, an innovative tool to support small and medium-sized enterprises (SMEs) in their sustainability journey.

Highlights

Highest ever Personal **Relationship Net Promoter Score** achieving a score of +31 during 2025

Maintained leading position as the #1 mortgage lender in Ireland, supporting €6.1bn of new lending

Smart Start Account

Sustainable Business Coach

Coming to Ireland

Launched new products and services to better serve customers and increase financial needs met per customer

Our strategy *(continued)*

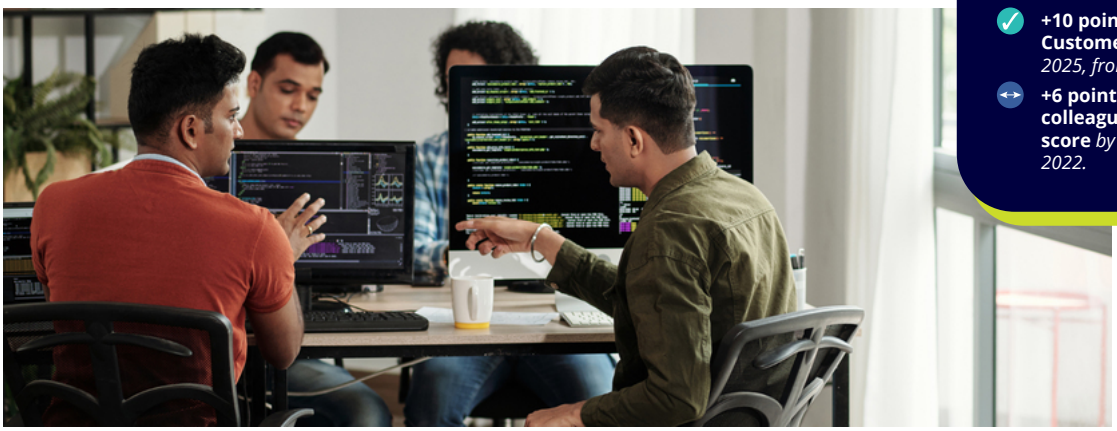
Key achievements in 2025 *against the Group's 2023 to 2025 strategic pillars (continued)*

Simpler business

Simplify the day-to-day activities and interactions of our customers and colleagues, particularly leveraging digital and data, allowing them to do more, faster and more easily.

Target outcomes
2023 to 2025

- **Cost income ratio** *<50% over the 2023 to 2025 period.*
- **+10 point improvement in Customer Effort Score** *by 2025, from 50 in 2022.*
- **+6 point improvement in colleague engagement score** *by 2025, from 68% in 2022.*



Our performance during 2025

As we continue to invest in our systems, processes and people, we're seeing tangible results; we are removing friction, making everyday banking faster, more intuitive and simpler for our customers and supporting colleagues in meeting our customers' needs:

- We continue to simplify our business by leveraging digital and data to enhance customer journeys. Over the course of 2025, we introduced **new digital journeys on our self-service hub** for existing mortgage customers supporting €3 billion of organic book growth. We also launched **a new Business Borrowing Hub solution**, which has improved customers' time to money and improved efficiency for both customers and colleagues.
- Continual **improvements** have been deployed to our **mobile app** in 2025, such as **Single Euro Payments Area (SEPA) Instant**, Verification of Payee, credit card payment alerts, enhanced fraud protection and overall customer experience improvements. In addition to launching a new mobile app in 2026, we will also introduce **mobile to mobile instant payments** in early 2026, with the **launch of Zippay**, a new person-to-person mobile payment service.
- In Retail UK, we achieved a **50% reduction in personal current account opening timelines** by enhancing customer communications and optimising processes. UK Mortgages successfully delivered an **automatic online upload capability** for solicitors, creating a more efficient journey for the customer and removing the need to print and post significant volumes of documents annually.
- As a **forward-looking organisation**, we are putting AI to use in appropriate ways in our business including **helping to protect customers from fraud** and also providing **personalised insights within our mobile app.** We have moved to a Tribe-based agile delivery model to accelerate our pace of change and optimise delivery in line with best practice.
- Colleague **engagement** reached a record high of 75% in 2024, however declined to 68% in 2025, impacted by organisational changes. We are targeting a rebound and improvement over the 2026 to 2028 period.
- For **colleagues**, we successfully delivered the first phase of the **People Services Transformation programme**, introducing a new system, enabling smoother and quicker colleague Human Resource journeys.

Highlights

49%
in 2025

Cost income ratio
Maintained <50% over the 2023 to 2025 period



All channels Customer Effort Score
of +61 achieved in H1 2025

Our strategy *(continued)*

Key achievements in 2025 *against the Group's 2023 to 2025 strategic pillars (continued)*

Sustainable company

Deliver impact on the most critical challenges facing our customers, colleagues and society and ensure ongoing focus on stability, risk management and operational risk resilience across the Group for our expanded customer base.

Target outcomes
2023 to 2025

- ✓ **RoTE of c.15%** *over the 2023 to 2025 period.*
- ✓ **No.1 rating for Financial Wellbeing** *maintained.*
- ✓ **€15 billion sustainable financing by 2025**, *from €8 billion in 2022.*



Our performance during 2025

We continue to make strong progress on building a Sustainable Company, with the Group making a very positive contribution to society and taking an active role in addressing some of the priorities and challenges we face today:

- RoTE averaged c.16% over the strategic cycle, noting a RoTE of 13.9% in 2025 impacted by a UK Motor Finance provision, with underlying RoTE of 16.3% excluding Motor Finance.
- We met the Group's **2025 sustainable finance target ahead of schedule**, with sustainability-related lending growing to €17.7 billion in 2025, exceeding the 2025 target of €15 billion. This encompassed financing of our **largest green energy investment** to date and our first solar power project.
- **Customers' financial wellbeing** remains a key priority, and we have retained our **#1 ranking for Financial Wellbeing in Ireland**. We have expanded our **Financial Wellbeing programme**, and achieved a key milestone on our youth financial literacy programme, with over 800,000 Irish primary and secondary school students taking part since 2017. We created a new, easy to navigate Financial Wellbeing hub which provides practical budgeting tools and resources to help build financial confidence.
- For **colleagues**, we have made real progress towards being one of Ireland's best places to work. Our number seven ranking in the Irish Independent's annual survey of Ireland's best employers was notable in 2025, up from #133 in 2021. We were awarded a 'Top 10' ethnic minority employer and recognised as the 'Most Improved' employer by Investing in Ethnicity. Additionally, we have been named in the Financial Times **Diversity Leaders** 2026 list of 800 companies across Europe, the only indigenous Irish company in the top 100.
- Strong momentum continues in the Group's **multi-year ATMs and Branch Network investment**, with ATM upgrades and branch refurbishments improving accessibility and ensuring access to cash. We continue to extend our Hybrid Working hub network, with further plans to open four new locations, bringing the total hybrid hub network to 20 hubs around Ireland.

Highlights

Average RoTE of c.16%
over the 2023 to 2025 period

#1
No.1 rating for Financial Wellbeing maintained



Sustainable Financing
of €17.7 billion in 2025

Our strategy *(continued)*

Our new Group Strategy and target outcomes for 2026 to 2028

The Group's purpose is to help customers, colleagues, shareholders and society to thrive, and it continues to be underpinned by our core values of 'Customer first', 'Better together', 'Take ownership' and 'Be decisive'.

In updating the Group Strategy, we took the opportunity to define a new Group Vision which is to offer unrivalled financial choice – now and for generations to come. This reflects our ambition to be excellent at what we do, provide an unparalleled product and service offering in Ireland, be core to our customers' lives, and be with them for the long term.

We remain committed to our existing businesses, with our new strategy delivering across three priorities: reaching our full potential and scale in Ireland, by enhancing our Mortgage, Wealth and Insurance, and Everyday Banking franchises; leveraging core Ireland strengths to ensure disciplined growth in our UK and international businesses; and earning the right to win by building future ready core capabilities, harnessing investments in digital, data, our people and culture, and customer insights.



Our updated strategy and ambition are anchored on three strategic pillars:

Stronger relationships
Deepening engagement and primacy with customers

Simpler business
Creating operating leverage and agility through structural efficiency

Resilient company
Reinforcing trust, stability and disciplined risk management

Technology and digital investments are transforming productivity and delivering customer value. Our key areas of focus for 2026 to 2028 will include a new mobile app and Zippay instant payments, a scaled Wealth digital platform, a new commercial digital platform, a new UK savings platform, automated credit decisioning for mortgages and advanced fraud and cyber capabilities.

We have made tangible progress to date in demonstrating value from AI, and have a clear approach to scale capability and benefits with a vision for AI-first customer sales and servicing, AI-driven mid-back-office efficiencies, and AI-enabled change and technology delivery. All of which will lead to a step change in customer outcomes delivered by AI-enabled colleagues with a customer-first mindset.

Our strategy *(continued)*

Our new Group Strategy and target outcomes for 2026 to 2028 *(continued)*

Stronger relationships

Grow new and deepen existing customer relationships, led by our colleagues through personalised multi-channel engagement, bringing the full breadth of the Group's unrivalled financial offering to bear to meet customer needs across all life stages.

Specific initiatives of focus

Extend and expand the franchise and deepen customer relationships through proposition enhancements, tailored insights, personalised customer engagement and a refreshed brand platform. We will show our customers that we know them, anticipate their needs across their life stages, and ensure that the unrivalled financial choice that Bank of Ireland offers is there when they need it.

Be the provider of choice for wealth management building on the foundation of our relationships with individual and commercial customers. We will enhance the Davy brand, propositions and capability to deliver for all segments, including mass market, affluent and high net worth. Our transformed and scalable platform will secure a clear market leadership position, supported by next generation operations and AI. We also plan to enhance our corporate pensions capability in New Ireland through relationships with brokers and our digital platform.

Target outcomes
2026 to 2028

- ✓ **+10 point improvement in Personal RNPS** *by 2028, from +31 end of 2025.*
- ✓ **Growth in customer lending of +c.4% CAGR** *while balancing risk and commercial discipline.*
- ✓ **Grow Wealth AUM to >€75 billion** *by 2028, from €60 billion in 2025.*

Simpler business

Simplify the daily activities and interactions of our customers and colleagues, empowering them through easy solutions leveraging digital, data and AI, allowing them to do more, faster and more efficiently.

Specific initiatives of focus

Create a lean, more effective organisation, and a rapid pace of change through ongoing optimisation of our delivery model in line with best practice. We will enable faster, more frequent deployments, delivering a regular drumbeat of customer and colleague functionality and value in support of our commercial objectives. Our tribe-based agile delivery model is ensuring change is not only delivered faster, but with higher quality and greater stability to benefit all the Group's stakeholders.

Empower and delight customers through data and AI enabled digital banking by continuing to simplify our operations, increasing the levels of automation and digitisation across Retail and Commercial sales and service, while meeting more complex customer needs with a human touch. We will evolve both consumer and commercial banking channels, combined with much faster customer onboarding, credit automation, and instant payments to transform the holistic customer experience. Sales and service journeys will be mobile first and further supported by our AI-enabled colleagues in contact centres and branches.

Target outcomes
2026 to 2028

- ✓ **Reduce cost income ratio to mid 40s** *in 2028.*
- ✓ **Increase Customer Effort Score to +65** *by 2028.*

Our strategy *(continued)*

Our new Group Strategy and target outcomes for 2026 to 2028 *(continued)*

Resilient company

Resilience is part of our core promise to customers, colleagues, shareholders and society; ensuring an ongoing focus on stability, risk management and sustainability.

Specific initiatives of focus

Reinforce trust, security and resilience in the digital age by protecting our customers' interests and proactively safeguarding them in a constantly evolving landscape. We will do this through continued investment in our technology and systems, ensuring stability and resilience of key customer services. We will remain vigilant on fraud and cyber risks, ensuring advanced detection and prevention capability are in place, as well as ongoing customer communication and awareness campaigns.

Deliver a sustainable organisation for colleagues, customers and society by partnering with customers and businesses to support the transition to a low carbon and sustainable economy, and supporting housing and infrastructure development. We will support societal impact by fostering inclusion and enabling communities to become more financially resilient. For colleagues, the strategy aims to deepen engagement and promote a strong performance environment, underpinned by an enterprise mindset, with innovation and faster delivery. Scaled technology and AI tooling will make it easier to get things done and enable colleagues to increase focus on higher value and customer facing activity.

Target outcomes
2026 to 2028

- ✓ **Build to >16% statutory RoTE** *in 2028.*
- ✓ **Increase sustainable financing by €7 billion** *by 2028.*
- ✓ **+10 point increase in employee engagement** *to 78% in 2028.*

Our stakeholders

Customer
The strategy aims to deliver a step change in customer experience. Digital first will be at the core, targeting a top quartile mobile app and enhanced onboarding, digital payments, account servicing and automated lending capability. Customers will be able to engage via the channel of their choice with seamless switching and data-led personalised insights. Customers will have easy money management 24/7 with instant, real-time payments and transfers through ongoing improvements; with advanced fraud detection and prevention capabilities. We will proactively anticipate personalised needs across segments and life stages – and those products and services will be easily accessible and span the Group's full offering.

Colleague
For colleagues, the strategy will accelerate simplification, making it easier to get work done. This will build on strong Learning & Development foundations and we will scale AI tooling and learning to enable colleagues shift towards higher value and customer facing activity. This is key to creating a diverse, future-ready workforce. Colleagues will further benefit from streamlined people journeys through our ongoing People Services Transformation and a broad range of technology investments to improve the digital colleague experience. We plan to retain our top employer ranking with competitive benefit policies, and will support colleagues in maximising their potential and appropriately recognising outperformance.

Society
The Group is committed to playing its part to help society address significant challenges. We intend to increase our level of sustainable financing from €17.7 billion in 2025, to €25 billion by 2028 and towards our €30 billion ambition by 2030, through our range of environmentally and financially responsible products, and our ongoing commitment to a sustainable, inclusive, and resilient economy. In addition, we are making further commitments to support development of 30,000 new homes (including social and affordable projects) and infrastructure (including renewables). We remain focused on ensuring that our diverse workforce more closely represents the society in which we operate.

Shareholders
The Group is targeting an increase in statutory RoTE to >16% in 2028, together with a reduction in cost income ratio to the mid 40s by 2028, with an ambition to get to <45% by 2030. The Group's updated distribution policy is to maintain a progressive ordinary dividend per share (DPS) supported by an ordinary dividend payout ratio of c.50% of attributable profits. The Board will also consider the distribution of surplus capital on at least an annual basis.

Sustainability summary SBM-1

Related pages
Sustainability
(page 113)



2025 marked the successful conclusion of the Group's 'Investing in Tomorrow' Sustainability strategy, and we closed the year and strategic cycle with strong momentum and delivery across all three pillars: supporting the green transition, enhancing financial wellbeing and enabling our colleagues to thrive.

Staying the course through uncertainty
Looking to the years ahead, we remain committed to sustainability as a core expression of our purpose which is to help customers, colleagues, shareholders and society to thrive.

Delivering Impact: Closing out our 'Investing in Tomorrow' strategy
Our sustainability strategy set ambitious targets to deliver better outcomes for our stakeholders. The majority of these outcomes spanned both commercial and social outcomes and, on the following pages, we highlight our key achievements across the three pillars of our sustainability strategy. Further detail on the Group's management of material sustainability topics is disclosed in the Sustainability statement on page 113.

Pillar 1: Supporting the Green Transition
The Group is committed to playing its part in the transition to a resilient, net zero and sustainable economy by 2050, in line with the actions and plans of the Irish and UK governments. Over the 2023 to 2025 Group strategic cycle, we delivered on the following commitments:

- met our 2025 Sustainable Finance target of €15.0 billion ahead of schedule, with sustainability-related lending reaching €17.7 billion by year-end, up €3.0 billion in the twelve month period. This amount has more than doubled over the three year Group strategic cycle, from €8.2 billion in 2022, keeping us firmly on track towards our €30.0 billion sustainable finance ambition by 2030;

Key highlights

Provided
€17.7bn of
Sustainable Finance
(2024: €14.7bn)

Enhanced product innovation
(EcoSaver, Enviroflex, Sustainable Business Coach)

#1
bank recognised for
Financial Wellbeing
among Irish customers

#7
ranked **Irish employer**
(from #133 in 2021)

Sustainability summary *(continued)*

- extended our impact across sectors, through green residential mortgages, sustainability-linked lending for Small and Medium Enterprises and farmers, electric vehicles (EVs) and renewable energy generation;
  - financed our largest green energy project to date and our first solar power project;
  - redesigned our mortgage offering with a new EcoSaver product that offers customers lower rates for higher energy rated homes, thereby incentivising investment in energy efficiency and encouraging sustainable housing;
  - significantly expanded our Enviroflex sustainability-linked loans for the agri-sector, now available to all dairy farmers nationwide, with expansion to the tillage sector underway;
  - grew EV financing supported by partnerships with 16 motor brands, accounting for 42% of all new EV sales in Ireland in 2025.
- launched Sustainable Business Coach, a free to use digital tool designed to support businesses with sustainability planning and to identify their environmental, social and governance (ESG) priorities;
- these interventions supported the continuing decarbonisation of our loan book with the carbon intensity of our Republic of Ireland (RoI) residential mortgage and commercial property portfolios down 26% and 34% respectively since 2020, and emissions from our own operations down by more than 64% over the same period; and
- raised €3.75 billion through new green bond issuance over the 2023 to 2025 strategic cycle, bringing total green issuance outstanding to €5.4 billion by end-2025.

Pillar 2: Enhancing Financial Wellbeing

The Group continued to expand and enhance its financial wellbeing initiatives to deliver impact for customers and society:

- remained the number one bank for financial wellbeing among Irish consumers and expanded our Financial Wellbeing programme, helping over 416,000 customers over the three year strategic cycle with financial resilience education and supports amid inflationary pressures and fraud risks;
- enhanced our fraud prevention efforts through new tools and education campaigns designed to safeguard and protect vulnerable customers. In addition, Bank of Ireland's four-point plan to combat fraud influenced draft EU legislation which could enhance protections for more than 450 million European consumers.

Pillar 3: Enabling Colleagues to Thrive

The Group also deepened its commitment to inclusion, colleague development and wellbeing, ensuring its people can thrive in a diverse and forward-looking workplace:

- launched and expanded on our Neuroinclusion programme to support neurodivergent colleagues and candidates with a Neuroinclusion Toolkit, a practical 'how-to' resource to help organisations create more inclusive environments for neurodivergent talent. This milestone reinforces our ambition to become one of Ireland's most neuroinclusive employers and provides evidence-based guidance for organisations nationwide;
- advanced our work on inclusion with the publication of a report, 'Fostering Ethnic Diversity and Inclusion in the Workplace', highlighting challenges faced by ethnic minority individuals in Ireland's labour market while outlining practical steps employers can take to build a more equitable and inclusive workplace;
- introduced Family Matters, a culmination of new and enhanced family friendly policies, which create a more supportive, flexible workplace; and
- these collective actions helped elevate us to seventh place in Ireland's Top 200 Employers for 2025, up from 133 in 2021, demonstrating our continued progress in developing a workplace that attracts and retains top talent.

Supporting tangible and positive impact for the Group's stakeholders is our top priority. The significant step-change in the Group's sustainability reporting disclosures through 2024 and 2025 with the introduction of the Corporate Sustainability Reporting Directive (CSRD) ensures we have been better able to inform our stakeholders on our progress, impact, targets and metrics. Our MSCI ESG rating improved from BBB in 2022 to AAA (Leader status) at end 2025, whilst we also saw a move from 20.0 (23rd percentile) at the end of 2022 to 15.9 (17th percentile) at Sustainalytics.

Strategic Evolution: Sustainability Strategy for this upcoming cycle

Bank of Ireland is reaffirming its long-term commitment to sustainability amid the global uncertainty and shifting political narratives around the sustainability agenda. While some markets have eased corporate climate commitments, the science is not changing and climate change, nature loss and social inequalities are not reversing, indeed risks are rising. We have also noted recent references by the Irish Minister for Climate in relation to the likely non-delivery of Ireland's 2030 climate targets. We have previously stated that our own financed emission reduction targets are contingent on the pace of progress of our customers and the delivery of the current Irish and UK governments' Climate Plan ambitions and actions. The transition will not be linear and while there may be short term delays in delivery, the long-term direction and momentum in policy, investment and technology is very real.

Cognisant of the evolving external landscape, we believe it is critical that we remain values-led and forward-thinking, recognising our role in helping society to thrive. This will require us to continue to make investments in our operating model and capabilities, expand on our products and propositions, including our digital and advisory offerings, and strengthen internal and external awareness and education on sustainability matters.

A key objective of our previous 'Investing in Tomorrow' sustainability strategy was to embed sustainability into the organisation's wider strategic priorities and become central to our culture and operations. As we look to the future, the focus is now shifting to amplifying our impact.

As we look out to the end of the decade, our ambition is to support positive societal impact by being Ireland's most trusted sustainable finance partner, using innovation to empower customers to transition to a net zero and sustainable economy.

Sustainability summary *(continued)*

We will continue to support financial inclusion and resilience, alongside community and economic development. This ambition underpins our evolved Sustainability Strategy 2026 to 2028.

In evolving this strategy, our horizon scanning has identified three key societal challenges shaping Ireland and the UK: the climate transition, housing supply and infrastructure, and social inclusion. These challenges anchor our evolved strategy which aims to create long-term value for all of our stakeholders and support a sustainable, inclusive, and resilient economy.

Our efforts over the 2026 to 2028 cycle will focus on three new pillars, each of which builds on the strong progress we made during the previous strategic cycle:

- supporting the Green Transition - partnering with customers to support the transition to a low-carbon and sustainable economy. We are increasing our focus in the next cycle on progress for business customers, partnerships and eco-systems, including championing the agriculture sector. With respect to the assets we manage on behalf of our customers, we plan to take a more active engagement role to support increased levels of investment in sustainable assets;
- supporting Housing and Social Infrastructure – supporting housing development and enabling stronger communities through infrastructure investment, in a partnership-led model to support these critical challenges for society; and
- supporting Social Inclusion - fostering inclusion, raising financial education and awareness, deepening colleague engagement and supporting communities to become more financially resilient.

Sustainability Strategy
(2026 to 2028)

Play our part in helping society address significant challenges

Supporting the Green Transition	Supporting Housing & Social Infrastructure	Supporting Social Inclusion
Strategic outcome		
Partnering with customers and businesses to support the transition to a net-zero and sustainable economy	Supporting housing development and enabling stronger communities through supporting social infrastructure	Supporting societal impact by fostering inclusion, deepening colleague engagement and enabling communities to become more financially resilient
Key impact areas		
• Increasing focus on business and infrastructure. • Championing agriculture and nature. • Transitioning assets under management. • Digital and product innovation.	• Supporting housing investment, developing partnerships and eco-systems. • Providing support for social Infrastructure. • Providing support for climate adaptation.	**Enhancing Financial Wellbeing** • Scaling financial education across our communities. • Supporting community initiatives. **Colleagues** • Developing a representative future-ready workforce. • Scaling colleague outreach activity.
How we will measure impact		
• Providing Sustainable Finance of €25 billion by 2028 (and €30 billion by 2030). • Reduction in emissions from our lending and own operations. • Number of customer actions supported (Electric vehicles and retrofits financed).	• Financing the construction of 30,000 new homes in Ireland. • Financing 15,000 social and affordable homes in Ireland. • Financing 25,000 Irish first time buyers by 2028. • Increased financing of sustainable energy and infrastructure.	**Enhancing Financial Wellbeing** • Financial wellbeing metrics on resilience, inclusion, literacy and engagement. • Number and impact of community initiatives supported. **Colleagues** • Workforce index metrics on engagement, representativeness and future ready skills. • Workforce metrics on active societal contribution (hours).

Sustainability summary *(continued)*

Sustainability as a driver of growth, resilience and impact

As the Group moves into a new strategic cycle, sustainability remains both a commercial imperative and a core expression of our purpose to help customers, colleagues, shareholders and society to thrive. In addition, aligning with the new European Banking Authority (EBA) Guidelines on ESG Risk Management, we are informing our strategy, risk management and financial planning through consideration of the longer-term macro-sustainability trends shaping the economies we operate in and the societies we serve.

Sustainability Strategy 2026 to 2028 positions Bank of Ireland to capture growth opportunities and manage emerging risks, support society through promoting economic growth, social inclusion and community development, and address evolving regulatory and investor expectations.

It aligns the Group's business model with the transition to a low-carbon, sustainable economy, supporting housing and infrastructure investment, and supporting social inclusion. It will also support the delivery of all aspects of the Group's refreshed strategy across stronger relationships, simpler business, and resilient company. All of this will help us create a sustainable business model with long-term value creation for our stakeholders.



Governance in action

Leadership and company purpose

A robust corporate governance structure underpins our long-term strategic ambition.

The Board is responsible for ensuring the Group's long-term sustainable success, generating value for shareholders and contributing to the wider society. The Board recognises that a strong and robust corporate governance framework is essential to the delivery of this ambition to the Group's stakeholders including customers, colleagues, suppliers, shareholders, regulators and society. It achieves this by providing leadership, direction and control of the Group. The Board sets strategic aims within the boundaries of the Group's corporate governance standards which are implemented through a comprehensive suite of frameworks, policies, procedures and standards. In particular, these encompass corporate governance, business and financial reporting, and risk management activities, all supported by strong leaders demonstrating the expected behaviours, culture and values.

The Group's purpose and its values are the cornerstone of its culture, providing the Board and GEC with a clear foundation for making key decisions. In developing the refreshed strategy for 2026 to 2028, the Board remains committed to enabling our customers, colleagues, society and shareholders to thrive.

The Group's values set out clear expectations of appropriate behavioural standards. The Group Nomination and Governance Committee (N&G) oversees the Board's corporate governance standards, playing a central role in the review and selection of Directors, their development, and their continued individual and collective suitability for the Board. Profiles of the Board can be found on page 56.

The Group Chief Executive Officer (CEO) is an Executive Director and is supported by the GEC, which comprises the Group Chief Financial Officer (CFO), who is also an Executive Director, and other senior executives.



The GEC assists the Group CEO in managing the Group's day-to-day operations and executing the Board-approved Group Strategy. Details of the GEC can be found on page 60.

The Group's ability to operate effectively is underpinned by its robust corporate governance framework, which the Board continually seeks to enhance through regular reviews and challenges. The Governance section on pages 51 to 111 sets out further details on the operations of the Board and its Committees and the Board's oversight of risk management and internal control systems.

Disclosures

As a company listed on both the London and Euronext Dublin (formerly the Irish Stock Exchange) stock exchanges, the Group is required to report to shareholders on how it applies the main principles of the UK Corporate Governance Code. The Board has also voluntarily adopted the Irish Corporate Governance Code with effect from 1 January 2025 (on a comply or explain basis), which is substantially similar to the UK Code.

The Board is supported by a number of committees, more details of which can be found in the Governance section.

Group Nomination and Governance Committee (N&G)

Akshaya Bhargava *(Chair)*

Responsible for leading the process for Board appointments and succession planning, considering the appointment of GEC members and Key Function Holders and overseeing subsidiary governance. It is also responsible for corporate governance policies and practice.

Group Sustainability Committee (GSC)

Margaret Sweeney *(Chair)*

Responsible for providing oversight of the Group's Sustainability Strategy, ESG targets and objectives, and monitoring of the Group's implementation of the UN Principles for Responsible Banking.

Group Remuneration Committee (GRC)

Ian Buchanan *(Chair)*

Responsible for overseeing the Group's remuneration strategy and policy and approving the strategy, policy and terms for the Chairman, the Executive Directors, members of the GEC and certain other designated officers.

Governance in action *(continued)*

Group Audit Committee (GAC)
Richard Goulding *(Chair)*
Responsible for monitoring the quality and integrity of the financial statements and, in partnership with the BRC, monitoring the effectiveness of the Group's internal controls, including accounting, financial reporting and risk management systems. Also responsible for monitoring the independence and performance of the internal and external auditors.

Board Risk Committee (BRC)
Michele Greene *(Chair)*
Responsible for monitoring risk governance and assisting the Board in discharging its responsibilities by ensuring that risks are properly identified, reported, assessed, and controlled; and that strategy is informed by and aligned with the Group's risk appetite.

Group Transformation Oversight Committee (GTOC)
Giles Andrews *(Chair)*
Responsible for overseeing, supporting and challenging the delivery and execution of the Group's major strategic systems transformation and programmes which have a high dependency on technology related change.

Board Leadership and Company Purpose	
UK Code Principles	**Section**
A successful company is led by an effective and entrepreneurial Board, whose role is to promote the long-term sustainable success of the company, generating value for shareholders and contributing to wider society. The Board should ensure that the necessary resources, policies, and practices are in place for the company to meet its objectives and measure performance against them.	• Strategic Report (page 3) • Chairman's introduction (page 52) • Your Board (page 55) • Role of the Board (page 64)
The Board should establish the company's purpose, values and strategy, and satisfy itself that these and its culture are aligned. All directors must act with integrity, lead by example and promote the desired culture.	• Strategic Report – Chairman's review (page 4) • Governance in action (page 23) • Chairman's introduction (page 52) • Your Board (page 55) • Assessing the effectiveness of the Board (page 80)
Governance reporting should focus on Board decisions and their outcomes in the context of the Group's strategy and objectives. Where the Board reports on departures from the Code's provisions, it should provide a clear explanation.	• Strategic Report – Chairman's review (page 4) • Governance in action (page 23) • Chairman's introduction (page 52) • Corporate Governance Codes (page 61) • Board focus (page 65)
In order for the company to meet its responsibilities to shareholders and stakeholders, the Board should ensure effective engagement with, and encourage participation from, these parties.	• Strategic Report (sustainable company) (page 15) • Stakeholder engagement (page 67)
The Board should ensure that workforce policies and practices are consistent with the company's values and support its long-term sustainable success. The workforce should be able to raise any matters of concern.	• Strategic Report (sustainable company) (page 15) • Stakeholder engagement (page 67) • Report of the N&G (page 73)

Division of Responsibilities	
UK Code Principles	**Section**
The Chairman leads the Board and is responsible for its overall effectiveness in directing the company. They should demonstrate objective judgement throughout their tenure and promote a culture of openness and debate. In addition, the Chairman facilitates constructive Board relations and the effective contribution of all Non- Executive Directors (NEDs), and ensures that directors receive accurate, timely and clear information.	• Chairman's introduction (page 52) • Individual Directors (page 56) • Board composition and succession (page 77) • Board Committees (page 64) • Roles and responsibilities (page 64)
The Board should include an appropriate combination of Executive and Non-Executive (and, in particular, Independent Non-Executive) Directors, such that no one individual or small group of individuals dominates the Board's decision-making. There should be a clear division of responsibilities between the leadership of the Board and the executive leadership of the company's business.	• Board composition and succession (page 77) • Roles and responsibilities (page 64) • Board composition changes (page 73)
NEDs should have sufficient time to meet their board responsibilities. They should provide constructive challenge, strategic guidance, offer specialist advice and hold management to account.	• Time commitments (page 71) • Assessing the effectiveness of the Board (page 80) • Roles and responsibilities (page 64)
The Board, supported by the company secretary, should ensure that it has the policies, processes, information, time and resources it needs in order to function effectively and efficiently.	• Roles and responsibilities (page 64) • Role of the Board (page 64) • Report of the N&G (page 73)

Governance in action *(continued)*

Composition, Succession and Evaluation	
UK Code Principles	**Section**
Appointments to the Board should be subject to a formal, rigorous and transparent procedure and an effective succession plan should be maintained for Board and senior management. Both appointments and succession plans should be based on merit and objective criteria and, within this context, should promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths.	• Board composition and succession (page 77) • Diversity (page 77) • Board composition changes (page 73) • Report of the N&G (page 73)
The Board and its committees should have a combination of skills, experience and knowledge. Consideration should be given to the length of service of the Board as a whole and membership regularly refreshed.	• Chairman's introduction (page 52) • Your Board (Directors' Bios) (page 56) • Board composition and succession (page 77) • Diversity (page 77) • Report of the N&G (page 73)
Annual evaluation of the Board should consider its composition, diversity and how effectively members work together to achieve objectives. Individual evaluation should demonstrate whether each director continues to contribute effectively.	• Assessing the effectiveness of the Board (page 80) • Diversity (page 77)

Audit, Risk & Internal Control	
UK Code Principles	**Section**
The Board should establish formal and transparent policies and procedures to ensure the independence and effectiveness of internal and external audit functions and satisfy itself on the integrity of financial and narrative statements.	• Board oversight of risk management and internal control systems (page 70) • Report of the Group Audit Committee (page 86)
The Board should present a fair, balanced and understandable assessment of the company's position and prospects.	• Strategic Report - Chairman's review (page 4) • Role of the Board (page 64) • Board oversight and risk management and internal control systems (page 70) • Report of the GAC (page 86)
The Board should establish procedures to manage risk, oversee the internal control framework and determine the nature and extent of the principal risks the company is willing to take in order to achieve its long-term strategic objectives.	• Board oversight and risk management and internal control systems (page 70) • Report of the Board Risk Committee (page 92)

Remuneration	
UK Code Principles	**Section**
Remuneration policies and practices should be designed to support strategy and promote long-term sustainable success. Executive remuneration should be aligned to company purpose and values and be clearly linked to the successful delivery of the company's long-term strategy.	• Report of the Group Remuneration Committee (page 82) • Remuneration report (page 103)
A formal and transparent procedure for developing policy on Executive remuneration and determining director and senior management remuneration should be established. No Director should be involved in deciding their own remuneration outcome.	• Report of the Group Remuneration Committee (page 82) • Remuneration report (page 103)
Directors should exercise independent judgement and discretion when authorising remuneration outcomes, taking account of company and individual performance and wider circumstances.	• Report of the Group Remuneration Committee (page 82) • Remuneration report (page 103)

Risk review

Related pages
Risk Management Report *(page 223)*

We believe that great risk management leads to great customer outcomes. Guided by our purpose and values the Group's Risk Management Framework encodes our approach to risk management and enhances our risk capability.



The Group Risk Management Framework (RMF) is the foundation stone for how we manage risk.

Good risk management aligns with our strategic objectives, code of conduct, and stakeholder priorities. Risk management is central to the financial and operational management of the organisation and is fundamental to the Group's strategic pillars of our Business Strategy:

- stronger relationships;
- simpler business; and
- sustainable company.

Group risk management framework

The RMF sets out our group-wide approach to risk management and reflects our Risk Culture.

The RMF establishes:

- common principles for the risk management process of identifying, assessing, monitoring, mitigating, and controlling risks to the Group;
- standard definitions of risk terms and classifications to ensure consistent application across the Group;
- clear roles and accountabilities for the management of risk across the Group;
- governance mechanisms by which risk oversight is exercised and risk decisions taken;
- Group standards on risk policies, committee papers and reporting to ensure consistent application across the Group;
- standard methods to identify and classify risks faced by the Group;
- principles for setting risk appetite to articulate tolerances for the adverse outcomes of taking risk, and setting risk exposure limits designed to ensure a low probability of exceeding those tolerances;
- risk policies and procedures as the foundation for risk mitigation in implementing the RMF; and
- a framework for forward-looking monitoring and reporting on risk as part of risk management information in the Group.

Risk management is the set of activities and mechanisms through which we make risk taking decisions. It is how we control and optimise the risk-return profile of the Group. This is a Group-wide activity, and it is structured across the following five Risk Management activities:

- Risk Identification and Assessment;
- Risk Appetite;
- Risk Frameworks and Policies;
- Stress Testing and Scenario Analysis; and
- Risk Monitoring and Reporting.

Within each category we maintain risk management standards and collectively these represent our risk management approach.

The Group's overarching risk strategy is to set and maintain the RMF to ensure that the Group has clearly identified and classified the risks it faces, set its risk appetite through statements of risk tolerance and quantitative limits, and through adherence with risk policy has observed these tolerances and limits as boundaries to its business strategy. This is achieved through appropriate processes, controls, reporting, and governance which enable the Group to:

- address its target market with confidence;
- protect its balance sheet; and
- deliver sustainable growth and profitability.

Risk culture within the Group requires all colleagues to have a holistic understanding of the risks posed by the activities they undertake. It is underpinned by the Group's purpose and values.

Risk Governance is exercised through the decision-making authority vested in Risk Committees and accountable executives. The Board sets, approves, and oversees the high-level policy and strategic direction on the risk the Group is prepared to assume. It approves key risk documents on which it has reserved authority including the Group's Risk Appetite Statement, RMF, and certain risk policies.

Principal risks and uncertainties

Principal risks and uncertainties could impact on our ability to deliver our strategic plans and ambitions. We consider risks that arise from the impact of external market shocks, geopolitical event risks or emerging risks as well as primary categories of risk identified as principal risks which could have a material impact on earnings, capital adequacy and / or on our ability to trade in the future. See pages 224 to 235 for further detail.

Operating and financial review

Profit before tax €1,393m
(2024: €1,855m)

Underlying profit before tax[1] €1,823m
(2024: €2,130m)

RoTE (adjusted) 13.9%
(2024: 16.8%)

Underlying cost income ratio[1] 49%
(2024: 46%)

Basis of presentation

The operating and financial review (OFR) is presented using IFRS and non-IFRS measures / alternative performance measures (APMs) to analyse the Group's performance. APMs include 'underlying' basis, which excludes non-core items the Group believes obscure the underlying performance trends in the business. Further information on measures referred to in the OFR are found in APMs on page 471. Percentages presented throughout this document are calculated on the absolute underlying figures and so may differ from the percentage variances calculated on the rounded numbers presented. Where the percentages are not measured, this is indicated by n/m.

Summary consolidated income statement on an underlying basis

	Table	2025 €m	2024 €m
Net interest income[1]	1	3,371	3,565
Net other income[1]	2	783	747
Operating income		**4,154**	**4,312**
Operating expenses (before levies and regulatory charges)[1]	3	(2,034)	(1,970)
Levies and regulatory charges	3	(129)	(123)
Operating profit before net impairment losses on financial instruments		**1,991**	**2,219**
Net impairment losses on financial instruments[1]	4	(193)	(123)
Share of results of associates and joint ventures (after tax)		25	34
Underlying profit before tax		**1,823**	**2,130**
Non-core items[1]	5	(430)	(275)
Profit before tax		**1,393**	**1,855**
Tax charge		(192)	(324)
Profit for the year		**1,201**	**1,531**

[1] *Performance is reported on an underlying basis and has been adjusted to exclude non-core items that the Group believes obscure the underlying performance trends in the business and is considered an APM. A reconciliation between the IFRS and summary consolidated income statement on an underlying basis is set out on page 39. For further information on APMs see page 471.*

Profit before tax of €1,393 million was reported by the Group for 2025, €462 million lower compared to 2024.

Underlying profit before tax of €1,823 million was €307 million lower than 2024.

Net interest income was €194 million or 5% lower than 2024, with the impact of the lower interest rate environment on lending and liquid asset yields along with higher deposit costs partially offset by higher lending and deposit volumes, higher structural hedge income and lower wholesale funding costs.

Net other income was €36 million or 5% higher year on year, with an increase in business income driven by strong performance in Wealth and Insurance (W&I), lower partner commissions paid in Retail UK and higher Corporate and Commercial fee income, partially offset by the negative impact of derivative related valuation adjustments.

Operating expenses (before levies and regulatory charges) increased by €64 million or 3%, reflecting inflation, building key skills and investment into digital capabilities to drive sustainable future benefits, offset by pension costs and efficiencies.

Levies and regulatory charges increased by €6 million or 5% in 2025 primarily due to the Deposit Guarantee Scheme (DGS) levy.

Net impairment losses on financial instruments increased by €70 million or 57%. These losses have been partially offset by movements in reimbursement assets of €111 million arising from financial guarantee contracts primarily related to the corporate loan portfolio. Actual impairment losses on financial instruments increased by €181 million reflecting actual loan loss experience, the impact of FLI from the Group's latest macro-economic outlook, the impact of model changes and movement in management adjustments in the year.

Summary consolidated income statement on an underlying basis *(continued)*

Share of results of associates and joint ventures (after tax) decreased by €9 million, primarily due to non-recurrence of investment gains recorded in 2024.

Non-core items increased by €155 million primarily attributable to an increase in transformation programme costs of €96 million, a lower gain related to portfolio divestments of €80 million and higher customer redress charges of €86 million, offset by the impairment of internally generated software of €108 million which did not reoccur during the year.

The **tax charge** for 2025 of €192 million (2024: €324 million) reflected an effective statutory taxation rate of 14% (2024: 17%) for the Group. The decrease in the year is primarily due to the tax impact of increased customer redress charges in the UK. On an underlying basis, the effective taxation rate for 2025 was 15% (2024: 15%). The underlying effective tax rate was influenced by the jurisdictional mix of profits and the Irish bank levy.

Key ratios	2025	2024
Statutory cost income ratio (%)	63	56
Underlying cost income ratio (%)	49	46
Return on Tangible Equity (%)	10.9	14.1
Return on Tangible Equity (adjusted) (%)	13.9	16.8
Return on assets (bps)	73	95
Per ordinary share		
Basic earnings per share (€ cent)	114.8	141.9
Underlying earnings per share (€ cent)	151.3	167.6
Tangible Net Asset Value per share (€ cent)	1,065	1,043
Dividend per share (€ cent)[1]	70	63

[1] *The 2025 final dividend is a proposed dividend, subject to shareholder approval.*

Net interest income

Table: 1 Net interest income / net interest margin[1]	2025 €m	2024 €m	Change %
Net interest income	**3,371**	**3,565**	**(5%)**
Average interest earning assets (€bn)			
Loans and advances to customers	82	81	1%
Other interest earning assets	44	41	7%
Total average interest earning assets	**126**	**122**	**3%**
Net interest margin	**2.68%**	**2.91%**	
Gross yield - customer lending	4.10%	4.07%	
Gross yield - liquid assets	2.70%	4.05%	
Average cost of funds - interest bearing liabilities and current accounts	(0.99%)	(1.21%)	

[1] *Performance is reported on an underlying basis and has been adjusted to exclude non-core items that the Group believes obscure the underlying performance trends in the business and is considered an APM. For further information on APMs see page 471.*

Net interest income was €194 million or 5% lower than 2024, with the impact of the lower interest rate environment on lending and liquid asset yields along with higher deposit costs partially offset by higher lending and deposit volumes, higher structural hedge income and lower wholesale funding costs.

The Group's net interest margin (NIM) was 2.68% (2024: 2.91%).

The gross customer yield has increased by 3 basis points to 4.10% compared to 2024, due to higher lending volumes and higher income from the structural hedge, partially offset by the impact of lower interest rates.

The liquid asset yield has decreased by 135 basis points to 2.70% compared to 2024, due to the impact of lower interest rates.

Average cost of funds and gross yield represent the interest income or expense recognised on interest bearing items net of interest on derivatives which were in a hedge relationship with the relevant asset or liability. The average cost of funds decreased by 22 basis points from 2024, primarily reflecting lower wholesale funding costs partially offset by higher deposit costs in the UK and Ireland.

Further information on APMs referred to in the tables above can be found in alternative performance measures on page 471.

Summary consolidated income statement on an underlying basis *(continued)*

Net other income

Table: 2 Net other income[2]	2025 €m	*Restated*[1] 2024 €m	Change %
Net other income	**783**	**747**	**5%**
Analysed as:			
Business income			
Wealth and Insurance	394	351	12%
Retail Ireland[1]	262	269	(3%)
Corporate and Commercial[1]	159	154	3%
Group Centre and other	(33)	(30)	10%
Retail UK	9	(14)	n/m
Total business income	**791**	**730**	**8%**
Other expenses			
Loan sale expenses	(3)	(7)	(57%)
Transfers from debt instruments at fair value through other comprehensive income reserve	(1)	(2)	(50%)
Loss on disposal and revaluation of investment properties	–	(3)	(100%)
Total other expenses	**(4)**	**(12)**	**(67%)**
Other valuation items			
Financial instrument valuation adjustments	(10)	28	n/m
Investment valuation movement	6	1	n/m
Total other valuation items	**(4)**	**29**	**n/m**

[1] *Comparative figures have been restated to reflect the SB&A transfer from Corporate and Commercial to Retail Ireland. As a result, other income of €117 million has been reallocated from Corporate and Commercial to Retail Ireland.*
[2] *Performance is reported on an underlying basis and has been adjusted to exclude non-core items that the Group believes obscure the underlying performance trends in the business and is considered an APM. For further information on APMs see page 471.*

In 2025, the Group moved its Small Business & Agriculture (SB&A) customer base from the Corporate and Commercial division to Retail Ireland. The move was driven by the needs of the business, as many of these customers have banking requirements closer to Retail Ireland's consumer customer base.

Net other income of €783 million was €36 million or 5% higher compared to 2024.

Business income of €791 million for 2025 increased by €61 million or 8% compared to 2024:

- W&I increased by €43 million or 12%, with a particularly strong performance in the Davy wealth management business and higher income in New Ireland Assurance Company (NIAC) driven by improved morbidity experience in 2025 and the positive impact of assumption changes, €7 million of which was non-recurring in nature;
- Retail Ireland income decreased by €7 million or 3% with growth in current account and loan servicing income more than offset by commissions relating to partnership agreements;
- Corporate and Commercial reflected underlying fee income growth; and
- Retail UK primarily reflects lower profit sharing partnership commissions relating to net interest income performance.

Other expenses of €4 million decreased by €8 million or 67% primarily due to lower loan sale expenses incurred in 2025 and costs incurred in 2024 relating to the sale of an investment property.

Other valuation items resulted in a loss of €4 million (2024: €29 million gain). This resulted from negative mark-to-market movements on derivatives that are not in hedge accounting relationships and the revaluation of non-euro denominated financial instruments partially offset by a positive investment variance movement in W&I for 2025 due to market impacts.

Summary consolidated income statement on an underlying basis *(continued)*

Operating expenses

Table: 3 Operating expenses[1]	2025 €m	2024 €m	Change %
Staff costs (excluding pension costs)	902	861	5%
Pension costs	76	89	(15%)
Retirement benefit costs (defined benefit plans)	*14*	*31*	*(55%)*
Retirement benefit costs (defined contribution plans)	*62*	*58*	*7%*
Depreciation and amortisation	252	252	–
Other costs	804	768	5%
Operating expenses (before levies and regulatory charges)	**2,034**	**1,970**	**3%**
Levies and regulatory charges	129	123	5%
Total operating expenses	**2,163**	**2,093**	**3%**

[1] *Performance is reported on an underlying basis and has been adjusted to exclude non-core items that the Group believes obscure the underlying performance trends in the business and is considered an APM. For further information on APMs see page 471.*

Staff numbers	2025	2024	Change %
Staff numbers at year end (full time equivalents)	11,287	11,188	1%
Average staff numbers during the year	11,326	11,131	2%

Operating expenses (before levies and regulatory charges) were €64 million or 3% higher than 2024.

Staff costs (excluding pension costs) of €902 million were €41 million higher than 2024 reflecting salary increases averaging between 3% to 4% which were effective from 1 January 2025, increased resources required to support strategic objectives, an increase in variable pay and the full year impact of the healthcare benefit (introduced in H224), partially offset by ongoing efficiencies.

At 31 December 2025, the number of staff on a full time equivalent (FTE) basis was 11,287, an increase of 99 or 1% compared to 11,188 at 31 December 2024. In H225 FTE decreased by 1% from 11,386 in H125. Average staff numbers employed by the Group in 2025 of 11,326 were 195 or 2% higher compared to 11,131 in 2024. The increase in FTEs was primarily due to in-sourcing of Information Technology (IT) capability and additional resourcing required to support key business initiatives.

Pension costs of €76 million for 2025 were €13 million or 15% lower than 2024. Defined benefit pension costs have decreased by €17 million due to lower service costs and higher interest income on the surplus. New joiners are added to the Group's defined contribution plans, the cost of which has increased by €4 million compared to 2024.

Depreciation and amortisation costs have remained unchanged from the prior year.

Other costs including technology, property, outsourced services and other non-staff costs were €36 million or 5% higher than 2024, net of efficiencies.

Levies and regulatory charges of €129 million have increased by €6 million in 2025 primarily due to the DGS levy.

Summary consolidated income statement on an underlying basis *(continued)*

Net impairment (losses) / gains on financial instruments

Table: 4 Net impairment (losses) / gains on financial instruments[1]	2025 €m	2024 €m	Change %
Net impairment (losses) / gains on loans and advances to customers at amortised cost			
Residential mortgages	(61)	31	n/m
Retail Ireland	*(49)*	*13*	*n/m*
Retail UK	*(12)*	*18*	*n/m*
Non-property SME and corporate	(110)	(95)	16%
Republic of Ireland SME	*(15)*	*(44)*	*(66%)*
UK SME	*(4)*	*22*	*n/m*
Corporate	*(91)*	*(73)*	*25%*
Property and construction	14	1	n/m
Investment	*29*	*5*	*n/m*
Development	*(15)*	*(4)*	*n/m*
Consumer	(22)	(43)	(49%)
Total net impairment losses on loans and advances to customers at amortised cost	**(179)**	**(106)**	**69%**
Net impairment losses on other financial instruments (excluding loans and advances to customers at amortised cost)	(14)	(17)	(18%)
Total net impairment losses on financial instruments	**(193)**	**(123)**	**57%**
Underlying net impairment losses on loans and advances to customers (bps)	**(22)**	**(13)**	**69%**
Net impairment losses on loans and advances to customers (bps)	**(21)**	**(11)**	**91%**

[1] *Performance is reported on an underlying basis and has been adjusted to exclude non-core items that the Group believes obscure the underlying performance trends in the business and is considered an APM. For further information on APMs see page 471.*

The Group recognised an **underlying net impairment loss** for 2025 of €193 million, which reflects the partial offset from movements in reimbursement assets of €111 million arising from financial guarantee contracts primarily related to the corporate loan portfolio. This also excludes a €1 million impairment gain (2024: €16 million) recognised as non-core relating to UK personal loans.

The **total net impairment loss** reflected a number of impairment dynamics:

- net impairment loss from portfolio activity of €65 million (2024: €127 million) includes updated credit risk assessments, recoveries, case specific loss emergence and non-performing exposure (NPE) resolution activity. Included in the net portfolio activity loss is an offsetting €111 million gain related to reimbursement assets movements, primarily related to the corporate loan portfolio, arising from financial guarantee contracts;
- impairment methodology and model updates incorporating the current macroeconomic outlook resulted in a €78 million net loss (2024: €6 million net gain); and
- the application of an increased quantum of Group post-model adjustments (PMAs) at 31 December 2025 was a €50 million net loss in the year (2024: €14 million net gain) which reflected a number of potential risks not included in the modelled impairment loss allowances (ILA), partially offset by the release / utilisation of previously recognised PMAs. See pages 319 to 321 for further details.

The net impairment loss of €61 million in the **residential mortgages portfolio** in 2025 primarily reflects an increase in the quantum of long dated NPE PMA applied at 31 December 2025 in the Retail Ireland mortgage portfolio (see pages 319 and 321 for more detail):

- a net impairment loss on the **Retail Ireland mortgage** portfolio of €49 million for 2025 (2024: €13 million gain) included a net impairment loss of €44 million from the application of an increased quantum of PMAs (2024: €7 million gain), a €4 million loss from impairment model updates including updated macroeconomic outlook (2024: €7 million gain driven by an improved macroeconomic outlook) and a €1 million loss from portfolio activity (2024: €1 million loss); and
- a net impairment loss on the **Retail UK mortgage portfolio** of €12 million for 2025 (2024: €18 million gain) included a net impairment loss of €7 million from portfolio activity (2024: €6 million gain), a €4 million loss from the application of an increased quantum of PMAs (2024: €4 million loss) and a €1 million loss (2024: €16 million gain driven by an improved macroeconomic outlook) from impairment model updates including updated macroeconomic outlook.

Summary consolidated income statement on an underlying basis *(continued)*

Net impairment (losses) / gains on financial instruments *(continued)*

A net impairment loss of €110 million on the **non-property small and medium enterprise (SME) and corporate loan portfolio** for 2025, primarily reflects the application of a €40 million geopolitical risk PMA at 31 December 2025, case specific loss emergence, primarily on defaulted cases in the Corporate portfolio (primarily the US Acquisition Finance portfolio) and model parameter updates including updated macroeconomic outlook. The 2025 loss includes a net impairment loss of €12 million on credit-impaired assets (net of reimbursement assets arising from financial guarantee contracts) and compares to a €95 million total impairment loss for 2024.

A net impairment gain of €14 million on the **property and construction loan portfolio** for 2025 included a net impairment loss of €15 million on credit-impaired assets and compared to a gain of €1 million in 2024. The net impairment gain on investment property in 2025 reflects resolution activity in the year and the partial release of the Investment Property PMA in place at 31 December 2024 following implementation of model updates during 2025. This was partly offset by a loss from updated macroeconomic outlook.

There was a €22 million impairment loss on the **consumer loans portfolio** driven by loss emergence on defaulted assets offset, partly offset by gains associated with model parameter updates. This compared to a €43 million impairment loss in 2024 which reflected loss emergence on defaulted assets and losses associated with model parameter updates.

Non-core items

Table: 5 **Non-core items**	**2025** **€m**	**2024** **€m**	**Change** **%**
Customer redress charges	(268)	(182)	47%
Transformation programme costs	(153)	(57)	n/m
Cost of restructuring programme	*(133)*	*(57)*	*n/m*
Other transformation costs	*(20)*	–	*n/m*
Acquisition costs	(22)	(39)	(44%)
Gross-up for policyholder and shareholder tax in the W&I business	13	27	(52%)
Portfolio divestments (net)	5	85	(94%)
Investment loss on treasury shares held for policyholders	(5)	(2)	n/m
Impairment of internally generated computer software	–	(108)	(100%)
Gain on disposal / liquidation of business activities	–	5	(100%)
Liability management exercises	–	(4)	(100%)
Total non-core items	**(430)**	**(275)**	**56%**

Customer redress charges
During the year, the Group recognised €264 million (£231 million) (2024: €176 million) customer redress charges in connection with historical commission arrangements in the Group's UK motor finance business. The Group's total provision held at 31 December 2025 amounted to €419 million (2024: €172 million) with an income statement charge of €264 million, reflecting an increase in the provision.

The cumulative charge incurred by 31 December 2025 is €429 million (£374 million). The provision represents the Group's best estimate of the redress and compensation that may be payable to impacted customers, along with programme costs that may be incurred by the Group in connection with the Financial Conduct Authority (FCA) consumer redress scheme. It includes, inter alia, estimates for the potentially impacted customer population, redress amounts, opt-in rates and operational costs. For more details see note 39 provisions. The Group has also recognised a provision of €4 million (2024: €6 million) in respect of other customer remediation in the Retail Ireland business.

Transformation programme costs
During 2025, the Group recognised net transformation programme costs of €153 million (2024: €57 million) which included:

- restructuring charges of €133 million (2024: €57 million) related predominantly to the Simpler Business programme including associated redundancy scheme costs of €67 million (2024: €20 million); and
- other transformation programme costs of €20 million (2024: €nil) related to the design and development of key Retail UK initiatives supporting the Group's UK future state operating model.

Summary consolidated income statement on an underlying basis *(continued)*

Non-core items *(continued)*

Acquisition costs
In 2025, €22 million (2024: €39 million) of costs associated with the acquisition of Davy in 2022, were expensed to the income statement. These costs included:

- deferred remuneration expenses of €8 million (2024: €19 million);
- amortisation of €6 million (2024: €6 million) related to the acquired intangible assets (customer relationships and brand);
- deferred consideration expense of €5 million (2024: €6 million); and
- integration costs of €3 million (2024: €8 million).

Gross-up for policyholder and shareholder tax in the W&I business
IFRS requires that the income statement be grossed up for the total tax payable by W&I, comprising both policyholder and shareholder tax. In 2025, this was a non-core gain of €13 million (2024: €27 million).

Portfolio divestments
In 2024, the Group sold its UK personal loans portfolio and migration of these loans concluded in May 2025. During the year, the Group recognised a net gain of €5 million (2024: €85 million), primarily associated with the residual income and costs related to the sale of the portfolio.

Investment loss on treasury shares held for policyholders
The Group's income statement excludes the impact of the change in value of Bank of Ireland Group plc ('BoIG plc') shares held by W&I for policyholders. In 2025, this resulted in a loss of €5 million (2024: €2 million). At 31 December 2025, there were 0.5 million shares (2024: 0.7 million shares) held for the benefit of policyholders.

Impairment of internally generated computer software
There was no impairment recognised on internally generated computer software in non-core in 2025 (2024: €100 million) and no associated provision recognised relating to onerous contracts (2024: €8 million).

Gain on disposal / liquidation of business activities
No gains or losses were recognised on the disposal or liquidation of business activities during the year. In 2024, the Group recognised a €5 million gain relating to the recycling of cumulative unrealised foreign exchange (FX) gains and losses through the income statement following the liquidation of foreign denominated subsidiaries.

Liability management exercises
No expenses were incurred on liability management exercises during the year. In 2024, the Group recognised a €4 million cost reflecting the repurchase of certain Group perpetual non-call instruments.

Summary consolidated balance sheet

Summary consolidated balance sheet	Table	2025 €bn	2024 €bn
Assets			
Loans and advances to customers	6	82	83
Liquid assets	7	46	44
Wealth and Insurance assets		29	28
Other assets	8	8	7
Total assets		**165**	**162**
Liabilities			
Customer deposits	9	107	103
Wholesale funding	10	9	11
Wealth and Insurance liabilities		29	27
Other liabilities	8	5	6
Subordinated liabilities		2	2
Total liabilities		**152**	**149**
Shareholders' equity		12	12
Other equity instruments - Additional tier 1		1	1
Total liabilities and shareholders' equity		**165**	**162**

The Group's **loans and advances to customers (after ILAs)** of €82.5 billion were in line with 31 December 2024. Net new lending of €1.7 billion was offset by impairment of €0.3 billion and FX / other movements of €1.4 billion. On a constant currency basis, the loan book increased by €1.4 billion reflecting positive net new lending in the year.

The Group's portfolio of **liquid assets** at 31 December 2025 of €46.0 billion increased by €2.0 billion from 31 December 2024, primarily due to higher customer deposits of €5.4 billion (constant currency basis), partially offset by lower wholesale funding volumes of €1.7 billion, higher lending volumes of €1.4 billion (constant currency basis) and other items of €0.3 billion.

The Group's **asset quality** remains robust despite the impact of elevated economic uncertainty and geopolitical risk. NPEs reduced by €0.1 billion to €1.8 billion, representing 2.2% of gross loans at 31 December 2025 (2024: 2.2%). The reduction in NPEs reflected the execution of resolution strategies including the disposal of a pool of non-performing loans with a gross carrying value of €0.2 billion during H225. The reduction in NPEs was partly offset by the emergence of new defaults in corporate portfolios, primarily the US Acquisition Finance portfolio.

At 31 December 2025, Group **customer deposit** volumes of €107.5 billion were €4.4 billion higher than 31 December 2024, predominantly driven by an increase in Retail Ireland volumes of €4.4 billion and an increase in Corporate and Commercial volumes of €0.1 billion, offset by a decrease in Retail UK balances of €0.1 billion due to sterling weakening against the euro. On a constant currency basis, Retail UK volumes increased by €0.7 billion (£0.6 billion).

Wholesale funding balances of €9.2 billion at 31 December 2025 were €1.7 billion lower than 31 December 2024. This is primarily due to a net reduction in Asset Covered Securities (ACS) of €0.8 billion, repayment of Bank of England (BoE) Monetary Authority funding of €0.6 billion, net reduction in MREL eligible senior debt of €0.6 billion and an increase in other items €0.1 billion, partially offset by a UK Residential Mortgage-Backed Security issuance of €0.4 billion.

The Group's **common equity tier 1 (CET1) ratio** was 15.1% at 31 December 2025 (2024: 14.6%). The increase of 50 basis points since 31 December 2024 is primarily due to organic capital generation (c.+270 basis points), the implementation of Capital Requirements Regulation 3 (CRR3) (c.+115 basis points), partially offset by a foreseeable distribution deduction (c.-225 basis points), risk weighted asset (RWA) growth (c.-65 basis points) and internal ratings based (IRB) model scalars (c.-40 basis points). For further information on capital ratios see Capital Adequacy risk section from page 243.

Key ratios	2025	*Restated*[1] 2024
Liquidity coverage ratio (%)[1]	191	198
Net stable funding ratio (%)	156	155
Loan to deposit ratio (%)	77	80
Gross new lending volumes (€bn)	18.9	17.4
Average interest earning assets (€bn)	126	122
CET1 ratio (%)	15.1	14.6
Total capital ratio (%)	20.3	19.6

[1] *The comparative figure for the Liquidity Coverage Ratio (LCR) has been restated following a refinement of the calculation of certain outflows totalling €0.3 billion. As a result, the LCR decreased by 4 percentage points, from 202% to 198%.*

Further information on APMs referred to in the tables above can be found in alternative performance measures on page 471.

Summary consolidated balance sheet *(continued)*

Loans and advances to customers

Table: 6 Loans and advances to customers - Composition	2025		2024	
	€bn	%	€bn	%
Residential mortgages	52	62%	50	60%
Retail Ireland	*37*	*44%*	*34*	*41%*
Retail UK	*15*	*18%*	*16*	*19%*
Non-property SME and corporate	18	22%	21	25%
Republic of Ireland SME	*7*	*8%*	*7*	*9%*
UK SME	*1*	*2%*	*2*	*2%*
Corporate	*10*	*12%*	*12*	*14%*
Property and construction	7	9%	8	9%
Investment	*6*	*8%*	*7*	*8%*
Development	*1*	*1%*	*1*	*1%*
Consumer	6	7%	5	6%
Total loans and advances to customers at amortised cost	**83**	**100%**	**84**	**100%**
Less impairment loss allowance on loans and advances to customers at amortised cost	(1)		(1)	
Net loans and advances to customers at amortised cost	**82**		**83**	
Loans and advances to customers at FVTPL	–		–	
Total loans and advances to customers	**82**		**83**	

The Group's **loans and advances to customers (after ILAs)** of €82.5 billion were in line with 31 December 2024. The Group's loan book was broadly stable at €82.5 billion at end of December, with Ireland the key driver (annualised growth of c.6%), offset by the planned contraction in our Great Britain (GB) Corporate book and FX impacts.

Net new lending of €1.7 billion was offset by impairment of €0.3 billion and FX / other movements of €1.4 billion. On a constant currency basis, the loan book increased by €1.4 billion reflecting positive net new lending in the year.

Gross new lending of €18.9 billion was €1.5 billion higher than 31 December 2024. The increase of €1.5 billion reflected an increase of 16% in Retail Ireland and 14% in Retail UK while Corporate and Commercial decreased by 3% compared to the prior year.

Redemptions and repayments of €17.2 billion were €2.3 billion higher than 31 December 2024, with higher redemption activity across all divisions.

The Group's IFRS 9 staging profile has remained robust. There was a net reduction of €1.6 billion of loans in Stage 2 (i.e. assets identified as having experienced a significant increase in credit risk since origination) to €8.9 billion (2024: €10.5 billion). This reflected the impact of portfolio activity in the year (including net repayments / redemptions) and the application of individually assessed risk ratings in the year (including migrations to Stage 3).

Stage 3 balances reduced marginally to €1.7 billion (2024: €1.8 billion) with the emergence of new defaults primarily in corporate portfolios, offset by resolution activities in the year.

During 2025, the stock of ILAs increased by €0.1 billion to €1.1 billion. The increase reflected the gross impairment loss on loans and advances to customers of €0.3 billion, partially offset by impairment loss allowance utilisation and the impact of currency translation.

NPEs reduced by €0.1 billion to €1.8 billion, representing 2.2% of gross loans at 31 December 2025 (2024: 2.2%). The reduction in NPEs reflected the execution of case specific resolution strategies, particularly in relation to a small number of large defaulted cases in the corporate portfolio and a disposal of a pool of non-performing loans with a gross carrying value of €0.2 billion which had an associated €2 million impairment loss. The reduction in NPEs was partly offset by the emergence of new defaults in corporate portfolios, primarily the US Acquisition Finance portfolio.

NPEs	2025	2024
Credit-impaired loans (€bn)[1]	1.8	1.8
NPEs (€bn)	1.8	1.9
NPE ratio (%)	2.2	2.2

[1] *Excludes POCI assets of €57 million (2024: €55 million) which were no longer credit-impaired at the reporting date due to improvement in credit risk since purchase or origination. These loans will remain classified as POCI loans until derecognition.*

Further information on APMs referred to in the tables above can be found in alternative performance measures on page 471.

Summary consolidated balance sheet *(continued)*

Liquid assets

Table: 7 Liquid assets (after ILA)	2025 €bn	2024 €bn
Cash at banks	2	2
Cash and balances at central banks	23	32
Central Bank of Ireland	*18*	*28*
Bank of England	*3*	*3*
Other (including Federal Reserve)	*2*	*1*
Government bonds	11	5
Debt securities at amortised cost	*11*	*4*
Financial assets at FVOCI	*–*	*1*
Covered bonds	5	3
Senior bank bonds and other	5	2
Total liquid assets	**46**	**44**

The Group's portfolio of **liquid assets** at 31 December 2025 has increased by €2.0 billion to €46.0 billion, primarily due to higher customer deposits of €5.4 billion (constant currency basis), partially offset by lower wholesale funding volumes of €1.7 billion, higher lending volumes of €1.4 billion (constant currency basis) and other items of €0.3 billion. During 2025, the Group purchased €12.0 billion worth of bonds, partially offset by net maturities and sales of c.€0.6 billion. The decrease in cash balances in 2025 is predominately due to bond purchases and is explained further in note 47.

Other assets and other liabilities

Fair value movements of derivative assets and derivative liabilities were impacted by changes in interest rates, FX rates, equity markets and maturity of transactions during 2025. The movement in fair value changes due to interest rate risk of the hedged items in portfolio hedges was attributable to interest rate moves between 2024 and 2025.

The deferred tax asset (DTA) at 31 December 2025 primarily related to unused historic tax losses and decreased in the year due to utilisation against current year profits. See note 32 for further details.

The net pension position was a surplus of €0.9 billion at 31 December 2025 (2024: €1.0 billion). The movement in the pension during the year is primarily due to increases in euro and UK interest rates resulting in decreased pension assets which was partially offset by the increase in the RoI discount rate resulting in decreased pension liabilities.

Table: 8 Other assets and other liabilities	2025 €bn	2024 €bn
Other assets	**7.7**	**7.4**
Derivative financial instruments	*2.7*	*3.5*
Intangible assets and goodwill	*1.3*	*1.2*
Pension surplus (net)	*0.9*	*1.0*
Property, plant and equipment	*0.8*	*0.8*
Deferred tax asset	*0.4*	*0.5*
Fair value changes due to interest rate risk of the hedged items in portfolio hedges	*0.1*	*0.1*
Other assets	*1.5*	*0.3*
Other liabilities	**5.1**	**6.1**
Derivative financial instruments	*2.4*	*3.7*
Notes in circulation	*0.8*	*0.9*
Provisions	*0.5*	*0.2*
Fair value changes due to interest rate risk of the hedged items in portfolio hedges	*(0.5)*	*(0.4)*
Other liabilities	*1.9*	*1.7*

Summary consolidated balance sheet *(continued)*

Customer deposits

Table: 9 Customer deposits	2025 €bn	*Restated*[1] 2024 €bn
Retail Ireland[1]	73	69
Deposits	*28*	*27*
Current account credit balances	*45*	*42*
Corporate and Commercial[1]	19	19
Deposits	*6*	*6*
Current account credit balances	*13*	*13*
Retail UK	15	15
Total customer deposits	**107**	**103**

[1] *Comparative figures have been restated to reflect the SB&A transfer from Corporate and Commercial to Retail Ireland. As a result, customer deposits of €23.4 billion have been reallocated from Corporate and Commercial to Retail Ireland.*

Retail UK - Customer deposits	2025 £bn	2024 £bn
Retail UK	13	12
UK Post Office	*7*	*6*
Other Retail UK	*6*	*6*

At 31 December 2025, Group customer deposit volumes of €107.5 billion were €4.4 billion higher than 31 December 2024, predominantly driven by an increase in Retail Ireland volumes of €4.4 billion and an increase in Corporate and Commercial volumes of €0.1 billion, offset by a decrease in Retail UK balances of €0.1 billion due to sterling weakening against the euro. On a constant currency basis, Retail UK volumes increased by €0.7 billion (£0.6 billion).

Wholesale funding

Table: 10 Wholesale funding	2025 €bn	2024 €bn
Secured funding	2	3
Monetary Authority	*1*	*1*
Covered bonds	*–*	*1*
Securitisations	*1*	*1*
Unsecured funding	7	8
Senior debt	*6*	*7*
Bank deposits	*1*	*1*
Total wholesale funding	**9**	**11**
Wholesale market funding < 1 year to maturity	1	1
Wholesale market funding > 1 year to maturity	7	9
Monetary Authority funding < 1 year to maturity	1	1

Wholesale funding balances of €9.2 billion at 31 December 2025 were €1.7 billion lower than 31 December 2024. This is primarily due to a net reduction in ACS of €0.8 billion, repayment of BoE Monetary Authority funding of €0.6 billion, net reduction in MREL eligible senior debt of €0.6 billion and an increase in other items €0.1 billion, partially offset by a UK Residential Mortgage-Backed Security issuance of €0.4 billion.

Divisional review

Bank of Ireland Group is one of the largest financial services groups in Ireland and provides a broad range of banking and other financial services. The Group is organised into four trading segments and one support division to effectively serve our customers.

Retail Ireland

Retail Ireland serves its customers delivering day-to-day services, products, propositions and a financial wellbeing programme tailored to meet customers' individual needs. Customers use their preferred channels to request and fulfil their banking requirements. These channels include our branches, 24/7 ATMs, digital, contact centre and our post office partnership for day-to-day banking services.

Wealth and Insurance

Wealth and Insurance includes the Group's life assurance subsidiary NIAC and Davy, Ireland's leading provider of wealth management and capital markets services. NIAC distributes protection, investment and pension products to the Irish market, across three core channels made up of the Group's distribution channels, independent financial brokers and its own financial advisor network as well as corporate partners.

Retail UK

Retail UK incorporates the UK residential mortgage business, the Group's branch network in Northern Ireland (NI), the Group's business banking business in NI, asset finance and contract hire, vehicle leasing and fleet management, incorporating Northridge Finance, as well as the financial services partnership and FX joint venture with the UK Post Office. The Retail UK division includes the activities of Bank of Ireland (UK) plc, the Group's wholly owned UK licensed banking subsidiary.

Corporate and Commercial *S3-4*

The Corporate and Commercial division provides a full range of lending, banking and treasury risk management services to the Group's national and international corporate and business customers, many of which are at the heart of the Irish economy. Our relationship teams are based across Ireland and the UK, in addition to niche international businesses. Teams have a wealth of experience across a broad range of segments and sectors, including corporate and business banking, commercial real estate (CRE), acquisition finance, foreign direct investment and treasury solutions.

Group Centre

Group Centre incorporates the Group's central support and control functions. Core responsibilities of the segment include overseeing the Group-wide Customer Strategy, establishing clear governance and control frameworks with appropriate oversight, providing management services to the Group, and managing the key processes and IT delivery platforms for the trading divisions.

The divisional review provides further information on the financial performance of the Group's divisions during 2025 as well as some key performance metrics.

The divisional review is presented using IFRS and non-IFRS measures. Non-IFRS measures include 'underlying divisional contribution', an APM the Group uses which reflects the underlying financial contribution of each division towards the consolidated Group underlying profit or loss, before tax, excluding non-core items which obscure the underlying performance of the divisions.

Other reconciling items represent transactions between operating segments which are eliminated upon consolidation and the application of hedge accounting at Group level.

	2025 €m	*Restated*[1,2] 2024 €m
Underlying divisional contribution		
Retail Ireland[1]	1,354	1,604
Wealth and Insurance	151	107
Retail UK	279	355
Corporate and Commercial[1,2]	727	659
Group Centre[2]	(677)	(590)
Other reconciling items	(11)	(5)
Group underlying profit before tax	**1,823**	**2,130**
Non-core items by division		
Retail Ireland	(4)	(6)
Wealth and Insurance	(6)	8
Retail UK	(282)	(98)
Corporate and Commercial	(1)	(1)
Group Centre	(131)	(180)
Other reconciling items	(6)	2
Group non-core items	**(430)**	**(275)**
Group profit before tax	**1,393**	**1,855**

[1] *Comparative figures have been restated to reflect the SB&A transfer from Corporate and Commercial to Retail Ireland. As a result, underlying divisional contribution of €545 million has been reallocated from Corporate and Commercial to Retail Ireland.*

[2] *Comparative figures for business income have been restated to reflect €8 million loss transferred from Corporate and Commercial to Group Centre, which is made up of movements in the fair value of derivatives that economically hedge the Group's banking book exposures net of hedge accounting effects, relating to hedging activities managed within Group Centre.*

Further information on APMs referred to in the tables above can be found in alternative performance measures on page 471.

Divisional review *(continued)*

Income statement on an underlying basis - operating segments

The tables below provide a reconciliation of the income statement on an underlying basis (excluding non-core items on page 32) to the Group statutory profit / loss before tax.

2025	Net interest income / (expense) €m	Net other income			Total operating income / (expense) €m	Operating expenses[1] €m	Operating profit / (loss) before net impairment (losses) / gains on financial instruments €m	Net impairment (losses) / gains on financial instruments[1] €m	Share of results of associates and joint ventures (after tax) €m	Gain / (loss) on disposal / liquidation of business activities €m	Profit / (loss) before taxation €m
		Insurance service result €m	Insurance investment & finance result €m	Other income / (expense)[1] €m							
Divisional underlying contribution											
Retail Ireland	1,843	–	–	265	**2,108**	(684)	**1,424**	(70)	–	–	**1,354**
Wealth and Insurance	(9)	63	13	324	**391**	(240)	**151**	–	–	–	**151**
Retail UK	551	–	–	22	**573**	(290)	**283**	(29)	25	–	**279**
Corporate and Commercial	980	–	–	182	**1,162**	(341)	**821**	(94)	–	–	**727**
Group Centre	6	–	(3)	(69)	**(66)**	(611)	**(677)**	–	–	–	**(677)**
Other reconciling items	–	–	–	(14)	**(14)**	3	**(11)**	–	–	–	**(11)**
Group - underlying	**3,371**	**63**	**10**	**710**	**4,154**	**(2,163)**	**1,991**	**(193)**	**25**	**–**	**1,823**
Total non-core items											
Customer redress charges	–	–	–	–	**–**	(268)	**(268)**	–	–	–	**(268)**
Transformation programme costs	–	–	–	–	**–**	(153)	**(153)**	–	–	–	**(153)**
Acquisition costs	–	–	–	–	**–**	(22)	**(22)**	–	–	–	**(22)**
Gross-up for policyholder and shareholder tax in the W&I business	–	–	–	13	**13**	–	**13**	–	–	–	**13**
Portfolio divestments	–	–	–	3	**3**	1	**4**	1	–	–	**5**
Investment loss on treasury stock held for policyholders	–	–	–	(5)	**(5)**	–	**(5)**	–	–	–	**(5)**
Impairment of internally generated computer software	–	–	–	–	**–**	–	**–**	–	–	–	**–**
Gain on liquidation of business activities	–	–	–	–	**–**	–	**–**	–	–	–	**–**
Liability management exercises	–	–	–	–	**–**	–	**–**	–	–	–	**–**
Group total	**3,371**	**63**	**10**	**721**	**4,165**	**(2,605)**	**1,560**	**(192)**	**25**	**–**	**1,393**

[1] *Performance is reported on an underlying basis and has been adjusted to exclude non-core items that the Group believes obscure the underlying performance trends in the business and is considered an APM. For further information on APMs see page 471.*

Divisional review *(continued)*

Income statement on an underlying basis - operating segments *(continued)*

Restated[1,2] 2024	Net interest income / (expense)[3] €m	Net other income: Insurance service result €m	Net other income: Insurance investment & finance result €m	Net other income: Other income / (expense)[3] €m	Total operating income / (expense) €m	Operating expenses[3] €m	Operating profit / (loss) before net impairment (losses) / gains on financial instruments €m	Net impairment (losses) / gains on financial instruments[3] €m	Share of results of associates and joint ventures (after tax) €m	Gain on disposal / liquidation of business activities[3] €m	Profit / (loss) before taxation €m
Divisional underlying contribution											
Retail Ireland[1]	2,035	–	–	276	**2,311**	(670)	**1,641**	(37)	–	–	**1,604**
Wealth and Insurance	(9)	35	26	288	**340**	(235)	**105**	–	–	2	**107**
Retail UK	577	–	–	2	**579**	(282)	**297**	29	29	–	**355**
Corporate and Commercial[1,2]	961	–	–	162	**1,123**	(354)	**769**	(115)	5	–	**659**
Group Centre[2]	1	–	–	(31)	**(30)**	(560)	**(590)**	–	–	–	**(590)**
Other reconciling items	–	–	–	(11)	**(11)**	6	**(5)**	–	–	–	**(5)**
Group - underlying	**3,565**	**35**	**26**	**686**	**4,312**	**(2,095)**	**2,217**	**(123)**	**34**	**2**	**2,130**
Total non-core items											
Customer redress charges	–	–	–	–	**–**	(182)	**(182)**	–	–	–	**(182)**
Transformation programme costs	–	–	–	–	**–**	(57)	**(57)**	–	–	–	**(57)**
Acquisition costs	–	–	–	(2)	**(2)**	(37)	**(39)**	–	–	–	**(39)**
Gross-up for policyholder and shareholder tax in the W&I business	–	–	–	27	**27**	–	**27**	–	–	–	**27**
Portfolio divestments	36	–	–	46	**82**	(13)	**69**	16	–	–	**85**
Investment loss on treasury stock held for policyholders	–	–	–	(2)	**(2)**	–	**(2)**	–	–	–	**(2)**
Impairment of internally generated computer software	–	–	–	–	**–**	(108)	**(108)**	–	–	–	**(108)**
Gain on liquidation of business activities	–	–	–	–	**–**	–	**–**	–	–	5	**5**
Liability management exercises	–	–	–	(4)	**(4)**	–	**(4)**	–	–	–	**(4)**
Group total	**3,601**	**35**	**26**	**751**	**4,413**	**(2,492)**	**1,921**	**(107)**	**34**	**7**	**1,855**

[1] Comparative figures have been restated to reflect the SB&A transfer from Corporate and Commercial to Retail Ireland. As a result, there is an increase of €545 million in the underlying divisional contribution in Retail Ireland, with a corresponding decrease in Corporate and Commercial.

[2] Comparative figures for business income have been restated to reflect €8 million loss transferred from Corporate and Commercial to Group Centre, which is made up of movements in the fair value of derivatives that economically hedge the Group's banking book exposures net of hedge accounting effects, relating to hedging activities managed within Group Centre.

[3] Performance is reported on an underlying basis and has been adjusted to exclude non-core items that the Group believes obscure the underlying performance trends in the business and is considered an APM. For further information on APMs see page 471.

Divisional review *(continued)*

Retail Ireland SBM-1

Retail Ireland serves customers across a broad range of segments and sectors with financial products and services tailored to meet their needs.



Stronger relationships

- Remained the #1 mortgage lender in Ireland in 2025, supporting €6.1 billion of new lending to customers buying new homes. Enhanced customer journey in our digital mortgage origination portal, with significant improvement in our Mortgage Customer Effort Score (CES) (+45 in 2025, +4 points year on year).
- Launched several initiatives to support customers including the 'Smart Start Account' designed for children aged 7 to 15 and a bespoke account opening service to support 'Coming to Ireland' customers.
- Continued progress on enhancing our brand loyalty with year on year increases in Retail Ireland Personal Customer RNPS (+32, up 6 points year on year).
- Customer complaints continue to trend downwards (24% lower year on year), with 2025 experiencing the lowest volumes on record.

Simpler business

- Progressed the rollout of our new telephony and customer relationship management systems to support quicker resolution for our customers.
- Continual improvements made to our mobile app with new functionality such as Single Euro Payments Area (SEPA) Instant, Verification of Payee, credit card payment alerts, enhanced fraud protection and overall customer experience improvement.
- Launched a new Business Borrowing Hub solution, which has improved customers time to money and reduced toil for both customers and colleagues.
- Customer journey improvements, including new digital journeys on our self-service hub for existing mortgage customers supporting €3 billion of organic book growth.

Sustainable company

- Strong momentum in our multi-year ATMs and Branch Network investment, with ATM upgrades, branch refurbishments and commencement of our iconic College Green building refurbishment.
- Participation in the 'Home Energy Upgrade Loan Scheme', supporting homeowners to secure loans ranging from €5,000 to €75,000 at reduced interest rates to facilitate the completion of home energy upgrades.
- Our customers' financial wellbeing remains a key priority. We held over 104 fraud awareness events and ran several high impacting media campaigns and press releases, introduced voluntary gambling blocks on debit cards and launched the 'Discover your borrowing options' tool. We also achieved a key milestone on our youth financial literacy programme, with over 800,000 Irish primary and secondary school students taking part since 2017.
- We created a new, easy to navigate financial wellbeing hub which provides practical budgeting tools, guidance for managing financial strain and resources to help build financial confidence. It also offers dedicated support pathways for customers experiencing financial difficulty or navigating unexpected life events.

Divisional review *(continued)*

Retail Ireland financial results

Compared to 2024:
- Operating income was €203 million lower reflecting the impact of the lower interest rate environment, partially offset by the positive impact of higher lending and deposit volumes and the impact of divisional allocations.
- Operating expenses were €14 million higher driven by higher IT change spend and one-off costs for implementation of the Access to Cash Act and a personal current account marketing campaign.
- Net impairment loss was €33 million higher in 2025, primarily reflecting an increase in the quantum of PMA applied to long dated NPE exposures in the RoI Mortgage portfolio at 31 December 2025, partially offset by improved underlying credit performance across all portfolios.

Compared to 31 December 2024:
- 2025 reflected strong loan portfolio growth, notably in the mortgages book, resulting in an overall net increase of €3.1 billion in the lending book.
- Customer deposits were €73.2 billion, €4.4 billion higher than prior year with growth supported by our strong franchise and broad funding base.

Retail Ireland **Income statement on an underlying basis**	**2025 €m**	*Restated*[1] **2024 €m**	**Change %**
Net interest income[2]	1,843	2,035	(9%)
Net other income[2]	265	276	(4%)
Operating income	**2,108**	**2,311**	**(9%)**
Operating expenses[2]	(684)	(670)	2%
Operating contribution before net impairment losses on financial instruments	**1,424**	**1,641**	**(13%)**
Net impairment losses on financial instruments[2]	(70)	(37)	89%
Underlying contribution	**1,354**	**1,604**	**(16%)**
Net impairment (losses) / gains on financial instruments			
Loans and advances to customers at amortised cost	(59)	(30)	97%
Residential mortgages	*(49)*	*13*	*n/m*
Non-property SME and corporate	*(14)*	*(19)*	*(26%)*
Property and construction	*11*	*–*	*n/m*
Consumer	*(7)*	*(24)*	*(71%)*
Other financial instruments: loan commitments and guarantees	(11)	(7)	57%
Net impairment losses on financial instruments	**(70)**	**(37)**	**89%**
Summary balance sheet			
Loans and advances to customers (net) (€bn)			
At 31 December	41.6	38.5	8%
Average in year	39.8	37.2	7%
Customer deposits (€bn)			
At 31 December	73.2	68.8	6%
Average in year	71.3	67.8	5%

[1] *Comparative figures have been restated to reflect the SB&A transfer from Corporate and Commercial to Retail Ireland. As a result, there is an increase of €545 million in underlying contribution, €2.5 billion in loans and advances to customers and €23.4 billion in customer deposits.*
[2] *Performance is reported on an underlying basis and has been adjusted to exclude non-core items that the Group believes obscure the underlying performance trends in the business and is considered an APM. For further information on APMs see page 471.*

Divisional review *(continued)*

Wealth and Insurance SBM-1

Wealth and Insurance is a market leading wealth management, life, pensions and investments provider in Ireland and includes New Ireland and Davy.



9% increase in AUM to €60bn

€590m New Ireland Life and Pension APE, +6% increase from 2024

Stronger relationships

- W&I AUM increased by 9% in 2025 as a result of onboarding new clients, greater investment from existing clients and favourable investment performance.
- New Ireland provide pension, protection and investment solutions with a market share of c.18% and won Best Pension Scheme Administrator at the Irish Pensions Awards 2025 and Best Term Insurance Provider at the Bonkers.ie Awards 2025.
- Davy is Ireland's leading wealth adviser and was awarded 'Best Distributor, Ireland' and 'Best Performance, Ireland' at the 2025 Structured Retail Products Europe Awards.
- In 2025, W&I enhanced customers support and engagement through a suite of initiatives, including market updates, weekly webinars and the Market Watch hub, developed in response to heightened market volatility. Davy also strengthened customer insights by publishing its 'Wealth in Ireland' report.
- Supporting customers is a key priority across the division. New Ireland customer engagement scores are up 9% year on year across all channels reflecting continued improvements to proposition and support for customers. Davy Private Clients RoI customer satisfaction is monitored by a net promoter score which was 77 at year end 2025, +3 points year on year (2024: 74).
- In 2025, New Ireland's BetterHealth online healthcare service for LifeChoice customers continued to provide customers and their families with extra cover at no extra cost across a range of needs including digital GP, online physio, counselling and get fit plans. Throughout 2025, New Ireland paid income protection benefits to more than 1,900 customers each month who were unable to work due to illness. In total, c.€48 million income protection benefits were paid, offering vital financial support and reassurance to them and their families.

Simpler business

- New Ireland continue to make it easier to do business through digital enhancements and improved customer experience including a new Online Mortgage Protection journey.
- Davy continued to strengthen its wealth digitisation capabilities in 2025, delivering a more seamless, efficient experience for clients.

Sustainable company

- W&I published its third Principal Adverse Impact Statement in June 2025 in line with our obligation under Sustainable Finance Disclosure Regulation (SFDR). Both New Ireland and Davy published their inaugural sustainability reports in 2025 outlining how they are embedding sustainability and how they support customers on their ESG journeys.
- W&I offer a range of sustainable investment solutions. In 2025, €11.2 billion of New Ireland policyholder AUM was invested in products that promote, among other characteristics, environmental and / or social characteristics. This represents over 45% of New Ireland's total policyholder assets (2024: 43%).
- AUM in Davy's Socially Focused portfolios increased by 7% in 2025. During 2025, Davy's SFDR report highlighted a continued reduction in the carbon footprint of client portfolios.
- Davy also advanced its work to embed sustainability across the organisation, including achieving reductions in operational Scope 1 and Scope 2 emissions, building enhancements that contributed to its head office's improved Building Energy Rating (BER) rating and completing ESG due-diligence assessments for all critical suppliers.
- W&I continue to create a culture of diversity and inclusion, increasing representation across our division. Women in management increased to 38% in 2025 (2024: 37%). Davy achieved the Investors in Diversity Silver accreditation in 2025.

Divisional review *(continued)*

Wealth and Insurance financial results

During 2025, W&I continued to support customers to meet their lifestyle and retirement goals and to manage their wealth, delivering an underlying contribution of €151 million (2024: €107 million). Compared to 2024:

- Despite significant volatility and US dollar weakening against the euro during 2025, AUM at 31 December 2025 closed at €60.0 billion (2024: €54.8 billion) with positive market movements of €3.3 billion and net flows of €1.9 billion.
- Operating income was €46 million higher than 2024, up 14% reflective of increased AUM growth, improved risk experience and positive trading activity.
- The Contractual Service Margin (CSM) represents the unearned profit of a group of insurance and reinsurance contracts and is released in line with the insurance service provided. The CSM increased by €6 million to €580 million during 2025 (2024: €574 million) driven by new business and positive market movements, partially offset by the release of CSM to the income statement. A total of €61 million (2024: €58 million) was released from the CSM to operating profit in the year. See note 19 for details.
- Operating expenses were €7 million higher than 2024, supporting growth in AUM and continued investment in the business.
- There was a positive investment variance movement in New Ireland of €6 million in 2025, due to market impacts.

Wealth and Insurance **Income statement on an underlying basis**	**2025 €m**	**2024 €m**	**Change %**
Net interest expense	(9)	(9)	–
Net other income[1]	394	348	13%
Operating income	**385**	**339**	**14%**
Operating expenses[1]	(240)	(233)	3%
Operating contribution	**145**	**106**	**37%**
Investment variance	6	1	n/m
Underlying contribution	**151**	**107**	**41%**
Assets under management			
Assets under management (€bn)	60.0	54.8	9%
Net inflows (€bn)	1.9	4.0	(53%)

[1] *Performance is reported on an underlying basis and has been adjusted to exclude non-core items that the Group believes obscure the underlying performance trends in the business and is considered an APM. For further information on APMs see page 471.*

Embedded value

The table opposite outlines the Market Consistent Embedded Value (MCEV) performance using market consistent assumptions. The calculation of the MCEV company value is closely aligned to Solvency II and follows MCEV principles. IFRS 17 does not change the economic value of the business, which MCEV represents, but does change the timing of accounting profit recognition through deferral of profits captured in the CSM. As a result, the amounts in the MCEV tables are not directly comparable to IFRS 17 results.

The table opposite summarises the overall balance sheet of W&I on an MCEV basis, which increased to €1,417 million at 31 December 2025 (2024: €1,359 million). The Value of in Force (VIF) asset represents the after tax value of future income from the existing book:

- Operating profit of €126 million for 2025 was €95 million higher than 2024, primarily due to favourable experience within existing business profits and changes in assumptions and other profit items; and
- Profit before tax of €169 million (2024: €71 million), included a positive investment markets movement of €43 million in New Ireland (2024: positive valuation movement of €40 million).

W&I (excluding Davy) **Summary balance sheet (MCEV)**	**2025 €m**	**2024 €m**
Net assets	514	564
Value of in Force	1,013	944
Tier 2 subordinated capital / debt	(161)	(161)
Pension scheme asset	51	12
Total embedded value	**1,417**	**1,359**

W&I (excluding Davy) **Income statement (MCEV)**	**2025 €m**	**2024 €m**
New business profits	36	35
Existing business profits	101	5
Expected return	*83*	*76*
Experience variance	*14*	*(19)*
Assumption changes & other profit items	*4*	*(52)*
Interest payments	(11)	(9)
Operating profit	**126**	**31**
Investment variance	43	40
Embedded value profit before tax	**169**	**71**

Divisional review *(continued)*

Retail UK SBM-1

Retail UK provides banking services to customers in the UK, including mortgages, savings, foreign exchange, asset finance and contract hire. It has a partnership with the Post Office which includes our foreign exchange joint venture, FRES.



Successful launch of the first BoI (UK) online ISA product

Increased digitisation of customer journeys with current account opening times reduced by 50%

Stronger relationships

- The Bank of Ireland (BoI) (UK) Customer Hub was launched during 2025, creating a central resource designed for all colleagues to better understand our UK customers and their needs with the aim to improve customer outcomes, design enhanced services and ensure positive customer journeys.
- Focus on simplified Everyday Banking customer journeys and enhanced customer communications, resulted in BoI NI RNPS improving from +18 in 2024 to +23 in 2025.
- Following the introduction of the BoI (UK) Individual Savings Account, over 7,000 new accounts were successfully opened for customers through a streamlined digital onboarding experience.
- UK Mortgage LiveChat channel available for customer and broker queries handled over 37,000 chats. 8 out of 10 brokers using the service reported easy enquiry resolution, while 98% of customers found the platform easy to use.
- Customer support was strengthened with improved digital accessibility, including British Sign Language videos on key product pages. The annual UK-wide accessibility audit also drove site-wide updates, including a redevelopment of the BoI (UK) help section.

Simpler business

- BoI (UK) announced a £100 million, three-year investment to enhance Everyday Banking products, expand sustainable lending and mortgage offerings and improve broker services. Customers will benefit from faster payments, enhanced mobile app functionality with improved self-service features and new products such as a multi-year business fixed term deposit.
- Successfully achieved a 50% reduction in personal current account opening timelines by enhancing customer communications and optimising processes.
- UK Mortgages successfully delivered an automatic online upload capability for solicitors, uploading the offer to the online portal, creating a more efficient journey for the customer and removing the need to print c.100,000 and post c.20,000 documents each year. The Customer Hub product switch journey continues to perform strongly, achieving a CES of +54 indicating high levels of customer satisfaction and ease of use.
- Northridge Finance introduced a new IT stocking system creating a more efficient process for both our dealers and the business, including the introduction of faster payments.
- Enhancements to the Northridge customer portal were made, including a more simplified sign-in experience and functionality to share communications digitally.

Sustainable company

- The UK Mortgage Home Energy Hub was launched during 2025, designed to educate and empower customers, offering clear guidance on Energy Performance Certificate (EPC) ratings, practical energy-saving tips and links to trusted third-party resources.
- EV financing continues to grow, with the Northridge EV loan book increasing by 89% since 2024, rising from £95 million to £180 million with EVs now representing 6% of the total portfolio. New EV lending has also grown by 229% over the same period, increasing from £42 million to £136 million and now accounts for 8% of all new motor finance lending.
- Measures taken in 2025 to reduce own emissions, included converting kerosene fuelled retail branches to hydrotreated vegetable oil (HVO) or electric heating systems, introduction of air conditioning control systems across all NI branches and UK administration buildings, roll-out of energy efficient ATMs and introduction of compost bins across NI branches and UK administration buildings to support organic waste management.
- During 2025, c.8,600 hours (2024: c.4,300 hours) of financial literacy education was delivered to schools and businesses across NI. The programme uses practical and engaging methods to support informed financial decision making.

Divisional review *(continued)*

Retail UK financial results

Compared to 2024:

- Operating income remained consistent with 2024, as the effect of lower base rates reduced mortgage margins and earned income on deposits, offset by growth in motor finance lending and vehicle fleet income.
- Operating expenses were £13 million higher, driven by IT infrastructure and software enhancements undertaken as part of the simpler business initiative whilst still maintaining a strong cost discipline.
- Underlying impairment charge of £25 million reflects normal portfolio activity and impairment charges related to model updates incorporating current macroeconomic outlook. This is compared to an underlying impairment gain in 2024 which reflected impairment gains relating to an improved macroeconomic outlook at 31 December 2024 and a significant provision write-back from a single name client.

Compared to 31 December 2024:

- Loans and advances to customers remained unchanged from 2024, reflecting increased lending in the motor finance business offset by modestly reduced mortgage volumes given targeted lending with focus on margin management.
- Customer deposits were £0.6 billion or 5% higher reflecting the division's strategic focus to strengthen funding coupled with the replacement of maturing BoE Term Funding Scheme for Small and Medium-sized Enterprises (TFSME) funding with customer deposits.

Retail UK **Income statement on an underlying basis**	**2025 £m**	**2024 £m**	**Change %**
Net interest income[1]	472	489	(3%)
Net other income[1]	18	1	n/m
Operating income	**490**	**490**	**–**
Operating expenses[1]	(248)	(235)	6%
Operating contribution before impairment losses on financial instruments	**242**	**255**	**(5%)**
Net impairment (losses) / gains on financial instruments[1]	(25)	24	n/m
Share of results of associates and joint ventures (after tax)	22	24	(8%)
Underlying contribution	**239**	**303**	**(21%)**
Underlying contribution (€m equivalent)	**279**	**355**	**(21%)**
Underlying net impairment (losses) / gains on financial instruments			
Loans and advances to customers at amortised cost	(24)	26	n/m
Residential mortgages	*(10)*	*16*	*n/m*
Non-property SME and corporate	*(4)*	*19*	*n/m*
Property and construction	*4*	*2*	*100%*
Consumer	*(14)*	*(11)*	*27%*
Other financial instruments: loan commitments and guarantees	(1)	(2)	(50%)
Underlying net impairment (losses) / gains on financial instruments	**(25)**	**24**	**n/m**
Summary balance sheet			
Loans and advances to customers (net) (£bn)			
At 31 December	16.9	16.9	–
Average in year	17.1	17.0	1%
Customer deposits (£bn)			
At 31 December	12.8	12.2	5%
Average in year	12.6	12.1	4%

[1] *Performance is reported on an underlying basis and has been adjusted to exclude non-core items that the Group believes obscure the underlying performance trends in the business and is considered an APM. For further information on APMs see page 471.*

Divisional review *(continued)*

Corporate and Commercial SBM-1

Provides a full range of lending, banking services and products from across the Group's capabilities to our Corporate and Commercial Banking customers.



Funding 26,000 houses including 11,000 social and affordable

Strong RNPS +54 points reflecting excellent customer relationships

Stronger relationships

- Supporting and championing customers in navigating the changing geopolitical landscape, with an extensive range of resources, expertise and supports including the establishment of our new online customer information hub as well as a series of thought leadership and sector specific events held throughout the year.
- Consistently high customer satisfaction levels maintained, RNPS +54 points in 2024 and 2025, reflecting the continued strength of relationship manager engagement, accessibility and understanding of customer businesses.
- FX Pay, our digital FX channel, also recorded sustained customer satisfaction above 90%, with continued incremental improvement.
- Launch of a comprehensive customer-focused capability programme, alongside a structured career progression framework, to further upskill colleagues, build engagement and long-term performance.

Simpler business

- Further embedding a streamlined digitally advanced operating model, enabling simplification of our lending and deposit customer journeys and internal processes and enhancing customer experience, while supporting business sustainability and improved returns.
- Direct costs have reduced by c.5% year on year, achieved by a targeted organisational redesign and dedicated focus on operational excellence.
- The strategic reshaping of the portfolio to focus on markets in which long term sustainable returns can be achieved has been substantially progressed with rapid reduction in the non-growth book, with this portfolio reduced by 55% during 2025.

Sustainable company

- €1.3 billion of loan approvals to support c.26,000 residential units, across 220 sites in 22 counties, in the Republic of Ireland, of which 11,000 are social and affordable units, most of which are due to be delivered by 2029. We have also committed to increasing equity available to support home builders and housing to €100 million.
- Financed our largest green energy investment to date and our first solar power project.
- Customer engagement focused on supporting their ESG ambitions including:
  - Sustainable Business Coach (SBC) launched in May, providing an online digital platform to support SMEs in the Republic of Ireland with their sustainability planning. Over 2,000 SMEs have engaged with the tool since launch – providing a free, value add service to our business community. SBC also won KPMG's Financial Services award.
  - Green Business Loan for SMEs enhanced with new features including an increased threshold for lending applications up to €1 million. Loans are discounted and are available for implementing sustainable initiatives to reduce carbon footprint and costs.
  - Customers were provided with training in partnership with accredited Business in the Community Ireland environmental advisors receiving practical tools to create a bespoke climate action plan.
  - Flagship partnership with the Nevo Electric Vehicle show, bringing together Ireland's EV community for an inspiring showcase of sustainable transport, with c.20,000 in attendance.

Divisional review *(continued)*

Corporate and Commercial financial results

Compared to 2024:
- Operating income increased by €39 million, primarily due to divisional allocations and an increase in other income in the year.
- Operating expenses were €13 million or 4% lower, evidence of delivery on our cost discipline commitments in spite of inflationary headwinds.
- Net impairment losses decreased by €21 million. The impairment loss reflects credit charges arising primarily on US lending portfolios (primarily the US Acquisition Finance portfolio) which were partly offset by €115 million gain related to reimbursement asset movements arising from financial guarantee contracts. There was a gain in the investment property portfolio for the year.

Compared to 31 December 2024:
- The loan book was €2.0 billion or 8% lower, reflecting a reduction in international corporate portfolios, primarily the UK and US corporate books and FX impacts offset by growth in domestic lending books.
- Customer deposits broadly in line with prior year.

Corporate and Commercial Income statement on an underlying basis	2025 €m	*Restated*[1,2,4] 2024 €m	Change %
Net interest income	980	961	2%
Net other income[2]	182	162	12%
Operating income	**1,162**	**1,123**	**3%**
Operating expenses[3]	(341)	(354)	(4%)
Operating contribution before impairment losses on financial instruments	**821**	**769**	**7%**
Net impairment losses on financial instruments	(94)	(115)	(18%)
Share of results of associates and joint ventures (after tax)	–	5	(100%)
Underlying contribution	**727**	**659**	**10%**
Net impairment (losses) / gains on financial instruments			
Loans and advances to customers at amortised cost	(90)	(106)	(15%)
Non-property SME and corporate	*(91)*	*(98)*	*(7%)*
Property and construction	*(1)*	*(2)*	*(50%)*
Consumer	*2*	*(6)*	*n/m*
Other financial instruments: loan commitments and guarantees	(4)	(9)	(56%)
Net impairment losses on financial instruments	**(94)**	**(115)**	**(18%)**
Summary balance sheet			
Loans and advances to customers (net) (€bn)			
At 31 December	21.6	23.6	(8%)
Average in year	22.5	23.8	(5%)
Customer deposits (€bn)			
At 31 December	19.7	19.6	1%
Average in year	18.9	19.6	(4%)
Euro liquid asset bond portfolio (€bn)[4]			
At 31 December	20.0	9.0	n/m
Average in year	14.4	8.9	62%

[1] *Comparative figures have been restated to reflect the SB&A transfer from Corporate and Commercial to Retail Ireland. As a result, there is a decrease of €545 million in underlying contribution, €2.5 billion in loans and advances to customers and €23.4 billion in customer deposits.*
[2] *Comparative figures for business income have been restated to reflect €8 million loss transferred from Corporate and Commercial to Group Centre, which is made up of movements in the fair value of derivatives that economically hedge the Group's banking book exposures net of hedge accounting effects, relating to hedging activities managed within Group Centre.*
[3] *Performance is reported on an underlying basis and has been adjusted to exclude non-core items that the Group believes obscure the underlying performance trends in the business and is considered an APM. For further information on APMs see page 471.*
[4] *The comparative figure for 'Euro liquid asset bond portfolio' has been restated resulting in a point in time increase of €0.6 billion from €8.4 billion to €9.0 billion and an average in year increase of €0.2 billion from €8.7 billion to €8.9 billion due to a misstatement where certain Euro liquid asset bonds were incorrectly omitted in the amount reported at 31 December 2024.*

Divisional review *(continued)*

Group Centre SBM-1

Group Centre incorporates the Group's central support and control functions, overseeing the Group customer strategy, establishing clear governance and control frameworks as well as providing management services to the Group.



BoI named in the Financial Times Diversity leaders 2026

€500,000 allocated to 22 community groups through Community Fund

Stronger relationships

- The Group Customer Office continued its focus on maintaining a leadership position in Financial Wellbeing and delivering better outcomes for customers with an increased focus on financial inclusion supports including Extra Help Hub and debit and credit gambling blocks and continued investment in fraud prevention and protection.
- €500,000 has been allocated to 22 community groups across the island of Ireland in the sixth year of the Community Fund, Bank of Ireland's flagship community investment initiative, delivered in partnership with Community Foundation Ireland.
- Launched Neuroinclusion Toolkit for employers – a practical 'how-to' resource designed to help organisations of all sizes create more inclusive environments for neurodivergent talent. Created in partnership with auticon Ireland, a global social enterprise specialising in neuroinclusion services, the toolkit offers actionable guidance across 10 key areas, including how to design inclusive job adverts, conduct accessible interviews, implement workplace adjustments and develop a comprehensive neuroinclusion policy.
- Launched the research project 'Fostering Ethnic Diversity and Inclusion in the Workplace' in partnership with Morgan McKinley, shedding light on the specific challenges faced by ethnic minority individuals when accessing employment and advancing within Ireland's labour market.

Simpler business

- Successfully delivered the first phase of the People Services Transformation programme, introducing a new payroll and expense system, enabling smoother and quicker colleague Human Resource journeys.
- Innovated to better meet customer's needs and enhance customer experience through a continued focus on new customer propositions e.g. Smart Start, Savvy, Benefits Finder and ongoing improvements to customer experience including Customer Connect, Contact Centre Telephony Platform and credit card spend alerts.

Sustainable company

- Sustainable related lending continued to grow to €17.7 billion (31 December 2024: €14.7 billion) exceeding the 2025 target of €15.0 billion.
- Launched 'Sustainable Business Coach', a free digital tool designed to support business customers with sustainability planning and to identify their ESG priorities.
- Extended our Hybrid Working hub network, with the opening of the Sligo hub. Further plans to open four new locations in Letterkenny, Tralee, Tullamore and Wexford, bringing the total hybrid hub network to 20 hubs around Ireland.
- We were proud to be named in the Financial Times Diversity Leaders 2026 list of 800 companies across Europe - the only indigenous Irish company in the top 100s.
- BoI was awarded a 'Top 10' ethnic minority employer and recognised as the 'Most Improved' employer by Investing in Ethnicity, an organisation who work with businesses on driving racial equity and ethnic inclusion.

Divisional review *(continued)*

Group Centre financial results

Group Centre's income and costs comprise income from capital and other management activities; mark to market movements on derivative instruments that economically hedge the banking book; unallocated Group support costs; impairment losses on financial instruments; costs associated with the Irish Bank levy; along with contributions to the DGS and other levies.

Compared to 2024:

- Net other expense has increased by €36 million, primarily driven by adverse mark-to-market adjustments on derivative instruments that economically hedge the banking book, partly offset by hedge accounting effects, in addition to foreign exchange revaluations resulting mainly from EUR/USD currency volatility.
- Operating expenses were €45 million or 10% higher, primarily due to additional investment to deliver sustainable benefits.
- Levies and regulatory charges increased by €6 million in 2025 primarily due to DGS levy, Central Bank of Ireland (CBI) Industry Funding levy and European Central Bank (ECB) levy increases, partially offset by a lower Financial Services and Pensions Ombudsman levy.

Group Centre **Income statement on an underlying basis**	**2025 €m**	*Restated*[1] **2024 €m**	**Change %**
Net other income / (expense)[2]	(66)	(30)	n/m
Operating expenses (before levies and regulatory charges)	(493)	(448)	10%
Levies and regulatory charges	(118)	(112)	5%
Underlying contribution	**(677)**	**(590)**	**15%**

[1] *Comparative figures for business income have been restated to reflect €8 million loss transferred from Corporate and Commercial to Group Centre, which is made up of movements in the fair value of derivatives that economically hedge the Group's banking book exposures net of hedge accounting effects, relating to hedging activities managed within Group Centre.*

[2] *Performance is reported on an underlying basis and has been adjusted to exclude non-core items that the Group believes obscure the underlying performance trends in the business and is considered an APM. For further information on APMs see page 471.*

Governance

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Corporate Governance Statement

Chairman's Introduction



Akshaya
Bhargava
Chairman

'Robust governance and disciplined risk management underpin the long-term success of the Group, and enable us to deliver our strategy with clarity and conviction.'

Key Board Changes 2025

January

Akshaya Bhargava appointed Board Chairman.

May

Eileen Fitzpatrick retired.

June

Michele Greene succeeded Richard Goulding as Deputy Governor & SID.

Niamh Marshall appointed.

July

Emer Finnan appointed.

October

Hans van der Noordaa appointed.

Dear Shareholders,

On behalf of the Board, I am pleased to introduce our 2025 Corporate Governance Statement.

This Report sets out how the Group applies the key principles of the 2024 UK Corporate Governance Code (UK Code) and the Irish Corporate Governance Code 2024 (Irish Code). As a Board, we believe that robust governance and disciplined risk management are essential to the long-term sustainability of the Group and to safeguarding the interests of our shareholders, customers, and wider stakeholders.

The following pages describe how the Board and its Committees operate to uphold the highest standards of integrity, transparency, and accountability, supported by strong governance and risk management frameworks. These frameworks remain fundamental to the effective stewardship of the Group.

For a full overview of how we have applied the principles of the UK and Irish Codes, please refer to page 61.

Shaping and overseeing strategy

2025 was a pivotal year for the Bank of Ireland Group and for the Board, marking the conclusion of our three-year strategic cycle and the development of our longer-term ambition to 2028 and beyond. Throughout this period, the Board has provided strong and consistent oversight of strategy execution. The Group is now more resilient and agile, with strengthened capital, liquidity, and funding positions, a more mature risk and control environment and continued progress in building a more efficient, technology-enabled organisation. These advances have been achieved against a backdrop of heightened geopolitical uncertainty, shifting macroeconomic conditions, growing customer expectations, and increasing competitive intensity. They reflect the commitment and expertise of our colleagues and the strength of a business model that supports disciplined investment and sustainable returns.

During the year, the Board devoted significant time to shaping the next phase of our strategy, engaging closely with the Executive team through focused sessions. The updated strategy will require continued disciplined oversight of investment decisions to advance innovation and simplification and deeper long-term customer relationships, alongside sustained attention to organisational resilience in a changing environment.

The Board remains acutely aware of the need to remain resilient and forward-looking in a rapidly changing environment. Monitoring emerging risks, further embedding our Risk Management Framework, and strengthening operational resilience will continue to be central priorities. Oversight of the responsible and scalable deployment of AI-enhancing efficiency while ensuring customer outcomes remain front of mind will also be critical as we support a strategy designed to deliver sustainable, long-term value for shareholders and stakeholders.

Stakeholder insights

The Board recognises that effective engagement with our stakeholders - including customers, colleagues, regulators, shareholders and the communities that we serve - is essential to informed decision-making. The Board considers stakeholder perspectives across all key decisions, drawing on a broad range of insights provided both through Executive reporting and direct engagement.

Engagement with colleagues, customers, regulators and wider stakeholders provides the Board with vital insight into how effectively our strategy is being executed, how our culture is evolving, and where we can do more to support those who rely on us. These views are reflected in Board discussions through regular deep-dive sessions, culture and customer updates, direct stakeholder interactions and structured reporting mechanisms. For an overview of how the Board has overseen cultural effectiveness, and for highlights of the varied Board stakeholder engagements that took place during 2025, please refer to page 67.

Chairman's Introduction *(continued)*

Our stakeholder engagement plan for 2026 will continue to prioritise understanding how our culture is evolving under the updated strategy, identifying where we can strengthen support for customers, and ensuring our leaders are equipped to drive change with pace and purpose - all of which are critical to delivering our strategic ambitions and sustaining trust across our stakeholder groups.

Succession planning and Board renewal

A key responsibility of the Board is to ensure we have the right mix of skills and experience at both Board and Executive level, to oversee our strategy effectively and understand the risks facing the Group. Succession planning continues to be a central focus for the Board and the N&G. In particular, in my first year as Chairman, I devoted significant time to working closely with the N&G and the full Board to consider and refine our succession principles, ensuring that a robust and orderly succession plan is in place to maintain a Board that remain suitably skilled, diverse and effective for the Group's evolving needs.

In 2025, we welcomed three new Independent Non-Executive Directors (INEDs) to the Group Board - Niamh Marshall, Emer Finnan and Hans van der Noordaa - each of whom brings significant and complementary strengths to the Board. Collectively, their experience spans financial services leadership, customer and stakeholder engagement, accounting and finance expertise, technology-driven transformation, corporate governance and risk oversight, and other related disciplines central to the Group's strategic priorities. Their appointments further enhance the Board's depth of insight and capability across these key areas.

As part of the orderly rotation of Directors under the Board's succession plan, Eileen Fitzpatrick retired from the Board in May 2025, having served as an INED since 2019, Richard Goulding will retire in March 2026, having served as an INED since 2017, and Ian Buchanan in April 2026, having served since 2018. I would like to thank Eileen, Richard and Ian for their significant contributions to the Board during their tenures.

Michele Greene was appointed Deputy Chair and Senior Independent Director (SID) in June 2025. Michele has served as an INED since 2019.

A number of further succession processes are progressing and the Board will issue a market update at the appropriate time, once all required approvals have been secured.

We recognise that a diverse Board - in background, experience and perspective - supports sound decision-making and long-term success. Whilst we are making progress against our gender and ethnicity targets, we acknowledge that there is more to do to achieve our goal of at least 40% female representation and this will remain a key priority in 2026 and beyond. Further details on Board and Committee composition changes are noted on page 73.

Driving Board excellence

In 2024, as previously reported, we undertook an externally facilitated evaluation of Board effectiveness, supported by Bvalco Ltd. The Board welcomed the findings of the review, and noted Bvalco's conclusion that the Board and its committees continue to operate effectively.

In 2025, we conducted an internal evaluation which reached the same conclusion. A key benefit of these evaluations is the identification of opportunities for continued enhancement, and we actively track agreed actions through to completion. The Board is satisfied that actions arising from the 2024 evaluation have been satisfactorily progressed in 2025 and are delivering the expected value, with continued focus into 2026. The actions agreed from the 2025 evaluation are designed to build on this momentum and further strengthen Board effectiveness. Further information is included on page 80.

Insights from these formal annual evaluations - supported by more regular informal checkpoints and our annual skills assessment - directly inform future succession planning activities, areas of focus, and development priorities. This process supports the ongoing development of the Board and individual Directors, ensuring that requisite skills are maintained to support the Group's strategy and to respond effectively to the evolving environment in which we operate. Further detail is included on page 79.

Looking ahead

Looking ahead, we enter the new strategic cycle with strong momentum. The Board and its committees will continue to provide rigorous oversight, ensuring that the Group does the right thing and does things right. Our focus will remain on delivering sustainable shareholder value, accelerating the growth of our franchise, and advancing meaningful enhancements to our customer proposition and experience through continued innovation.

I look forward to working with my Board colleagues and the Executive team in 2026 to oversee the disciplined execution of our updated strategy, the simplification and future-proofing of our business model, and the continued alignment of the Group's purpose, values, strategy, and culture as we position the Group for long-term success.



Akshaya Bhargava

Chairman

27 February 2026

Your Board at a glance GOV-1, G1.GOV-1

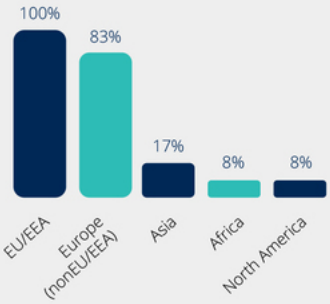
The bar charts below illustrate the Board skills and experience matrix. This matrix is a subset of a more fulsome overview of individual Director and collective Board skillsets and experiences, which is reviewed by the N&G and approved by the Board annually. Further details on Board composition, skills and succession planning is included on page 77.

Skills, experience and knowledge of the Board

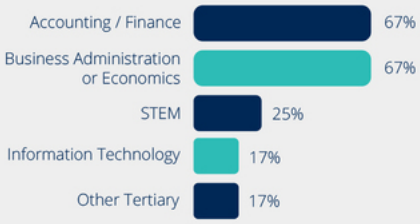
Collective view of the skills, experience and knowledge of the Board:
● Represents a Director with expert or advanced skills and experience
○ Represents a Director with reasonable skills and knowledge

Strategy & Transformation ●●●●●●●●●●●●	Risk and Compliance ●●●●●●●●●●○○
Leadership and Performance ●●●●●●●●●●●○	Customer and Stakeholder ●●●●●●●●●●●○
Regulatory Landscape ●●●●●●●●●○○○	Technology, Data and Digital ●●●●●●●●○○○○
Corporate Governance ●●●●●●●●●●●●	Banking and Financial Services ●●●●●●●●●●○○
Audit and Financial Reporting ●●●●●●●●●●○○	Sustainability ●●●●●●●●○○○○

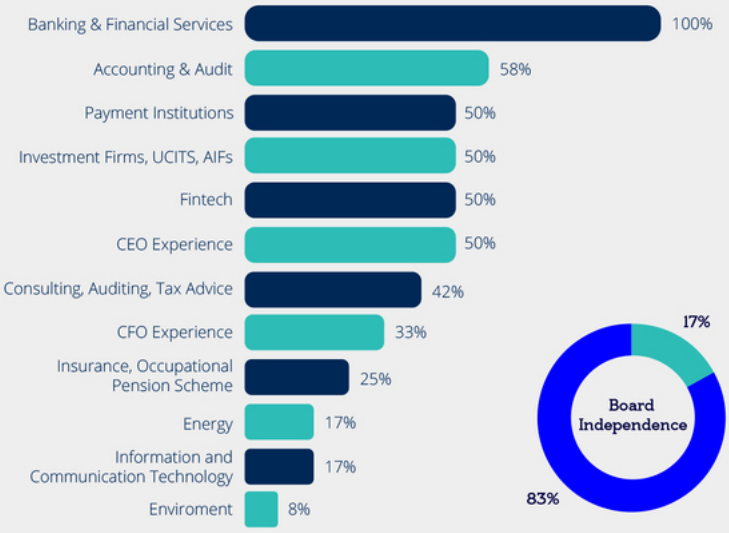
International experience

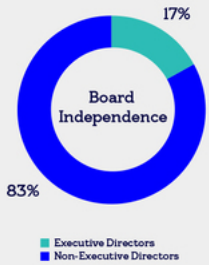


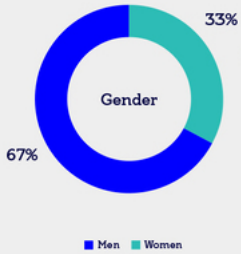
Qualifications

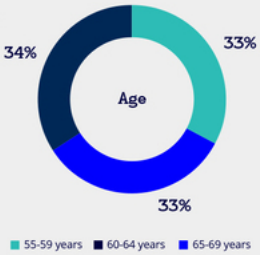


Industry and leadership experience









Your Board



Board and Committee membership matrix 2025

			Committee Memberships					
Name	Age	Independent	Group Audit Committee	Board Risk Committee	Group Remuneration Committee	Group Nomination and Governance Committee	Group Transformation Oversight Committee	Group Sustainability Committee
Akshaya Bhargava	69	Yes	–	–	–	Chair	–	–
Michele Greene	60	Yes	Member	Chair	–	Member	–	Member
Myles O'Grady	56	No	–	–	–	–	–	–
Giles Andrews	59	Yes	–	Member	Member	–	Chair	Member
Ian Buchanan	61	Yes	–	–	Chair	Member	Member	–
Emer Finnan	57	Yes	Member	Member	–	–	–	–
Richard Goulding	66	Yes	Chair	Member	–	Member	Member	–
Niamh Marshall	63	Yes	Member	Member	–	–	–	–
Hans van der Noordaa	65	Yes	–	–	Member	–	Member	Member
Steve Pateman	62	Yes	Member	Member	–	–	–	–
Mark Spain	56	No	–	–	–	–	–	–
Margaret Sweeney	65	Yes	Member	–	Member	–	Member	Chair

Board Committee acronyms:
*Group Audit Committee - **GAC** / Board Risk Committee - **BRC** / Group Remuneration Committee - **GRC** / Group Nomination and Governance Committee - **N&G** / Group Transformation and Oversight Committee - **GTOC** / Group Sustainability Committee - **GSC***

Your Board *(continued)*



Akshaya **Bhargava**

Chairman and Independent Non-Executive Director

Date of appointment
INED: 12 January 2024
Chairman: 1 January 2025

Nationality
British

Committee and other Group roles
Board Chairman, N&G Chair and WED.

Key skills
Wealth management, fintech, technology, innovation and change.

Background and experience
Akshaya is a global banking and wealth management leader with experience across fintech, financial services and large-scale transformation. He spent 22 years in senior roles at Citibank and later served as Global CEO of Barclays Wealth. He was founding CEO of Infosys BPO and established several fintech ventures, including Bridgeweave, where he is Executive Chairman. He has held board roles across financial services and technology and holds an MBA from IIM Calcutta.

Key external appointments
Executive Chair of Bridgeweave, Director of InvestorAI Technologies India Private Limited.



Michele **Greene**

Deputy Chair and Senior Independent Director

Date of appointment
INED: 5 December 2019
Deputy Chair and SID: 1 June 2025

Nationality
Irish

Committee and other Group roles
BRC Chair, Member of the GAC, GSC and N&G. Trustee of the Bank Staff Pension Fund.
INED of J&E Davy Holdings Unlimited Company, J&E Davy Unlimited Company, and Member of its Nomination, Remuneration, and Risk & Compliance Committees.

Key skills
Strategic development, risk oversight, digital banking, finance leadership, board governance and transformation.

Background and experience
Michele is a Chartered Accountant with extensive executive and board-level experience across digital banking, strategy and financial services. She held senior roles at Virgin Money's Digital Bank, including Managing Director and Director of Strategic Development, and previously served as CFO of MBNA Europe. Earlier, she worked with Goldman Sachs, Credit Lyonnais and KPMG. She is a Trinity College Dublin graduate.

Key external appointments
SID and Risk Chair at Vanquis Banking Group plc, Chair and NED at East End Fair Finance Limited, and Executive Director at Mololo Limited.



Myles **O'Grady**

Group Chief Executive Officer and Executive Director

Date of appointment
CEO and ED: 17 November 2022

Nationality
Irish

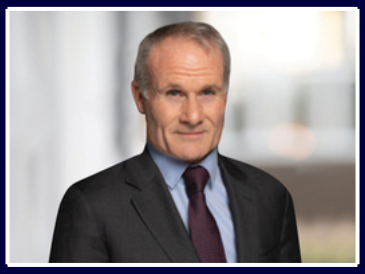
Committee and other Group roles
n/a

Key skills
Strategic leadership, business transformation, M&A, financial management, stakeholder engagement and regulatory oversight.

Background and experience
Myles is a senior banking leader with deep experience in strategy, restructuring, M&A and transformation. Over a 30-year career, he has held senior roles at Citibank, AIB and Dresdner Kleinwort Benson. As Group CFO of Bank of Ireland, he helped drive key acquisitions including Davy and KBC portfolios. He has served on boards within Bank of Ireland Group and is a Fellow of ACCA and an INSEAD-Certified Director.

Key external appointments
n/a

Your Board *(continued)*



Mark **Spain**

Group Chief Financial Officer and Executive Director

Date of appointment
31 March 2022.

Nationality
Irish

Committee and other Group roles
n/a

Key skills
Strategic leadership, corporate finance, investor relations, M&A and finance transformation.

Background and experience
Mark is a senior finance leader with over 30 years' experience, qualifying as a Chartered Accountant in 1994. He joined Bank of Ireland in 1998, holding leadership positions across corporate finance, investor relations, finance and strategy, including Chief Strategy Officer. He previously worked in senior roles at Diageo and KPMG and served as a Non-Executive Director of Bank of Ireland (UK) plc. He holds a Commerce degree and Diploma in Accounting from University College Dublin.

Key external appointments
n/a



Giles **Andrews**

Independent Non-Executive Director

Date of appointment
17 November 2020.

Nationality
British / Irish

Committee and other Group roles
GTOC Chair, and Member of GRC, BRC and GSC.
INED of J&E Davy Holdings Unlimited Company, J&E Davy Unlimited Company, and Chair of its Risk & Compliance Committee and Member of its Audit Committee.

Key skills
Fintech innovation, digital banking, investment, lending and leadership.

Background and experience
Giles is a fintech pioneer with deep experience in digital banking, investment and lending. He co-founded Zopa, the first peer-to-peer lending marketplace, serving as CEO and then Chairman, and later supported the development of Zopa Bank. Giles holds degrees from Oxford and INSEAD and received an OBE in 2015 for services to financial services.

Key external appointments
Chairman at Carwow Limited, SID at C. Hoare & Co., and Chairman at Octopus Electric Vehicles Limited.



Ian **Buchanan**

Independent Non-Executive Director

Date of appointment
17 May 2018.

Nationality
British / Irish

Committee and other Group roles
GRC Chair, Member of N&G and GTOC. Previously NED on the Board of Bank of Ireland (UK) plc from 2018 to 2024.

Key skills
Technology, digital transformation, operations, global banking and financial services.

Background and experience
Ian is a senior technology and operations leader with extensive experience across global retail, commercial and investment banking. He has held major roles including Group CIO of Barclays, COO of Barclaycard and CIO of Société Générale CIB. He also served as Group Manufacturing Director at Alliance & Leicester and Chief Operations and Technology Officer at Nomura. He holds a Physics degree from Durham University.

Key external appointments
Chair of Brocc Finance AB and Senior Advisor to Cerberus Capital Management.

Your Board *(continued)*



Emer **Finnan**

Independent Non-Executive Director

Date of appointment
9 July 2025.

Nationality
Irish

Committee and other Group roles
Member of GAC and BRC.

Key skills
Finance, M&A, strategic development, stakeholder management, private equity, corporate governance, and capital markets.

Background and experience
Emer is a chartered accountant and financial services leader with extensive experience in private equity, corporate finance and M&A. As Partner and President of Kildare Europe, she has led major investments across European markets. Her earlier career includes senior roles with Investec, EBS, NCB Corporate Finance, ABN AMRO and Salomon Brothers. She has served on the boards of Britvic plc and C&C Group plc. She is a Fellow of Chartered Accountants Ireland. She holds a Commerce degree and Diploma in Accounting from UCD.

Key external appointments
NED at Glenveagh Properties plc and the Ireland Fund of Great Britain. ED, Kildare Acquisitions Ireland Ltd (and Group entities).



Richard **Goulding**

Independent Non-Executive Director

Date of appointment
20 July 2017.

Nationality
Irish

Committee and other Group roles
GAC Chair and Member of BRC, GTOC and N&G.
INED of J&E Davy Holdings Unlimited Company, J&E Davy Unlimited Company, Chair of its Remuneration Committee and Member of its Nomination Committee and Audit Committee.

Key skills
Extensive experience in risk management and oversight, wealth management, fintech, technology, innovation and change.

Background and experience
Richard is a Chartered Accountant with extensive global experience in risk management and financial services leadership. He previously served as Group Chief Risk Officer and Director at Standard Chartered Bank and held senior roles at Citigroup Global Markets, Old Mutual, UBS Warburg and Bankers Trust.

Key external appointments
NED of Zopa Group and Zopa Bank and serves on the Royal College of Music Council, Member and Chair of its Finance and General Purposes Committee.



Niamh **Marshall**

Independent Non-Executive Director

Date of appointment
23 June 2025.

Nationality
Irish

Committee and other Group roles
Member of GAC and BRC.

Key skills
Audit and accountancy, fintech innovation, digital banking, investment, lending, leadership and governance.

Background and experience
Niamh is a Chartered Accountant and audit specialist with deep experience in banking, investment management, audit and risk. As KPMG Ireland's first female partner, she advised major domestic and global financial institutions. She has held non-executive roles at Ulster Bank, the Alzheimer's Society of Ireland and Dublin Institute of Advanced Studies. Niamh is a Fellow of Chartered Accountants Ireland and holds a Commerce degree from UCD.

Key external appointments
NED of Greencoat Renewables plc and Kepak Holdings and a member of the Audit & Risk Committee of the Irish Rugby Football Union.

Your Board *(continued)*



Hans **van der Noordaa**

Independent Non-Executive Director

Date of appointment
10 October 2025.

Nationality
Dutch

Committee and other Group roles
Member of GRC, GSC and GTOC.

Key skills
Banking, insurance, payments, and technology, transformational change, international markets, and governance.

Background and experience
Hans is an international financial services leader with over 40 years' experience across banking, insurance, payments and IT. He held executive roles at ING Group and served as CEO of Delta Lloyd Group, leading transformation across Europe and Asia-Pacific. Hans previously advised the Dutch financial regulator and holds a Master of Public Administration.

Key external appointments
Chair of the supervisory boards of Deloitte Netherlands, War Child, and Johan Cruijff Arena. Attends Deloitte's North South Europe Board.



Steve **Pateman**

Independent Non-Executive Director

Date of appointment
10 September 2018.

Nationality
British

Committee and other Group roles
Member of GAC and BRC. INED and Chair of BoI (UK) plc and Chair of its Nomination Committee. INED of Bank of Ireland Mortgage Bank u.c. and Member of its Audit Committee.

Key skills
Business transformation, strategic leadership, governance, business growth and restructuring.

Background and experience
Steve is an experienced banking executive with a strong record in business transformation and growth. He previously led corporate, commercial and business banking at RBS before joining Santander, where he led UK banking operations. He later served as CEO of Shawbrook, Hodge and StreamBank. Steve has held advisory and non-executive roles including with Arora Group, ThinCats and Affordable Housing & Healthcare Investment Management. He is a former President of the Chartered Banker Institute.

Key external appointments
Chair of Recognise Bank.



Margaret **Sweeney**

Independent Non-Executive Director

Date of appointment
1 October 2023.

Nationality
Irish

Committee and other Group roles
GSC Chair and Member of GAC, GRC and GTOC.
INED of New Ireland Assurance Company and Member of its Audit, Risk and Remuneration Committees.

Key skills
Corporate governance, strategic leadership, and stakeholder engagement.

Background and experience
Margaret is an experienced CEO, Chartered Accountant and Chartered Director with board roles across financial services, property and not-for-profit organisations. She was CEO and Executive Director of Irish Residential Properties REIT and previously served nine years on the Dalata Hotel Group board. She holds a Commerce degree from University College Galway.

Key external appointments
NED with Institute of Directors Ireland and The Dublin Neurological Institute. Co-opted Trustee with The Chester Beatty Library. Chair of Dublin City University Business School – Industry Advisory Committee. Senior Advisor at Consello.

Your Board *(continued)*

Leading the execution of the strategy

The Group Executive Committee (GEC), as the most senior management committee for the Bank of Ireland Group, supports the Group Chief Executive in executing the Group's strategic priorities. Full biographies of the Group Executive team are available on our website: www.bankofireland.com/about-bank-of-ireland/about-the-group/management-structure/.

Group Executive Committee



Myles **O'Grady**
Group Chief Executive Officer



Mark **Spain**
Group Chief Financial Officer



Ciarán **Coyle**
Group Chief Operating Officer



Matt **Elliott**
Group Chief People Officer



John **Feeney**
Chief Executive Officer, Corporate and Commercial Banking



Gail **Goldie**
Chief Executive Officer, Bank of Ireland UK (plc)



Gavin **Kelly**
Chief Executive Officer, Davy and Wealth



Rhys **Kiff**
Group Chief Risk Officer



Aine **McCleary**
Group Chief Customer Officer



Sarah **McLaughlin**
Chief of Staff and Group Company Secretary



Billy **O'Connell**
Group Chief Strategy Officer



Susan **Russell**
Chief Executive Officer, Retail Ireland

Your Board *(continued)*

Group Executive Committee

The most senior executive committee in the Group, the GEC, acts in an advisory capacity to the CEO and assists the CEO in the management and leadership of the Group on a day-to-day basis, making decisions on matters affecting the operations and performance of the Group's business and the delivery of the Board-approved strategy in line with the Group's Purpose and Values.

The GEC is supported by a suite of key governance committees that collectively strengthen oversight, decision-making and strategic delivery across the organisation. These include properly constituted committees with appropriate membership of key senior leaders and subject matter experts, each chaired by a GEC member, overseeing risk policy and risk management (Executive Risk Committee (ERC)), balance sheet and capital management (Group Asset and Liability Committee (ALCO)), strategic transformation (Group Transformation Committee (GTC)), data strategy (Executive Data Strategy Forum), private equity investment oversight (Private Equity Investment Committee) and regulatory disclosure obligations (Announcements Committee), each providing focused challenge, assurance and insight to enable the GEC to discharge its responsibilities effectively.

Changes in the composition of the GEC in 2025

- Rhys Kiff was appointed Group Chief Risk Officer in January 2025.
- Billy O'Connell was appointed Group Chief Strategy Officer in April 2025.
- Sarah McLaughlin assumed the role of Chief of Staff following the departure of Oliver Wall in December 2025.
- Michelle McGreal was appointed Group Chief Internal Auditor in November 2025, succeeding Steve Sanders who departed the Group in December 2025.

Governance framework

Corporate governance compliance

The Group's holding Company and The Governor and Company of the Bank of Ireland (GovCo) are subject to varying corporate governance requirements due to their respective regulatory and listings status, however, the applicable corporate governance codes and requirements are applied to both entities and reported collectively on a comply or explain basis where appropriate.

The Group's governance framework is considered appropriate to the Group's circumstances and aligns with good corporate governance practices and requirements.

Statement of Compliance 2025

This Corporate Governance Statement, in conjunction with the Statement of Directors' Responsibilities, Corporate Governance Remuneration Statement, Risk Governance section of the Risk Management Framework report and the Statement on Internal Control, sets out the Group's approach to governance in practice and the work of the Board and its Committees.

During 2025, the Group complied with the following corporate governance requirements:

- Central Bank of Ireland Corporate Governance Requirements for Credit Institutions 2015 (CBI Requirements) (which are publicly available on www.centralbank.ie).
- Statutory Instruments 158/2014 European Union (Capital Requirements) Regulations 2014 and 159/2014 European Union (Capital Requirements) (No.2) Regulations 2014, both as amended.
- EBA Guidelines on internal governance under Directive 2013/36/EU, as amended.
- Joint European Securities and Markets Authority (ESMA) and EBA Guidelines on the assessment of the suitability of members of the management body and key function holders under Directive 2013/36/EU and Directive 2014/65/ EU, as amended.
- 2024 UK Code (which is publicly available at www.frc.org.uk) and, voluntarily, the Irish Code (which is publicly available at www.euronext.com). The rationale for certain areas of non-compliance with both the UK and Irish Codes are set out below.

The Group applied the main principles and complied with all provisions of the UK and Irish Codes where possible while remuneration restrictions continue to be applied by the Irish State. The rationale for any such non-compliance is outlined below:

- The decision of the State to disapply several remuneration restrictions was announced on 29 November 2022 and became effective on 16 December 2022. Due to the remaining remuneration restrictions from certain agreements in place with the Irish State, the GRC and the Board are restricted in their ability to fully comply with Principle R and associated provisions of both the UK and Irish Codes.
- Under such agreements, the implementation of variable remuneration structures remains limited, capped at €20,000. The Board's discretion remains limited and, as such, the Board could not be in full compliance with the recommendation to exercise independent judgement, as discretion regarding variable remuneration is capped.
- Following the removal of several restrictions, the Group has adhered to these principles and provisions to the extent permitted, in the design, implementation and operation of any variable remuneration structures which have been created.

For further information on remuneration restrictions, please see page 103 of the Remuneration Report.

Your Board *(continued)*

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The role of the Board

The Group is led by an effective and committed Board of Directors, who are collectively responsible for the long-term success of the Group. The Board's role is to provide leadership within the boundaries of risk appetite and a framework of prudent and effective controls which enable risk to be identified, assessed, measured and controlled.

The Board is also responsible for establishing and promoting a culture of customer focus (including treating customers fairly), risk awareness and ethical behaviours through the Group values, and monitoring how that culture has been embedded. To read more about the Board's customer focus, please see page 68.

The Board sets the Group's strategic aims and risk appetite to support the strategy, ensuring that the necessary financial and human resources are in place for the Group to meet its objectives. It ensures that the Group's purpose, values, strategy, and culture are all aligned and reviews management performance in that regard.

The Board is responsible for endorsing the appointment of individuals who may have a material impact on the risk profile of the Group and monitoring on an ongoing basis their appropriateness for the role. The removal from office of the head of a 'control function', as defined in the CBI Requirements, is also subject to Board approval.

The respective roles of the Chairman and the Group CEO, which are separate, are set out in writing and have been agreed by the Board.

The Board approves the Group's Risk Management Framework on an annual basis and receives regular updates on the Group's risk environment and exposure to the Group's material risk types. Further information on the Board's role in risk governance is set out in the Risk Management Report on pages 223 to 277.

Information provided to the Board

The Chairman is responsible for setting the Board's agenda. The activity of the Board follows an agreed schedule of topics which evolves based on business needs and is reviewed annually by the Board.

The Directors have access to the advice and services of the Group Secretary, who advises the Board on matters relating to governance and ensures good information flows on any matter relevant to the business on which they require advice separate from or additional to that available in the normal Board.

The Directors also have access to the advice of the Group General Counsel and to independent professional advice, at the Group's expense, if required.

Matters reserved for the Board

While arrangements have been made by the Directors for the delegation of the management, organisation and administration of the Group's affairs, certain matters are reserved specifically for decision by the Board. The schedule of matters reserved for the Board is reviewed at least annually to ensure that it remains relevant and to reflect any enhancements required under evolving corporate governance requirements and industry best practice.

Matters reserved for the Board include but are not limited to:

- determination of risk appetite and approval of the Group's Risk Appetite Statement and the Group Risk Management Framework;
- approval of the Group's business plans and budgets;
- approval of the Half Yearly and Annual Report & Accounts;
- approval of the Group Internal Capital Adequacy Assessment Process, Internal Liquidity Adequacy;
- Assessment Process and Recovery Plan;
- overseeing the effectiveness of the internal control, compliance and risk management systems of the Group; and
- approval of Distribution Policy, the declaration of any interim distribution and any decision to recommend a final distribution to shareholders.

For further information on matters reserved for the Board, please see www.bankofireland.com/about-bank-of-ireland/corporate-governance.

Your Board *(continued)*



Bank of Ireland Group Board
Responsible for the overall leadership of the Group[1]

Group Nomination & Governance Committee
Oversees the composition of, and appointments to, the Board and Executive Committee and corporate governance policies and practice.

For more information see page 73.

Board Risk Committee
Oversees risk appetite, management of principle risks and effectiveness of the Risk Management Framework.

For more information see page 92.

Group Audit Committee
Reviews financial reports, monitors the internal control environment, risk management systems, independence of internal audit, and external audit.

For more information see page 86.

Group Remuneration Committee
Sets the strategy, principles and the remuneration policy.

For more information see page 82.

Group Transformation Oversight Committee
Oversees strategic systems transformation and programmes which have a high dependency on technology related change.

For more information see page 61.

Group Sustainability Committee
Oversees the execution of the Group Sustainability Strategy, ESG targets and implementation of UN Principles for Responsible Banking.

For more information see page 118.

[1] *With direct oversight of strategy, culture and strategic reputational matters relating to the Group. For more information on the Committees' responsibilities, membership and independence, please go to:* bankofireland.com/about-bank-of-ireland/corporate-governance.

Your Board *(continued)*

Board Committees

The Board is assisted in the discharge of its duties by six Board Committees, which enable more detailed consideration of matters for which the Board retains overall responsibility. Each Committee operates under terms of reference approved by the Board, and appropriate cross-membership is maintained, including between the GAC and BRC, and the GRC and BRC. Four committees - the N&G, GRC, GAC, and BRC - provide formal committee reports, which are presented on pages 73 to 96. Two additional medium-term Committees, the GTOC and GSC, have also been established. The GTOC assists the Board in overseeing, supporting and challenging the actions being taken by management on the execution of the Group's strategic systems transformation and technology change programmes. The GSC supports the Board in overseeing the Group's Sustainability Strategy and performance as a responsible and sustainable business. The work of both the GTOC and GSC is reflected throughout the Annual Report. The N&G reviews the composition and purpose of the Board Committees annually on behalf of the Board.

Division of responsibilities

Role on the Board	Responsibilities
Chairman Akshaya Bhargava	• Leads the Board and encourages critical discussions and challenges mindsets. • Oversees the operation and effectiveness of the Board. • Ensures agendas cover the key strategic items confronting the Group. • Ensures there is effective communication with shareholders and promotes compliance with governance standards. • Commits significant time to the Group and his role has priority over any other business commitment.
Senior Independent Director & Deputy Chair Michele Greene	• Deputises for the Chairman as required. • Provides a sounding board for the Chairman, serving as a trusted intermediary for the other Directors and shareholders when necessary. • As appropriate, and when required, meets a range of major shareholders, to develop a balanced understanding of their views. • Leads the annual evaluation of the Chairman. • Leads the Chair succession process, working closely with the other Directors.
Non-Executive Directors • Giles Andrews • Ian Buchanan • Emer Finnan • Richard Goulding • Niamh Marshall • Hans van der Noordaa • Steve Pateman • Margaret Sweeney	• Brings independent challenge and judgement to the deliberations of the Board through their character, objectivity, and integrity. • Provides effective oversight, strategic guidance and constructive challenge of the Executive.
Group Chief Executive Officer Myles O'Grady	• Executes the approved strategy. • Holds delegated authority from the Board for the day-to-day management of the business. • Responsible for the Group's operations, compliance, and performance.
Group Chief Financial Officer Mark Spain	• Together with the Group Chief Executive Officer, responsible for the achievement of financial targets for the Group. • Provides strategic and functional leadership of the Finance functions. • Manages and responds to feedback from investors, financial institutions, regulators and auditors.
Group Company Secretary Sarah McLaughlin	• Advises the Board on governance matters. • Facilitates proper information flows between the executive and non-executive. • Maintains the Group's Corporate Governance Framework. • Communicates with shareholders as appropriate, ensuring due regard is paid to their interests.

Attendance at Board Meetings

Directors are expected to attend every Board meeting. Where a Director is not able to attend a Board meeting, the relevant Director's views are generally made known to the Group Chairman in advance of the meeting. The Group Chairman also meets privately, on a regular basis, with the Non-Executive Directors. Details of Director attendance at Board and Committee meetings during 2025 is set out on page 97.

Board effectiveness

The effectiveness of the Board, Board Committees and individual Directors is assessed on an annual basis. In line with the requirements of both the UK and Irish Codes, an internally facilitated performance review was conducted for 2025. You can read about the results of this review, as well as progress against the recommendations from the 2024 review, from page 80.

Your Board *(continued)*

Key Matters Considered by the Board in 2025

A detailed calendar of subjects for discussion at Board meetings is in place to ensure that the Directors discuss a suitable range of topics throughout the year, linked to the key opportunities and risks facing the Group. This is generally reviewed by the Board in advance of the commencement of the financial year. Generally, Board papers are circulated one week in advance of meetings. The Board met eleven times during 2025. Additional meetings are arranged, as required, for the Board to properly discharge its duties. Further details on the number of Board and Committee meetings and attendance by individual Directors are set out on page 97. While not intended to be exhaustive, below is a high-level overview of a number of matters considered by the Board and Board Committees during 2025.

Strategy

Focus area	Key matters considered	Stakeholder groups
Strategic business review	• Long-term vision & ambition and oversight of the Group's strategy. • Stakeholder and market insights, including evolving customer trends and needs. • Corporate development growth opportunities aligned to strategic and financial objectives.	Customers, Shareholders, Colleagues, Society
Oversight of strategic implementation	• Divisional performance updates and progress against strategic priorities. • Leadership, talent, operational capabilities and capacity. • Risk considerations in implementing the strategy including geopolitical tensions and tariffs.	Customers, Colleagues, Shareholders
ESG and Sustainability	• ESG, Sustainability & Climate Strategy updates. • Customer and regulatory development updates. • Stakeholder engagement on climate and sustainability matters.	Customers, Regulator, Shareholders, Society
Transformation and AI enablement	• Digital, outsourcing and cyber strategy updates. • Strategic enabler updates, including AI enablement strategy updates. • Digital asset developments and their implications for the Group. • Updates on the payment landscape including Zippay and the new app.	Customers, Regulator, Shareholders, Society

Risk

Focus area	Key matters considered	Stakeholder groups
Risk Profile	• Emerging risk assessments, including geopolitical tensions, AI and tariffs. • Alignment of the Risk Appetite Statement with the updated strategy. • Cyber defence simulation exercise. • Updates on large exposures and impairments. • Material risk updates including model, cyber, credit, conduct and financial crime risk. • Control effectiveness review. • Second-line opinion papers on material decisions, including the updated strategy and investment demand plan. For more information, please see the Report of the BRC, as set out on page 92.	Customer, Regulator, Colleagues
Risk Management Framework (RMF)	• Embedding of the RMF and risk policy effectiveness. • Effectiveness of the three lines of defence and process-led risk management approach. • Supervisory Review Evaluation Process (SREP) updates. For more information, please see the Report of the BRC, as set out on page 92.	Customer, Regulator, Colleagues
Resolution and recovery	• Recovery plan updates and stress test impacts. • Strategic options under severe stress scenarios.	Customers, Shareholders, Colleagues, Regulator, Society & Community
Technology and operational resilience	• Approval of the Operational Risk Reduction and Operational Resilience strategy. • Cyber Security and Anti-Money Laundering (AML). • IT and data infrastructure and management of third party suppliers. • Operational Risk Reduction plans.	Customers, Regulator, Colleagues, Society

Your Board *(continued)*

Finance

Focus area	Key matters considered	Stakeholder groups
Financial performance and reporting	▪ Approval of the 2024 Annual Report, Interim Financial Reports and the 2025 Stock Exchange Announcements. ▪ Divisional and subsidiary financial performance updates. ▪ Pillar 3 review. ▪ Key accounting judgements and provisions. ▪ CSRD reporting and assurance review. ▪ Strategic integrated financial plan and investment plan review. ▪ Going concern assessment. ▪ Investor perspective updates. ▪ Internal and external auditor independence. For more information, please see the Report of the GAC, as set out on page 86.	Customers, Shareholders, Colleagues, Regulator
Capital and liquidity position and distribution	▪ ICAAP and ILAAP. ▪ Liquidity, funding and capital oversight. ▪ Distribution Policy and proposals. For more information, please see the Report of the BRC, as set out on page 92.	Customers, Shareholders, Colleagues, Regulator

Governance and regulatory

Focus area	Key matters considered	Stakeholder groups
Governance updates	▪ Governance policy matters. ▪ Board and material subsidiary board effectiveness reviews. ▪ Board and Executive succession planning and appointments. ▪ Board and Committee terms of reference. ▪ Shareholder resolutions. For more information, please see the Report of the N&G, as set out on page 73.	Customers, Colleagues, Regulator, Shareholders
Regulatory engagement and oversight	▪ Joint Supervisory Team (JST) engagement on SREP. ▪ Regulatory Compliance Monitoring Plan and regulatory engagement updates. ▪ Oversight of regulatory and compliance changes. ▪ Group Chief Compliance Officer updates.	Customers, Colleagues, Regulator, Shareholders

Colleagues, culture and inclusion

Focus area	Key matters considered	Stakeholder groups
Culture, values and colleague engagement	▪ New Group vision to support the updated strategy. ▪ Group Culture Action plan, including risk culture updates. ▪ Enhanced Workforce Engagement plan. ▪ Open View survey colleague sentiment and action plan. ▪ Speak-Up and Code of Conduct policies.	Customers, Colleagues
Inclusion and Diversity (I&D)	▪ I&D updates and Diversity Policy approval. ▪ Progress on colleague representation and diversity goals. ▪ Updates on enhancements to accessibility services for colleagues and customers. ▪ Board composition diversity targets and actions.	Customers, Colleagues, Regulator, Society

Your Board *(continued)*

Purpose, Values and Culture

The Group's purpose - "to help customers, colleagues, shareholders and society to thrive" - provides the context within which the Board oversees the strategy, long-term priorities and sustainable value creation. In developing the updated strategy for 2026 to 2028 and beyond, the Board confirmed that the purpose and values remain aligned to the strategic direction and endorsed a new vision for the organisation. Throughout the year, the Board received regular reporting and first-hand insights on how the purpose continued to shape the organisation's objectives, operation plans and stakeholder outcomes.

The Group's values - Customer First, Better Together, Take Ownership and Be Decisive - form a core part of its governance culture framework. The Board monitored how these values were being demonstrated in practice through updates on cultural indicators, colleague feedback and leadership performance, and sought assurance that they remain consistently in focus across the Group.

The Board also oversaw how the Group's culture, including risk culture, supported strategic ambitions and the overall RMF. This oversight was informed by colleague engagement outcomes, cultural metrics and direct engagement through established workforce channels. The Board received assurance from management on actions to strengthen and preserve alignment between purpose, values, culture and strategy.

Examples of how we monitored our Purpose, Values and Culture in 2025

- **Culture and Risk Culture Dashboard:** Reviewed cultural metrics as part of the Culture Dashboard for key trends on areas such as speak-up rates, customer complaints resolution, conduct risks and employee survey measures.
- **Culture Strategy and Action Plan:** Approved the culture strategy and measurable action plan linked to the Group's purpose and values.
- **Workforce Engagements:** Conducted a series of colleague interactions during 2025 to obtain feedback directly from colleagues in the form of 'Open Door' sessions attended by colleagues from across the Group.
- **Recognition Awards:** Members of the Board were invited to colleague annual recognition awards, celebrating colleague achievements that aligned to the Group's Purpose and Values.
- **Open View Survey Results:** Considered the results of the annual colleague 'Open View' survey and associated executive response plan.
- **Workforce Policies:** Approved and oversaw key policies that reinforce the Group's Values e.g. Speak Up, Diversity Policy, Code of Conduct, Modern Slavery Statement, Human Rights and Hybrid Working.
- **Strategy and Culture Alignment:** Ensured continuous alignment between the Group's purpose, values, culture and its strategy.

How the Board engaged with Stakeholders *SBM-1, SBM-2*

Key Highlights 2025

Q1 2025

- Full Year Results, results presentation, webcast and Q&A.
- Investor roadshows in London, Dublin and the US.
- Reverse roadshows hosted by senior management and Group Investor Relations.
- Attendance at industry conferences to engage with shareholders.

Q2 2025

- Q1 Interim Management Statement, results presentation, webcast and Q&A.
- Participated in five investor conferences, with a number of global investors.
- The Workforce Engagement Director (WED) conducted 'Open Door' sessions with colleagues.
- 2025 Annual General Meeting.

Q3 2025

- Interim Results, presentation, webcast and Q&A.
- Meetings with investors in the days post release.
- Virtual and physical roadshows throughout Q3 targeted at institutional investors.
- 'Open Door' sessions held between a number of NEDs and colleagues.
- Board engagement with one of the Group's institutional investors as part of the Group's strategy refresh process.

Q4 2025

- Q3 Interim Management Statement , results presentation, webcast and Q&A.
- Attended a number of conferences with senior management as well as a virtual roadshow.
- The Chairman engaged with a number of the Group's institutional investors.
- The WED conducted 'Open Door' sessions with colleagues.

Your Board *(continued)*

Investors and Shareholders

How the Board engaged

The Board engaged with investors in a variety of ways during 2025. As well as receiving regular updates on investor activity and share price performance, Directors had the opportunity to engage with private shareholders at the Annual General Meeting (AGM), enabling dialogue on a range of topics, including the investors' views of Bank of Ireland Group's financial performance, strategic priorities, and ESG matters. In addition, the Chairman, Akshaya Bhargava undertook an active programme of engagement with institutional investors which continued throughout the year.

Outcome of Engagement

Direct engagement with both private and institutional shareholders offers Directors an ideal opportunity to understand key areas of interest. Feedback from shareholders supported Directors' understanding of investor sentiment, and informed communication strategies and external disclosure priorities. Common themes of importance to shareholders were considered by Directors throughout the year, in particular during discussions on the Group's updated strategy.

Annual General Meeting

How the Board engaged

The AGM provides an opportunity for shareholders to hear directly from the Board on the Group's performance and strategic direction.

The general aim of the Board is to make constructive use of the AGM and shareholders are encouraged to participate in the proceedings.

Questions are invited from shareholders in advance of the AGM, and a substantial part of the agenda of the AGM is dedicated to responding to shareholder questions. A 'Help Desk' facility is provided by the Group's Registrar to assist shareholders to resolve any specific queries that they may have in relation to their shareholding. The 2025 AGM was held on 22 May 2025 in the InterContinental Hotel, Simmonscourt Road, Dublin 4.

Outcome of Engagement

At the 2025 AGM, separate resolutions were proposed on each substantially separate issue and voting was conducted by way of poll. As soon as the results of the 2025 AGM were calculated and verified, they were released to applicable exchanges and made available on the Group's website. At the 2025 AGM all resolutions passed, with all resolutions receiving between 90.65% and 100% approval.

In line with the Group's policy to issue notice of the AGM twenty working days before the meeting, notice of the 2025 AGM was circulated to shareholders on 17 April 2025. It is usual for all Directors at the time of the AGM to attend. All members of the Board attended the 2025 AGM. The 2026 AGM is scheduled to be held on 21 May 2026. Shareholders who will be unable to attend on this date are encouraged to submit queries and vote in advance to ensure continued participation. Further details will issue in the AGM Notice which will be issued at least twenty working days before the meeting.

Customers

How the Board engaged

The Board received regular updates from the Group CEO, Group Chief Customer Office and divisional CEOs on customer engagement activity and sentiment, including Net Promoter Score (NPS). The Group Chief Customer Officer also provided the Board with analysis of detailed customer research and videos where customers were invited to share their thoughts on future banking expectations. The Board received updates on key customer metrics including complaints and common themes. During discussions with the subsidiary Board Chairs during the year, the Directors heard about customers' concerns and opportunities at a subsidiary level. The Chair reported the main themes to the Group Board. Board members also attended workshops related to the new Bank of Ireland App to understand what customers will experience and also met with the internal bank innovation 'Lighthouse team' on new innovative solutions that are being delivered for our customers.

Outcome of Engagement

Regular discussions on customer behaviour, sentiment and feedback provide Directors with rich insights into how the bank can best support customers, and how the bank can satisfy its Consumer Protection obligations. Hearing from customers offers examples of the challenges that they face, their expectations for the future and the work of colleagues to support them. Gaining an insight into how financial crime is evolving, in particular through regular cyber security and AML briefings, also enables Directors to understand how it is being managed and how colleagues are helping customers. This in turn impacts strategic and risk conversations.

Regulators and Government

How the Board engaged

Engagement with the Group's regulators in 2025 occurred via bi-lateral and collective meetings on a range of topics. Directors engaged regularly through continuous assessment and proactive engagement meetings with the supervisory teams at the CBI and ECB, respectively. Directors also participated bilaterally in regulatory review activity when requested. Representatives of the ECB joined the Board meeting in March 2025 to present the outcome of its annual SREP and to provide an overview of the key regulatory priorities for 2025 and beyond. The Board also considered key regulatory submissions and took steps to further enhance the open and transparent relationship the Group has with its regulators through the approval of a Group regulatory engagement strategy.

The Board also maintains proactive engagement with Government and the wider political system. This includes in respect of matters of commercial and strategic importance to the Group and on societal challenges where the Group can play a positive role.

Your Board *(continued)*

Outcome of Engagement

The bi-lateral meetings were an opportunity to discuss in more depth areas of Directors' expertise and interest with the regulators. Participation in specific reviews or deep dives by the regulators allows Directors to discuss matters in more detail to support the regulatory agenda. Following receipt and review of the outcome of the SREP, the Board was able to understand the key areas of regulatory focus and agree an approach to how those would be addressed.

Following discussion with management, including input from the second and third lines of defence, the Board also considered the approved important regulatory submissions throughout the year.

Society and Communities

How the Board engaged

The Group's work impacts the communities where it operates and where colleagues live, as well as wider local and global partners. In line with the Human Rights Policy (published in 2024 and reviewed by the Board in 2025), the Group engages with employees, communities, and human rights organisations to understand concerns and address human rights issues.

Alongside Speak-Up and other confidential reporting channels, the Group provides accessible reporting mechanisms for employees, customers, suppliers, and other stakeholders to raise human rights concerns. Reports are investigated promptly, with appropriate action taken where issues are substantiated.

Through the Begin Together initiative, the Group directs philanthropic investment to support local communities. In partnership with Community Foundation Ireland, €500,000 was allocated to grassroots projects across the island of Ireland in 2025 via the Bank of Ireland Community Fund. Since 2020, the Group has facilitated €3 million in funding to support 307 community projects.

Working with Business to Arts, the Bank of Ireland Begin Together Arts Fund continued to deliver community arts projects for vulnerable groups. The Group also facilitated more than 700 colleague-selected donations to charities and not-for-profits, enabling colleagues to see the positive impact they help create in their own communities.

The Group plays an important role in advocating on key social issues, including increasing housing supply. Initiatives include proposing a Government-industry Housing Finance Forum, developing new lending products to support housing mobility, partnering with Government bodies to help small home-builders scale, and committing significant capital to social and affordable housing.

The Group has also championed stronger fraud-prevention measures in Ireland and across Europe, influencing commitments to a shared fraud database, SMS scam filters, and tighter controls on unregulated financial advertising. It continues to call for EU-level verification of financial advertisers and reforms to the Digital Services Act to curb online fraud.

Colleagues

The Board continued to engage with colleagues through the year, which contributed to promoting the colleague voice in the boardroom. The approach adopted aims to provide representation from across the bank and guards against the risks of relying on a single source to gather views.

The Board received regular updates on the progress of the Group Culture Programme and reviewed the outputs from the Group's Open View staff survey. The Board also received updates on progress in implementing actions in response to colleague feedback. The Board pays particular attention to the Group Code of Conduct and Speak-Up Policy, the effectiveness of which are reviewed by Board Committees annually. The Board strives to create an environment in which staff are encouraged to speak up where they have any concerns. During 2025, Richard Goulding, as Chair of the GAC, actively sponsored the Speak-Up Policy, on behalf of the Board.

The Board-designated WED role also enhances engagement and feedback mechanisms between the Board and the workforce and strengthens the 'employee voice' at the Board.

The WED role holder reports regularly to the Board on direct feedback from colleagues across the Group. This direct colleague connection, in addition to the other wider Board engagements with colleagues during the year, supplements the colleague experience alongside various existing regular feedback and reporting mechanisms on culture and behaviour, and is intended to assist the Board in understanding colleague experiences to inform its decision making. Reflecting the success of direct Board and colleague engagement sessions during 2025, individual NEDs have committed additional time to engage directly with colleagues during 2026.

Examples of Colleague Engagement and Insights

Open View Survey
The Board receives and performs a deep dive into the results of the Open View colleague engagement survey which provides insights at all levels and aspects of the colleague experience.

Visibility Sessions
At Board visibility sessions, Directors meet colleagues from across the Group to discuss matters that are important to our colleagues, including Hybrid working arrangements, wellbeing, culture, remuneration and the external competitive environment.

Management Reporting
Board-level reporting from the Group CEO and the executive management team includes insights on colleague engagement, wellbeing and development. Presentation of papers by colleagues also offers an opportunity to bring the colleague voice into the boardroom. Dedicated deep dive sessions during the year with teams from across the bank also enabled Directors to hear directly from colleagues.

WED
The Board-designated WED held a series of colleague engagement sessions in 2025 to gather direct feedback, which was then shared with the Board.

- Open-door sessions were held with colleagues from across the Group during 2025.
- Colleague insights included positive feedback on career mobility, agile working and opportunities related to data and AI. Areas for improvement included simplifying processes, decision-making and governance pathways.

Your Board *(continued)*

Board's oversight of risk management and internal control systems

Accountability and audit

The Report of the Directors, including a Going Concern Statement and a Viability Statement, is set out on pages 98 to 100. This Corporate Governance Statement forms part of the Report of the Directors.

Board responsibility

The Board is responsible for overseeing the Group's risk management and internal control systems, which are designed to facilitate effective and efficient operations and to ensure the quality of internal and external reporting and compliance with applicable laws and regulations, and to review the effectiveness of same.

In establishing and reviewing the risk management and internal control systems, the Directors carried out a robust assessment of the principal risks facing the Group including those that would threaten its business model, future performance, solvency or liquidity, the likelihood of a risk event occurring and the costs of control. The principal risks are detailed at pages 224 to 235. The process for identification, evaluation and management of the principal risks faced by the Group is integrated into the Group's overall framework for risk governance and has been in place for the year under review and up to the date of approval of the Annual Report.

The Group is forward-looking in its risk identification processes to ensure emerging risks are identified. The risk identification, evaluation and management process also identifies whether the controls in place result in an acceptable level of risk.

At Group level, a consolidated risk report and risk appetite dashboard is reviewed and regularly debated by the BRC and the Board to ensure satisfaction with the overall risk profile, risk accountabilities and mitigating actions. The report and dashboard provide a monthly view of the Group's overall risk profile, key risks and management actions, together with performance against risk appetite and an assessment of emerging risks which could affect the Group's performance over the life of the operating plan. Information regarding the main features of the internal control and risk management systems is provided within the Risk Management Report on pages 223 to 277.

The Board concluded that the Group's risk management arrangements are adequate to provide assurance that the risk management systems put in place are suitable with regard to the Group's profile and strategy.

Control systems

The Group's overall control systems include:

- a clearly defined organisation structure with defined authority limits and reporting mechanisms;
- three lines of defence approach to the management of risk across the Group: line management in individual businesses and relevant Group functions, central risk management functions, and Group Internal Audit (GIA);
- Board and Management Committees with responsibility for core policy areas;
- a set of policies and processes relating to key risks;
- reconciliation of data consolidated into the Group's financial statements to the underlying financial systems. A review of the consolidated data is undertaken by management to ensure that the financial position and results of the Group are appropriately reflected, through compliance with approved accounting policies and the appropriate accounting for non-routine transactions;
- Codes of Conduct setting out the standards expected of all Directors, officers and employees in driving an appropriate, transparent risk culture;
- a Risk Control Self-Assessment framework, where risks are logged, managed and mitigated across the first line, with clear reporting, escalation and second-line oversight. Action plans are developed and implemented to address any control deficiencies;
- a comprehensive set of accounting policies; and
- a compliance framework incorporating the design and testing of specific controls over key financial processes.

The Group operates a comprehensive internal control framework over financial reporting with documented procedures and guidelines to support the preparation of the consolidated financial statements.

The main features are as follows:

- a comprehensive set of accounting policies relating to the preparation of the annual and interim financial statements in line with IFRS as adopted by the EU;
- an independent internal audit function with responsibility for providing independent, reasonable assurance to key internal (Board, Group and Subsidiary Audit and Risk Committees and Senior Management) and external (Regulators and external auditor) stakeholders on the effectiveness of the Group's risk management and internal control framework;
- a compliance framework incorporating the design and testing of specific controls over key financial processes to confirm that the Group's key controls are appropriate to mitigate the financial reporting risks; and
- a robust control process is followed as part of interim and annual financial statements preparation, involving the appropriate level of management review and attestation of the significant account line items, and where judgements and estimates are made, they are independently reviewed to ensure that they are reasonable and appropriate. This ensures that the consolidated financial information required for the interim and annual financial statements is presented fairly and disclosed appropriately;
- the Annual Report and Interim Report are also subject to detailed review and approval through a structured governance process involving senior and executive personnel;
- summary and detailed papers are prepared for review and approval by the GAC covering all significant judgemental and technical accounting issues, together with any significant presentation and disclosure matters; and
- user access to the financial reporting system is restricted to those individuals that require it for their assigned roles and responsibilities.

Reviews by the Board

The effectiveness of the risk management and internal control systems are regularly reviewed by the Board, along with the GAC and BRC, which also receive reports of reviews undertaken by the Group Risk function and GIA.

Your Board *(continued)*

The GAC receives reports from the Group's external auditor (which include details of significant internal control matters that they have identified) and has separate discussions with the external and internal auditors at least once a year without Executives present, to ensure that there are no unresolved issues of concern.

Continuous improvement

The Group's risk management and internal control systems are regularly reviewed by the Board and are consistent with the Guidance on Risk Management, Internal Control and Related Financial and Business Reporting issued by the Financial Reporting Council and compliant with the requirements of the Capital Requirements Directive (CRD) V. They have been in place for the year under review and up to the date of approval of the Annual Report. The Group continues to work towards compliance with the Basel Committee on Banking Supervision 239 (BCBS 239) risk data aggregation on risk reporting requirements and continues to actively manage enhancements.

The Group's controls framework is continuously improved and enhanced, addressing known issues and keeping pace with the dynamic environment. Progress continues to be made in operational (including IT and Information Security), regulatory and conduct risks. The 2025 internal control assessment provided reasonable assurance that the Group's controls were effective, or that, where control weaknesses were identified, they were subject to management oversight and action plans. The GAC, in conjunction with the BRC, following an assessment of whether the significant challenges facing the Group were understood and are being addressed, concluded that the assessment process was effective and made a positive recommendation to the Board in that regard.

Key Board policies and processes

Board policies and processes are set out in our Non-Executive Director handbook.

Conflict of interest

The Board has an approved Conflicts of Interest Policy which sets out how actual, potential or perceived conflicts of interest are to be identified, reported and managed to ensure that Directors act at all times in the best interests of the Group. This policy is reviewed on an annual basis. The Group Code of Conduct clarifies the duty on all employees and Directors to avoid conflicts of interests. The Group Code of Conduct is also reviewed on an annual basis and communicated throughout the Group. Both the Conflicts of Interest Policy and Group Code of Conduct are fully aligned with the CBI's Individual Accountability Framework, including the Common and Additional Conduct Standards, and the Senior Executive Accountability Regime.

Time commitments

Directors are required to devote adequate time to the business of the Group. The Group ensures that individual Board Directors have sufficient time to dedicate to their duties, having regard to applicable regulatory limits on the number of directorships which may be held by any individual Director. The Company and the Bank have each been classified as 'significant institutions' by the ECB under the Single Supervisory Mechanism (SSM) Framework. All Directors were within the directorship limits set out for significant institutions including any derogations granted by the regulator.

All newly appointed Directors are provided with a comprehensive letter of appointment detailing their responsibilities as Directors, the terms of their appointment and the expected time commitment for the role.

The expected time commitment associated with a NED role and for assuming any other key Board roles are set by the N&G.

Before being appointed, Directors disclose details of their other significant commitments along with a broad indication of the time absorbed by such commitments.

Before accepting any additional external commitments, including other Directorships that might impact on the time available to devote to their role, the agreement of the Chairman and the Group Secretary, and approval of the N&G, or, depending on the nature of the proposed commitment, approval from the full Board, must be sought. In certain cases, advanced CBI approval must also be sought.

A number of Directors took additional external roles during 2025 following receipt of the requisite approvals. Details of Directors external roles can be found on pages 56 to 59.

The Group has an obligation to report the reasons for permitting significant appointments. None of the external appointments which were approved during 2025, following due consideration by the Board, are considered significant in terms of additional external appointments. In each case, the Board was satisfied that there was no issue of concern that should impede the relevant Director from proceeding with the external commitment, which could be managed in accordance with the Board approved policy.

Balance and independence

Following a robust review, the Board determined that all Non-Executive Directors in office on 31 December 2025 were independent in character and judgement and free from any business or other relationships with the Group which could affect their judgement.

Term of appointment and re-election

NEDs are normally appointed for an initial three-year term, with an expectation of a further term of three years, assuming satisfactory performance and subject to the needs of the business, shareholder re-election and continuing fitness and probity.

Any continuation in term beyond two three-year terms is considered on an annual basis and will have regard for a number of factors including performance, independence, the Board's succession planning needs over the medium to long term, the Group's strategy and prevailing priorities, and the best interests of the shareholders.

Your Board *(continued)*

A NED's term of office will generally not extend beyond nine years in total unless the Board, on the recommendation of the N&G, concludes that such extension is necessary due to exceptional circumstances. In such a situation, the Board will document its rationale for any continuance and so advise the CBI in writing as required under the CBI Requirements.

In respect of Executive Directors, no service contract exists between the Company and any Director which provides for a notice period from the Group of greater than one year. None of the NEDs have a contract of service with the Group.

Annual General Meeting Director Re-Election Process

It is Group practice that, following evaluation, all Board Directors are subject to annual re-election by shareholders. The following Directors retired at the AGM on 22 May 2025 and, being eligible, offered themselves for election and were elected at the AGM in 2025:

- Giles Andrews
- Akshaya Bhargava
- Ian Buchanan
- Richard Goulding
- Michele Greene
- Myles O'Grady
- Steve Pateman
- Mark Spain
- Margaret Sweeney

The 2026 AGM is scheduled to be held on 21 May 2026 and, in line with previous AGMs, all Directors co-opted since the previous AGM will offer themselves for election and all other Directors will retire from office at the date of the AGM and may choose to offer themselves for re-election.

Share ownership and dealing

Details of the Directors' interests in shares are set out in the Remuneration Report on page 110. The Group Share Dealing Policy applies to dealings in Group shares by the Directors, the Group Secretary, individuals identified as Persons Discharging Management Responsibilities (including members of the GEC) and other identified colleagues.

Under the Dealing Code, Directors and relevant executives are required to obtain clearance before dealing in the Group's shares and are prohibited from dealing in the shares during prohibited periods, as defined by the Share Dealing Policy and aligned with the Market Abuse Regulation.

Subsidiary governance

The Group Subsidiary Governance Policy is reviewed annually by the Group Secretary and triennially by the N&G, under delegated authority from the Board, with material amendments proposed by the Group Secretary following her annual review to be proposed to the N&G for approval. The Policy sets out the key aspects of the Group's governance and oversight mechanisms, clear escalation routes where issues may arise to ensure they are addressed, and governance standards required of subsidiary entities. It also includes the required procedure should any party in the Group wish to set up a new Group subsidiary or entity in which the Group will have a controlling interest.

The Group's subsidiary, Bank of Ireland Mortgage Bank (BoIMB), returned to full compliance with section 12.1 of the CBI Corporate Governance Requirements which mandates that credit institutions must appoint a Chief Risk Officer (CRO) at a local level. Temporary non-compliance arising from the departure of BoIMB's CRO in late 2024 was resolved on 8 April 2025, through the appointment of the Group CRO as BoIMB's CRO.

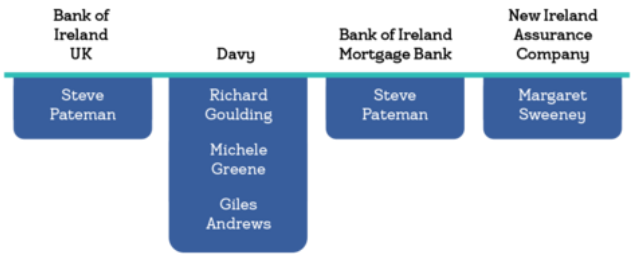
The interaction between the Group Board and the boards of our strategically significant subsidiaries is closely monitored. The Chairman of the Group meets regularly with the Chairs of these subsidiaries to ensure good communication and alignment. He also attends a number of subsidiary board meetings during the year.

The Group Board receives reports conducted on the effectiveness of these significant subsidiaries on an annual basis.

In accordance with the Group's Subsidiary Governance Policy, a number of the Group's INEDs serve on subsidiary boards. This enhances information flows and, where appropriate, the escalation of matters requiring Group Board attention.

Subsidiary Committee Chairs and the equivalent Group Committee Chairs also engage on their respective areas of responsibility, as appropriate. The Chairs of the established Audit, Risk and Remuneration Committees of the material subsidiaries attend and present at the GAC, BRC and GRC annually to provide an account of the subsidiary board committees' activities in these key areas and to engage in a private session with the Group Board NEDs in the absence of subsidiary management.

The Group INEDs that served on our significant subsidiaries in 2025 are detailed below.



Report of the Group Nomination & Governance Committee



Akshaya
Bhargava
Chair of Group Nomination & Governance Committee

Meetings attended / eligible to attend

Akshaya Bhargava	6/6
Eileen Fitzpatrick	2/2
Richard Goulding	6/6
Ian Buchanan	4/4
Michele Greene	4/4

Committee responsibilities

- Nominations and renewals process for Board and Board Committee and making recommendations to the Board for its approval.
- Succession planning for the Board and Group Executive Committee and overseeing the development of a diverse pipeline for succession.
- Recommendations to the Board in respect of the appointment of Key Function Holders.
- Ensuring corporate governance practices are consistent with best practice standards and recommendations are made to the Board.
- Overseeing subsidiary governance arrangements including the composition of the Boards of the Group's material subsidiaries.

For more information on the Committee's responsibilities, membership and independence, please see: www.bankofireland.com/about-bank-of-ireland/corporate-governance.

Notes
- *Eileen Fitzpatrick retired from the Board on 22 May 2025.*
- *Michele Greene and Ian Buchanan joined the Committee on 1 June 2025.*

Dear Shareholders,

On behalf of the Group Nomination & Governance Committee (the 'Committee' or 'N&G'), I am pleased to introduce the Committee report on its activities for the year ended 31 December 2025.

The Committee continued its focus on ensuring that the Board and its members, both collectively and individually, possess the skills, knowledge and experience necessary to oversee, challenge and support management in the achievement of the Group's strategic and business objectives. During 2025, we continued to implement our robust succession planning, to support the delivery of the Group's strategy.

Board succession planning and recruitment

Succession planning and refining our succession principles continues to be a central focus for the Committee. Throughout 2025, we continued to develop the Board succession plan, and principles to ensure the Group has a skilled, diverse and effective Board that aligns to the Group's evolving needs.

The Committee oversaw a number of changes to Board and Board Committee composition during 2025, including the retirement of Eileen Fitzpatrick, the appointment of three new INEDs (Emer Finnan, Niamh Marshall and Hans van der Noordaa) and a rotation of key Board roles during the year, as follows:

- **January**: Akshaya Bhargava was appointed Chairman of the Board and Chair of N&G, succeeding Patrick Kennedy;
- **February:** Akshaya Bhargava was appointed WED, succeeding Evelyn Bourke;
- **May:** Eileen Fitzpatrick retired from the Board; Margaret Sweeney was appointed GSC Chair, succeeding Eileen Fitzpatrick;
- **June:** Michele Greene was appointed Deputy Chair and SID, succeeding Richard Goulding, and stepped down from GTOC; Ian Buchanan and Michele Greene joined N&G, Akshaya Bhargava joined GRC, and Ian Buchanan stepped down from BRC; Niamh Marshall appointed to GAC and BRC;
- **July:** Emer Finnan was appointed to GAC and BRC;
- **October:** Hans van der Noordaa was appointed to GRC, GTOC and GSC; and Akshaya Bhargava stepped down from GRC.

As part of the orderly rotation of Directors under the Board's succession plan, Richard Goulding will also retire from the Board in March 2026, and Ian Buchanan in April 2026. I would like to thank Eileen, Richard and Ian for their significant contributions to the Board during their tenures. A number of other succession activities are progressing and will be announced to the market at the appropriate time, once all required approvals have been secured. Further details on the Board changes that took place during 2025 are noted below and on page 52.

Executive appointments

During the year, in support of the Group CEO, the Committee oversaw several senior executive appointments to ensure the Group has the leadership and capabilities that will help deliver its refreshed strategy. Rhys Kiff was appointed Group CRO in January 2025, followed by the appointment of Billy O'Connell as Group Chief Strategy Officer in April 2025. In December 2025, Sarah McLaughlin assumed the role of Chief of Staff following the departure of Oliver Wall. The Committee, together with the GAC, also oversaw the appointment of Michelle McGreal as Group Chief Internal Auditor (GCIA) in November 2025, succeeding Steve Sanders.

Effectiveness review

An evaluation of the performance of the Board and its committees, including N&G, was facilitated by an external facilitator in 2024. The Committee led the competitive tender process and recommended Bvalco be appointed to conduct the review. The Committee also discussed and agreed the scope of the review and monitored progress ahead of the final report being issued. The Board and its committees welcomed the review, and were pleased to note Bvalco's conclusion that the Board and its committees are operating effectively. Enhancement actions have been satisfactorily progressed in 2025 and progress noted following our internal evaluation assessment in 2025. Further information on the review can be found on pages 80 to 81.

Report of the Group Nomination & Governance Committee *(continued)*

Board skills matrix

The Committee developed a refreshed Board skills matrix in support of its review of Board composition and succession planning. In developing the matrix, the Committee considered and agreed the key skills the Board should collectively possess in order to effectively support the organisation's strategic priorities. The revised 2025 Board skills matrix can be found on page 54.

Subsidiary governance

Subsidiary governance remained a key feature of the Committee's agenda in 2025. During the year the Committee oversaw the appointments to each of the Group's material subsidiaries, reviewed succession plans, considered the outcome of effectiveness evaluations and received updates on the compliance with all matters including the respective corporate governance codes for each entity.

Looking ahead

In 2026, the Committee will continue to monitor the composition and balance of the Board and Board committees, including succession plans to ensure our leadership comprises the appropriate diversity of skills, knowledge and experience, in line with the future needs of the business.

Additionally, we will stay updated on corporate governance developments, including the changes arising from both the UK and Irish Codes, as well as the London Stock Exchange and Euronext Dublin listing rules. The following pages provide further details on the roles and responsibilities of the Committee and its governance duties.



Akshaya Bhargava

Chair of the Nomination & Governance Committee

27 February 2026

Principal areas of Group Nomination & Governance Committee focus

Theme	Principal area of focus	Outcomes
Board Composition, Renewal and Succession	• Board and Board committee nominations, renewals and appointments process. • Consideration of candidate profiles for potential future appointment to the Board aligned to future strategy requirements skills requirements.	• Oversaw changes to Board composition during 2025, including the commencement of Akshaya Bhargava's term as Chairman, the retirement of Eileen Fitzpatrick, the upcoming retirement of Richard Goulding and Ian Buchanan, and the appointment of three new INEDs: Emer Finnan, Niamh Marshall and Hans van der Noordaa. Further details on the Board changes that took place during 2025 can be found on page 52. • Discussed potential candidates for appointment to the Board, to ensure that the Board has a pipeline of credible successors and continues to be equipped to discharge its responsibilities effectively.
Board Skills Assessment	• Directors assessments, to ensure continued suitability for their roles on the Board.	• Recommended to the Board that each Director, as well as the Board as a whole, remains suitable to continue performing their roles on the Board. This assessment was based on the results of the annual due diligence review, the Board skills assessment, independence evaluations, and the annual effectiveness review, all of which inform the nomination of Directors for election or re-election each year. • Considered the annual skills assessment report, and the skills required for oversight of the updated strategy.
Diversity	• Consideration of diversity for succession plans and appointments at Board and senior management levels, as well as more broadly across the Group, ensuring it is reflective of the markets and societies served by the Group. • The Board Diversity Policy is available at www.bankofireland.com/about-bank-of-ireland/corporate-governance.	• Considered the Board's targets to maintain at least 40% female representation, with a medium-term aim for broadly equal gender balance, and ensure minority ethnic representation on the Board. • As of year-end 2025, the Board had 33% female representation, which it plans to improve through targeted succession planning. • Michele Greene was appointed Deputy Chair and SID on 1 June 2025, meeting the expectation that at least one senior Board role (Chair, CEO, SID or CFO) is held by a woman. • The appointment of Akshaya Bhargava (12 January 2024) strengthened minority ethnic representation on the Board. • The Committee will continue prioritising diversity in future succession planning and Board appointments. Additional information on diversity initiatives and representation across senior management and the wider workforce is available on page 77.
Effectiveness Evaluation	• Oversight of the design of and approach to the internal Board evaluation process.	• Considered the outcome of the internal effectiveness review for 2025, which followed the external effectiveness review in 2024. The external review conducted by Bvalco Limited in 2024 determined that the Board had been effective during 2024. Recommendations and actions were largely addressed during 2025 and continue to be enhanced. The recommendation forms part of our commitment to continuous enhancement of Board effectiveness. • The outcome of the 2025 internal Board effectiveness evaluation was considered in January 2026 and reflected the Board's continued effectiveness throughout 2025. • The SID led an effectiveness review of the Chairman. An assessment of the effectiveness of individual Directors was also carried out during Q4 2025 by the Chairman. This enabled the Board to confirm Directors' continued effectiveness in role in the 2025 Annual Report.

Principal areas of Group Nomination & Governance Committee focus *(continued)*

Theme	Principal area of focus	Outcomes

Executive Level Appointments and Diversity	• Consideration of GEC and Key Function Holder appointments including suitability and fitness and probity assessments, and succession plans.
	• Oversight of gender and ethnic diversity profile of the Group and challenge of the Executive on progress and enhancement activities in that regard.
		• Supported the following appointments:
		  • Group Chief Risk Officer (appointed January 2025);
		  • Group Chief Strategy Officer (appointed April 2025);
		  • Group Chief Compliance Officer (appointed October 2025);
		  • Group Chief Internal Auditor (appointed November 2025);
		  • Group Secretary and Head of Corporate Governance, who was appointed to the additional role of Chief of Staff and took up those additional duties on 1 December 2025; and
		  • Group General Counsel, to be appointed in March 2026.
		• Assessed the GEC Succession plans to ensure the Group is positioned to respond to departures by maintaining access to and awareness of the external market and through the focused development of internal talent.
		• Considered the process to determine the appropriateness of individuals being appointed to or holding Key Function Holder roles across the Group and made recommendations to the Board in that regard.
		• Considered enhancements in gender and ethnic diversity representation across the workforce:
		  • GEC currently 42% female representation (vs 33% in 2024).
		  • GEC direct reports 49% female representation (vs 47% in 2024).
		  • Female management and leadership appointments were 47% in 2025, slightly below the target of 50:50.
		  • Female representation in senior management and leadership roles was 42% (vs 41% in 2024), with the total population of women holding senior roles having grown to 929 in 2025 from 896 in 2024.
		• The Board recognises that progress is being made and that more is required. The Committee will continue to oversee the Group's activities to ensure progress is made in diversity and inclusion at Bank of Ireland.

Group Governance	• Effective operation of Group and Board governance arrangements in line with applicable corporate governance requirements and best practice standards, including the UK Code, the Irish Code and the CBI Corporate Governance Requirements for Credit Institutions 2015.	• Approved internal policies to ensure continued compliance with all applicable corporate governance requirements and best practice governance standards, including enhancements required to ensure compliance with the Individual Accountability Framework and Senior Executive Accountability Regime. • More detail on the Group's compliance with corporate governance requirements and practices can be found on page 61. • Appropriate Group and Board-specific polices are in place to facilitate the Board in the effective discharge of its duties and in ensuring a robust governance framework.
Subsidiary Governance	• Oversight of subsidiary governance arrangements including the composition of the boards of the Group's material subsidiaries.	• Oversaw board appointments, succession plans, and effectiveness evaluations for all Tier 1 material subsidiaries. • Monitored activities of subsidiary nomination committees through their agendas and minutes. • Reviewed governance compliance across Tier 1 subsidiaries. • Oversaw the resolution of BoIMB's Section 12.1 CBI non-compliance on 8 April 2025, being the requirement to have a BoIMB Chief Risk Officer. BoIMB is now fully compliant with its corporate governance requirements. The Committee is satisfied that appropriate actions have been taken to mitigate a future recurrence. • Reviewed the Tier 1 subsidiary boards' terms of reference, matters reserved, and the wider Group corporate structure to ensure adequate oversight. • Approved updates to the Group Subsidiary Governance Policy to provide greater clarity as to regulatory and best-practice governance requirements.

Board Composition, Succession and Evaluation

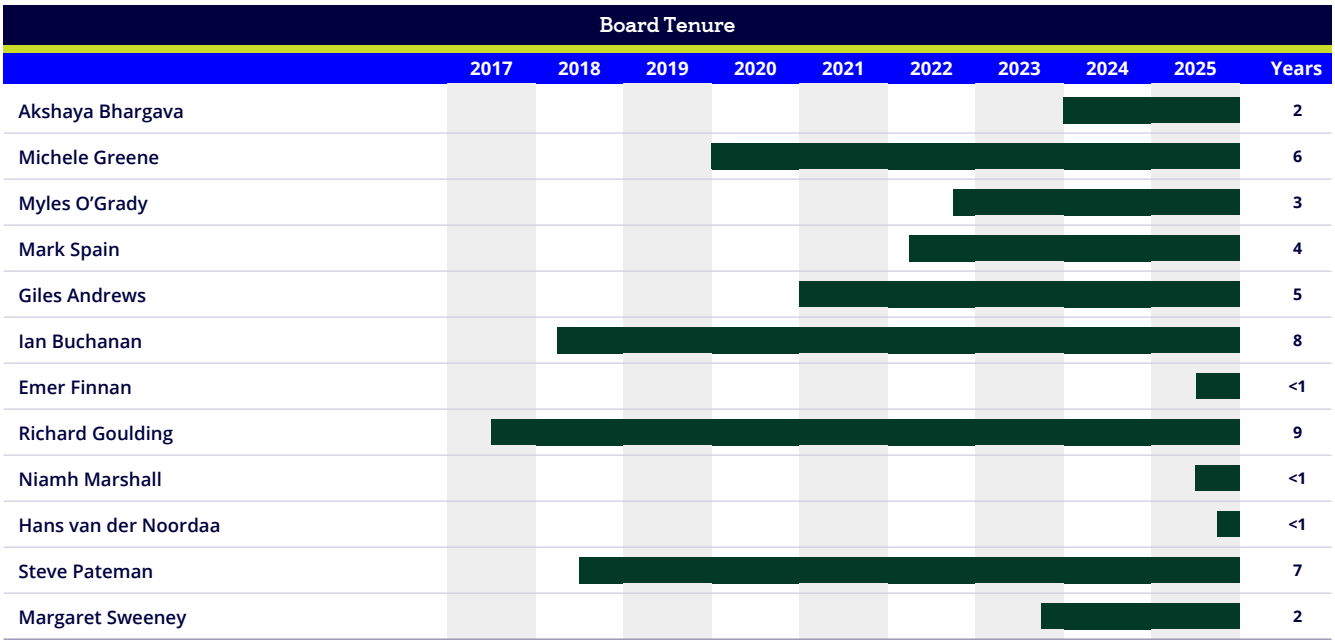
Composition

The Board is structured to ensure that the Directors have a diverse combination of skills, experience, and knowledge, with Committee Members' demonstrating relevant experience and expertise, and qualifications pursuant to the respective committee mandate.

At the reporting date, the Board comprises twelve Directors: two Executive Directors, the Chairman, who was independent on appointment, and nine Independent Non-Executive Directors. The biographical details of each of the Directors, along with each of their individual dates of appointment, are set out on pages 56 to 59. The Board considers that having ten to twelve Directors allows for a good balance between having the full range of skills necessary on the Board, and to populate its Committees and retain a sense of accountability by each Director for Board decisions.

The Board acknowledges that this number may go below ten or beyond twelve for a short term as may be required to accommodate succession planning activities and to ensure the timely induction and development of new Directors.

The N&G has oversight of the Group Code of Conduct, which sets the standard for business conduct throughout the Group. The N&G also ensures a formal, rigorous, and transparent process when considering candidates for appointment to the Board and maintains continuous oversight of the Board's composition to ensure it remains appropriate and has regard for its purpose, strategy, culture, major business lines, geographies, risk profile and governance requirements.



Inclusion and Diversity

Diversity, including of skills, background, and personal strengths, is an important driver of effectiveness, creating different perspectives among Directors, and breaking down a tendency towards 'group think'. The Board is fully committed to diversity in all forms and believes that diversity is an essential ingredient of sound decision-making.

The Board's commitment to diversity is set out in the Board Diversity Policy which, following review in 2025 led by the N&G, has retained specific targets in relation to female representation on the Board, ethnic minority representation and appointment of a female to one of the four senior roles on the Board. While further progress was made in 2025, the Board acknowledges that there is more to do to achieve a target of 40% female representation. The Board is committed to the application of recruitment and selection criteria that are explicitly informed by the relevant targets for ethnic minority and female representation. We intend to make further progress in 2026. A copy of the Board Diversity Policy may be found on the Group's website at www.bankofireland.com/about-bank-of-ireland/corporate-governance.

Board Composition, Succession and Evaluation *(continued)*

Gender and ethnic diversity

The tables below outline the gender and ethnic diversity of the Board and Executive Management at 31 December 2025, reflecting data gathered through self-identification based on the criteria set out in the following tables.

Board Diversity Commitments	Progress
Maintaining a minimum of 40% female representation on the Board	33% *(vs 30% in 2024)*
Inclusion of at least one Director from an ethic minority	Achieved
Appointment of a female to one of four senior Board roles of CEO, CFO, Board Chair and SID	Achieved

2025	No. of Board members	% of the Board[1]	No. of senior positions on the Board[2]	No. in executive management[3]	% of executive management[3]
Men	8	67%	3	8	67%
Women	4	33%	1	4	33%
White Irish, British or other white	11	92%	3	12	100%
Asian / Asian British	1	8%	1	-	-

2024	No. of Board members	% of the Board[1]	No. of senior positions on the Board[2]	No. in executive management[3]	% of executive management[3]
Men	7	70%	4	8	67%
Women	3	30%	-	4	33%
White Irish, British or other white	9	90%	3	12	100%
Asian / Asian British	1	10%	1	-	-

Note: table format and information shared in compliance with EBA.

2025	% of GAC members	% of BRC members	% of N&G members	% of GRC members	% of GSC members	% of GTOC members
Men	33%	50%	75%	75%	50%	80%
Women	67%	50%	25%	25%	50%	20%
White Irish, British or other white	100%	100%	75%	100%	100%	100%
Asian / Asian British	–	–	25%	–	–	–

2024	% of GAC members	% of BRC members	% of N&G members	% of GRC members	% of GSC members	% of GTOC members
Men	40%	80%	67%	67%	33%	75%
Women	60%	20%	33%	33%	67%	25%
White Irish, British or other white	100%	100%	67%	100%	100%	100%
Asian / Asian British	–	–	33%	–	–	–

[1] *The Board comprises the Non-Executive and Executive Directors.*
[2] *Senior positions on the Board comprises the Group Chairman, Group Chief Executive Officer, Group Chief Financial Officer and Senior Independent Non-Executive Director.*
[3] *Executive management comprises the Group Chief Executive Officer, his direct reports, and the Group Company Secretary.*

Note: table format and information shared in compliance with CSRD. ***GOV-1***

Board Composition, Succession and Evaluation *(continued)*

Board succession planning and appointments

Both on an individual and a collective basis, the Directors are considered to have the range of skills, understanding, experience, expertise, and attributes necessary to ensure the effective leadership of the Group and that high corporate governance standards are maintained.

The N&G leads the process for appointments to the Board and ensures plans are in place for orderly succession to Board positions.

In 2025, led by the N&G, the Board reviewed its skills, knowledge and experience and found it to be collectively suitable. Steered by the N&G, the Board reviews its collective suitability at least annually and with each change in membership.

The succession planning process has regard for the impact of expected retirements of Directors and the profiles needed in the context of the Group's strategic direction. Board Directors have successful track records in domestic and international businesses, including in business conduct standards and practices, as exhibited in their extensive executive careers. Seven Directors are chartered accountants and comply with the conduct standards of the relevant professional bodies. The Board Directors have extensive executive careers, including as Chief Executives, Chief Financial Officers, Chief Risk Officers, Chief Information and Operating Officers, and Fintech Founders, during which they gained significant experience in business conduct standards and practices, business ethics, and professional conduct standards.

When commencing a search for a new Director, the N&G:

- **Defines** a detailed role profile, based on its analysis of the skills and experiences needed, and selects an external search firm to facilitate the process.
- **Appoints** an external search firm, where appropriate. Three search firms, Board Works Ltd, Korn Ferry and MWM Consulting, were engaged during 2025 to support searches for new INEDs based on agreed specifications. The Board remains satisfied with the continued retention of Board Works Ltd, Korn Ferry and MWM Consulting. These search firms have no connection with the Company other than in a recruitment capacity.
- **Ensures** that a comprehensive due diligence process is undertaken which includes the candidate's self-certification of probity and financial soundness, external references and relevant external checks. The due diligence process facilitates the N&G in satisfying itself as to the candidate's independence, fitness and probity, and capacity to devote sufficient time to the role before making a formal recommendation to the Board. Regulatory assessment and formal approval are required and received for all Board appointments.

Updates on the outcome of new Board appointments are provided to the market at the appropriate juncture.

A Board-approved Policy for the Assessment of Directors, which outlines the Board appointment process, is in place, and is aligned with applicable joint guidelines issued by ESMA and the EBA. With the introduction of the Central Bank (Individual Accountability Framework) Act 2023, the Board approved a number of new and refreshed policies in 2024 to ensure adherence to the Framework and the Common and Additional Conduct Standards by the Board and the wider Group. NEDs are compliant with new Senior Executive Accountability Regime (SEAR) requirements for NED role-holders effective from 1 July 2025. The Board and its Committees continued to perform their duties in alignment with the Framework and the Common and Additional Conduct Standards during 2025.

Board education and experience - enhancing Directors skills and experience

A tailored induction programme is created for all new directors appointed to the Board. Board members receive appropriate training, both individually and collectively, throughout their time on the Board. The approach to Directors' induction and continuous development is set out in a Board-approved Director Induction, Training and Development Policy which is reviewed annually by the Group Secretary and triennially by the N&G.

Formal Induction Programme	A suite of induction materials, tailored to the specific needs of Directors is provided to all incoming Directors to help them understand how the Group operates and the key issues it faces, supported by meetings with senior management on strategy, risk, regulation, people, technology, operations, and financial management.
Continuous Education Programme	Requirements are informed by the outcome of annual effectiveness reviews, the annual skills assessment of the Board, emerging external developments, and areas identified for further focus. Continuous education is delivered through varying formats by internal and external experts.
Site Visits	Site visits take place across the Group including meetings with colleagues, customers and subsidiary boards.

Board Composition, Succession and Evaluation *(continued)*

Education and development sessions delivered

The following sessions were facilitated during the year, as appropriate, by internal and / or external subject matter experts and advisors. Individual Directors also undertook external development opportunities that covered a wide range of topics relating to governance, finance, investment management and wealth, digital, cyber, diversity, ESG and sustainability.

Deep dive sessions
- Cyber Security Briefing
- Digital Assets and Stablecoin
- Integrating sustainability into Corporate Strategy
- CSRD workshop
- Computer Software and Intangible Assets

Regulatory trends and updates
- Corporate Governance Reporting Obligations
- Remuneration Regulation update for Financial Services
- Market Abuse Regulation
- Cyber Security and AML training
- Science Based Targets Initiative ('SBTi')
- Banking and Capital Markets

Internal focus sessions
- Model Risk
- Leveraged Acquisition Finance
- New MyConnect HR System
- Project Finance
- Property and Construction
- New Ireland Assurance business and remuneration
- Strategy development sessions

Board effectiveness

The Board conducts a formal effectiveness evaluation annually. An externally facilitated review is conducted every three years, the last being undertaken in 2024.

The review determines whether the Board and its Committees are, as a whole, effective in discharging their responsibilities. It also provides insight into the impact on the collective of the contribution of individual Directors, including the Chairman.

2024 Effectiveness Review Process



Following a robust assessment process the N&G selected Bvalco, an independent corporate advisory firm, to facilitate the external effectiveness evaluation.

Bvalco met with individual Directors and a number of senior leaders on a one-to-one basis during December 2024 and January 2025. Bvalco then observed the January 2025 Board and Committee meetings.

In addition to reviewing the Board's operations, composition and overall effectiveness, the review considered past performance with the aim of identifying possible opportunities for improvement.

Board Composition, Succession and Evaluation *(continued)*

Outcome and recommendations from the 2024 external effectiveness review

Directors were pleased to note Bvalco's conclusion that the Board and its Committees were operating effectively with the report noting that Directors were well prepared and engaged.

Strengths

The Board and its committees were well chaired, Directors are well prepared and actively engaged. There was clear evidence of constructive challenge of the Executive and a high degree of mutual respect for the skills, capabilities and contributions of each member. Collectively, the Board demonstrated a strong understanding of the organisation's issues, risks and opportunities, with particular emphasis on customer outcomes and investor perspectives.

Recommendations

The report identified some opportunities to further enhance the Board's effectiveness. Those related, in the main, to defining the Board's vision, continued engagement with the Executive and the wider organisation, constructive Board engagement in the strategy-setting process, dynamic succession planning and a continued focus on further enhancing the quality and timeliness of Board materials. The following table summarises the key recommendations arising from the findings.

Recommendation	Action taken
Define a long term vision for the Group.	• Vision set as part of Group strategy refresh 2026 to 2028. • Board objectives are clear and aligned.
Set and model the Board's cultural standards and organisational engagement.	• Collaborative engagement and constructive challenge actively encouraged. • Increased informal engagements with Executive. • Board appointment process enhanced to further align personal attributes with the Group's culture and values.
Optimise the Board agenda to better balance priorities and further improve the quality of Board materials.	• Regular feedback shared on Board papers, quality of discussions and Executive expectations. • Board materials enhanced and agenda re-focused.
Further enhance Board's active participation in the strategy setting process.	• Focused sessions with Executives throughout strategy process including regular workshops and a two day strategy setting off-site meeting.
Implement dynamic succession planning and a robust induction programme.	• Dynamic succession plans that consider future skills and capability requirements in greater detail. • Induction process enhanced to include cultural induction and Independent Non-Executive Director (INED) mentoring.

The Board has noted that each action was satisfactorily progressed during 2025, with some rolling into 2026.

2025 internal effectiveness review

As the outcome of the 2024 external evaluation was positive, the 2025 evaluation was internally facilitated in 2025, led by the N&G. Questionnaires were prepared for the Board and each Committee, agreed with the respective Chairs, and completed by the Board, Committee Members and regular attendees.

Individual Director

As part of the process, one-to-one meetings took place between individual Directors and the Chairman in Q4 2025, to discuss their contributions and performance during the year. Each Director was assessed as being fully effective and committed, with their contributions continuing to support the Group's long-term sustainable success.

Chairman effectiveness

The performance of the Chairman was also assessed through the internal evaluation process. Led by the SID, the Board met to discuss the Chairman's performance, in his absence. The SID subsequently provided an update on the positive outcome of the review to the Chairman, who is considered to be a highly effective Chairman and to provide very strong leadership to the Board.

2025 effectiveness conclusion

A consolidated report on the findings of the full evaluation process was presented to Board in January 2026. Overall, the work of the Board continues to be rated highly and it is viewed as operating effectively. In general, there were consistent findings across the Board and Committee reviews. These included:

- a positive view of the effectiveness of the Chairs of the Board and Committees and the participation of their members;
- access to skills, experience and external perspectives to enable the Board to fulfil its responsibilities effectively; and
- ensuring the updated strategy was aligned with the Group's purpose, values, long-term goals, regulatory and other stakeholder expectations.

The Board will concentrate on the following areas in 2026:

- continued focus on succession planning ensuring there is continuity of experience and capabilities and consensus on future skills requirements;
- ongoing engagement and oversight of subsidiaries to support newer Board members; and
- convening of a Board dynamics session to align Board goals and culture to the updated strategy.

Report of the Group Remuneration Committee



Ian
Buchanan
Chair of Group Remuneration Committee

Meetings attended / eligible to attend

Ian Buchanan	6/6
Giles Andrews	6/6
Akshaya Bhargava	2/2
Margaret Sweeney	6/6
Hans van der Noordaa	1/1

Committee responsibilities

- Overseeing the design and implementation of the Group's overall remuneration strategy and remuneration policy.
- Overseeing the operation of remuneration policies and practices.
- Approve the remuneration and oversee the performance of the Executive Directors, GEC and MRTs.
- Performing any other functions appropriate to a Remuneration Committee or assigned to it by the Board.

For more information on the Committee's responsibilities, membership and independence, please see: www.bankofireland.com/about-bank-of-ireland/corporate-governance.

Notes
- *Akshaya Bhargava stepped down in October 2025.*
- *Hans van der Noordaa joined in October 2025.*

Dear Shareholders,

On behalf of the Group Remuneration Committee (the 'Committee' or 'GRC'), I am pleased to introduce the Committee report on its activities for the year ended 31 December 2025.

The Committee is established by the Board to ensure the Group's remuneration strategy, policies and practices are designed to support the Group's strategy and promote long-term sustainable success. The Committee reports to the Board on how it discharges its responsibilities and makes recommendations to the Board on key matters.

Having served on the Board since 2018, I will be retiring as NED on 30 April 2026 and will step down as GRC Chair. Plans for my successor are progressing and will be announced to the market at the appropriate time, once all required approvals have been secured.

Committee membership and changes

In June 2025, Akshaya Bhargava, who is serving as the WED, joined the Committee, stepping down in October 2025, when Hans van der Noordaa joined the Committee. All members are INEDs from diverse backgrounds, who provide a balanced and independent view on remuneration matters. In order to ensure that remuneration policies and procedures are consistent with effective risk management, shared membership is in place between this Committee and the BRC via Giles Andrews who was a member of both Committees in 2025.

Remuneration strategy and policy

A key role of the Committee is overseeing the design and implementation of the remuneration strategy and policy. The Committee's desired remuneration strategy and policy remains the implementation of a competitive, market-aligned, performance-related remuneration model that is fully compliant with regulatory requirements. This approach is designed to clearly link Group culture and values, risk culture, customer outcomes, and overall Group performance to remuneration, thereby supporting the effective delivery of the Group's strategic objectives. Our Directors' remuneration policy received overwhelming support at the 2025 AGM, with over 98% of shareholders being supportive of our proposals.

A well-designed remuneration strategy is fundamental to attracting and retaining high-quality talent, which in turn underpins the achievement of our strategic ambitions and the delivery of outstanding service to our customers. However, current remuneration restrictions continue to present an ongoing risk to the Group's ability to attract, retain, and appropriately reward colleagues. Notwithstanding the introduction of a Fixed Share Allowance (FSA) for EDs in 2024, and the approved increase in FSA to 100% of salary in 2025, the prevailing variable pay restrictions (which cap variable pay to a maximum of €20,000) continue to:

- limit the opportunity to create and maintain strong alignment between the interest of our EDs, our long-term performance and the achievement and delivery of our strategic objectives; and
- restrict us from providing the same fixed and variable pay mix as our peers and therefore total remuneration opportunity of our EDs continues to remain below the median of our peers.

The Group maintains an ongoing dialogue with the Department of Finance in relation to the remaining remuneration restrictions.

Group performance scheme and annual salary review

The Committee reviewed and agreed the Group Performance Scheme (GPS) pool following an assessment of the Group's profit performance relative to expectations set at the start of the financial year, together with performance against a range of financial and non-financial measures, including affordability, customer and ESG (green lending, customer satisfaction and employee engagement). These measures are set out in detail in the Remuneration Report on page 108.

Report of the Group Remuneration Committee *(continued)*

Based on this assessment, the Committee approved a GPS pool for 2025. In determining the size of the pool, the Committee also considered the Group's overall risk profile and relevant risk events arising during the year. Approximately 10,700 eligible employees, including Executive Directors, participate in the GPS, with individual awards determined by individual performance ratings. For the Executive Directors, this resulted in an outcome of €20,000 - capped by the prevailing remuneration restrictions in Ireland.

The overall annual salary review budget for 2025 was set at c.4% with colleague salary increase levels dependent on each colleague's 2024 individual performance evaluation. A 2026 salary increase will be applied for the EDs in line with the average level for our wider workforce. For further details on Executive Director remuneration, please see page 104.

Workforce engagement

The Group continues to place a strong emphasis on workforce engagement. The WED, who was a member of the Committee during part of the year, conducted a series of colleague interactions during 2025 to obtain feedback directly from colleagues in the form of 'Open Door' sessions covering over 100 colleagues from various businesses and divisional teams.

Colleagues also provided their views through the 'Open View' survey. While colleague engagement scores declined in 2025, our focus in 2026 will be on overseeing the effective implementation of actions to address the concerns raised. The Committee would like to thank all colleagues who participated in the engagement survey for sharing their views on what is working well, as well as highlighting areas where improvement is needed.

External benchmarking indicates that periods of significant change can negatively impact colleague sentiment. Factors such as changes to the hybrid working model and the pace of organisational change have contributed to this environment. While these changes are necessary, the Committee recognises that more can be done to support colleagues through this period of transition.

Committee effectiveness

In accordance with both the UK and Irish Codes, an evaluation of the performance of the Board and its committees, including the Remuneration Committee, was conducted by an external facilitator in 2024 followed by an internal evaluation in 2025. Both reviews found that the Committee was effective during 2024 and 2025.

Looking ahead

The key priorities for the Committee in 2026: aligning our remuneration and reward policy with the updated strategy for 2026 to 2028; overseeing compliance with the EU Pay Transparency Directive; overseeing the Group's engagement with the Department of Finance in relation to the remaining remuneration restrictions; and continuing engagement with colleagues.



Ian Buchanan

Chair of the Group Remuneration Committee

27 February 2026

Principal areas of Group Remuneration Committee focus

Theme	Principal area of focus	Outcomes
Remuneration Strategy & Policy including impact on the Group's risk profile	• Group remuneration strategy, including the remuneration principles. • Group remuneration policy, including the approach for Material Risk Taker (MRT) identification. • Group risk profile and implications of remuneration policies for risk and risk management, including the GPS. • Remuneration approach for the workforce. • Subsidiary remuneration practice.	• Approved the remuneration strategy and policy, including the approach to MRT identification and ongoing suitability in role. The Committee is satisfied that remuneration is properly governed and implemented and does not lead to inappropriate risk taking. • Agreed the GPS pool based on an assessment of the Group's profit performance relative to expectations set at the start of the financial year. The GPS is subject to the €20,000 cap on variable remuneration. • Reviewed workforce remuneration trends and provided appropriate oversight of workforce remuneration trends in the workplace. • Provided oversight of remuneration governance of its subsidiaries, including the approval of the Davy Group remuneration model and bonus pool. Davy colleagues do not participate in the GPS but have their own variable pay schemes.
Remuneration disclosure	• Pillar 3 disclosures, the Remuneration Report, and the CSRD Remuneration disclosures. • Republic of Ireland Gender Pay Gap Report. • Remuneration disclosures for variable remuneration and FSAs for Persons Discharging Managerial Responsibility.	• Approved remuneration-related disclosures as required under Pillar 3, CSRD, governance codes and listing rules. • Approved the publication of the RoI Gender Pay Gap Report. • Ensured disclosures continue to reflect good remuneration practice, strong governance and shareholder expectations.
Governance and review of remuneration practice	• Review of regulatory developments. • Review of workforce remuneration, MRT and top earners, and compliance with the remaining remuneration restrictions. • Review of internal audits relevant to remuneration policy or practice.	• Considered regulatory developments and the outcome of internal audits relevant to the remuneration policy, including oversight of the implementation of appropriate action plans to address any gaps. • Provided oversight of compliance with the remaining variable remuneration restrictions under the terms of the agreement in place with the Irish State and capped at €20,000. The Committee was satisfied that the Group is compliant with the terms under Principle R of both the UK and Irish Codes as far as is possible under the remaining restrictions. • Approved remuneration and reward arrangements for the Chairman, Executive Directors, and senior management (GEC members). In setting Executive Director remuneration, it considered wider workforce conditions. Engagements on pay arrangements for the wider workforce takes place in consultation with the Group's Staff Representative Bodies.
Performance and Remuneration of senior management	• Group CEO's annual performance assessment, performance objectives, and remuneration terms. • Assessment of GEC's collective knowledge and expertise in the context of the Group's risk profile, and ongoing suitability. • Remuneration approach for Senior Officers in independent control functions and MRTs. • Benchmarking and approval of changes to remuneration of senior management (existing and incoming). • Review of Executive Director Remuneration Policy and practice. • Engagement with the Department of Finance on Executive and senior management remuneration in the context of the remaining remuneration restrictions.	• Considered the performance of senior management through Thrive, the Group's performance appraisal process including a review of the Group CEO's annual performance assessment, performance objectives and remuneration terms. • Assessed and approved changes to senior management, including senior remuneration, in line with the Remuneration Policy and regulatory requirements, including the performance and remuneration of Executive Directors. • Confirmed that the GEC's collective knowledge and expertise remains appropriate given the Group's risk profile. • Provided oversight of the remuneration of Senior Officers in independent control functions and MRTs at the time of appointment and at least annually thereafter. • Reviewed workforce remuneration and appropriate benchmarking trends in advance of setting Executive Director and senior management remuneration. • Provided oversight of an appropriate process for the review of the Remuneration Policy and practice in relation to Executive Directors and all colleagues. • Supported the Group's ongoing dialogue with the Department of Finance in relation to the remaining remuneration restrictions.

Principal areas of Group Remuneration Committee focus *(continued)*

Theme	Principal area of focus	Outcomes
Group Chairman and subsidiary NED fees	• Review of the fees paid to the Chairman and NEDs of subsidiary boards.	• Agreed that the Chairman's fee will remain unchanged at €525,000 per annum for 2025 and will be reviewed annually. • Considered subsidiary NED fees, including the time since the last fee review, market benchmarking, and workforce remuneration trends. Fees are kept under review to ensure the Group can attract and retain NEDs with the required skills, experience, and regulatory expertise for each major regulated subsidiary. • Group NED remuneration is not within the Committee's remit and is reviewed by the Chairman, in consultation with the Group CEO, Group Chief People Officer, and Group Company Secretary. Fees are determined by the non-conflicted Board members within shareholder approved limits in accordance with the Constitution. Remuneration for Group NEDs does not include share options or other performance related elements. No director is involved in setting their own remuneration.
Remuneration Advisors	• External and technical advice to support the Committee in their role including remuneration benchmarking and market pay practices. • Assessing performance and independent of external advisors.	• PricewaterhouseCoopers LLP (PwC UK) were appointed as the Committee's advisors in 2024. PwC UK provides technical support and advice to the Committee, including remuneration benchmarking and market pay practices. PwC UK is a signatory to the voluntary code of conduct in relation to remuneration consulting in the UK. PwC UK, and its network firms, provides professional services in the ordinary course of business, including assurance, advisory, and tax advice to the Group. • Reviewed PwC UK's performance during 2025 and confirmed that the information and support received enabled the Committee's work. • Concluded that the advice received is independent and objective following a review of the annual statement setting out the protocols followed by PwC to maintain independence. • There are no connections between PwC and individual Directors to be disclosed.

Key elements covered in the Remuneration Report
The remuneration report on pages 103 to 111 provides details on:
- the review of our current Directors' remuneration policy approved by shareholders at the 2025 AGM, and current Executive Directors remuneration;
- the remuneration changes for the wider workforce;
- the 2025 Group Performance Scheme outcome;
- the alignment of Executive Directors' remuneration to the wider workforce;
- Director fees;
- the 2026 remuneration policy.

Report of the Group Audit Committee



Richard
Goulding
Chair of Group Audit Committee

Meetings attended / eligible to attend

Richard Goulding	12/12
Eileen Fitzpatrick	4/4
Michele Greene	12/12
Steve Pateman	12/12
Margaret Sweeney	12/12
Emer Finnan	6/6
Niamh Marshall	6/6

Committee responsibilities

- Monitoring the quality and integrity of the financial statements.
- In collaboration with BRC, oversee the effectiveness of the Group's internal controls including accounting, financial reporting, and risk management systems.
- Monitoring and reviewing the effectiveness of the Group's Internal Audit function and its operations.
- Monitoring and reviewing all matters relating to the relationship between the Company, including its subsidiaries and the external auditors of the Group.

For more information on the Committee's responsibilities, please see: www.bankofireland.com/about-bank-of-ireland/corporate-governance.

Notes
- *Eileen Fitzpatrick retired on 22 May 2025.*
- *Niamh Marshall and Emer Finnan joined on 23 June 2025 and 9 July 2025 respectively.*
- *Common membership between the Committee and the BRC was maintained during 2025.*

Dear Shareholders,

On behalf of the Group Audit Committee (the 'Committee' or 'GAC'), I am pleased to present the Committee report on its activities for the year ended 31 December 2025. Over the past year, the Committee has continued to oversee the integrity of the Group's financial reporting, and the system of risk management and control.

Having served on the Board since 2017, I will be retiring as NED on 31 March 2026 and will step down as GAC Chair. Plans for my successor are progressing and will be announced to the market at the appropriate time, once all required approvals have been secured.

Committee composition and focus

The Committee is composed of experienced INEDs who have the appropriate financial expertise and commercial acumen that the Committee requires to fulfil its responsibilities.

The Committee's composition changed during 2025 as we welcomed Niamh Marshall and Emer Finnan, who bring extensive experience in accounting and financial services. Eileen Fitzpatrick retired from the Board and GAC on 22 May 2025. On behalf of the Committee I would like to thank Eileen for her significant contribution to the Committee during her tenure.

The Committee met twelve times during 2025, including two joint meetings with the BRC, and one joint meeting with the GSC. Maintaining interconnectivity with other committees, including the GAC and BRC, enhances our governance across key areas of internal control and risk.

The Committee also held private sessions with members of senior management and with each of the Internal and External Audit teams, the Group CFO and the Group CEO.

Committee effectiveness

In accordance with both the UK and Irish Codes, an evaluation of the performance of the Board and its Committees, including the GAC was conducted by an external facilitator in 2024 followed by an internal evaluation in 2025. The results of both reviews confirm the Committee continues to be effective. Further information on the review can be found on pages 80 to 81.

Group internal audit

In 2025, the Committee approved the appointment and successful transition of a new GCIA, Michelle McGreal, and expressed appreciation to the outgoing auditor, Steve Sanders, for his significant contribution. The Committee continued its oversight of GIA and will ensure that the quality, experience, and expertise of the GIA function continues to be commensurate with the development of the business.

Speak-Up

I continued as sponsor of the Speak-Up Policy and received regular updates on the effectiveness of the Speak-Up process including case volumes, emerging trends, investigation outcomes and actions taken The policy remains effective within its three-year cycle and has been subject to regular internal and external review to ensure alignment with the Protected Disclosures Act and to promote awareness across the Group.

External auditor

The Group's external auditor, KPMG was re-appointed as external auditor at the AGM in March 2025. In accordance with the provisions of the EU Audit Framework, the Group must change external audit firm no later than 2028. The EU Framework supplements the UK Code which recommends the tendering of the external audit contract at least every ten years. A formal external audit tender process will commence in 2026 and the appointment will take effect from the 2028 financial year onwards. The GAC will oversee the tender process and facilitate the smooth transition of audit services.

Motor finance

During 2025, one of the Committee's most significant areas of focus was the consideration of provisions in respect of the Financial Conduct Authority's (FCA) review into historical motor finance commission arrangements. The Committee considered in detail and reviewed and challenged management's assessment of the outcomes and impact, including interim adjustments to the provision as announced in October 2025.

Report of the Group Audit Committee *(continued)*

The Committee is satisfied that the provision recognised at 31 December 2025 is appropriate based on the information presented, noting that uncertainty remains on potential payout and take-up rate assumptions.

The Committee will continue to reflect on the findings of the FCA review and the provision will remain under close review throughout 2026.

Key judgements and financial reporting

The GAC and BRC (given the BRC's responsibility for the oversight of credit risk which influences the impairment metrics reviewed by the GAC) continued their specific focus on the approach to and implementation of management judgement (including overlays) for the Expected Credit Loss (ECL) models to account for the expected impairment arising from elevated interest rates, climate risk, geopolitical events and other risks. Much of this consideration took place in conjunction with the BRC, following which the Committees made recommendations to the Board regarding the approach and quantum of the proposed net impairment loss applied to the Group's financial statements.

As part of its oversight of significant judgement areas, the Committee also conducted a deep dive into the Group's capitalisation and impairment of computer software intangible assets, including the governance, assumptions and judgements underpinning these balances.

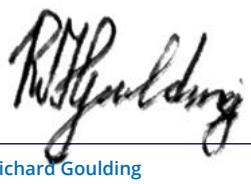
Further information on some of these significant judgement items is set out in note 2 critical accounting estimates and judgements.

The Committee also considers, provides challenge to, and ultimately recommends, the annual and semi-annual Pillar III Disclosures to the Board for approval. It also considers and approves the Country-by-Country report required under the CRD.

Overall, the Committee was satisfied that the 2025 Annual Report, including the financial statements, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's position, performance, business model and strategy.

Looking ahead

The Committee's priorities for 2026 include the commencement of the external tender process for the new Group external auditor, oversight of the Group Finance Transformation programme, the continued embedding of the RMF across the organisation, ensuring compliance with relevant changes arising from the UK and Irish Codes, and maintaining oversight of the Group's financial reporting.



Richard Goulding

Chair of the Group Audit Committee

27 February 2026

Principal areas of Group Audit Committee focus

Financial and non-financial reporting

The GAC evaluated various accounting judgements and reporting matters during the development of Bank of Ireland Group's financial reporting in 2025. The Committee considered the annual reporting suite and announcements, interim results, and other key financial and non-financial publications for submission to Board for approval.

A summary of the Committees considerations in relation to those judgements and estimates is set out below and further details on these matters is disclosed in note 2, critical accounting estimates and judgements.

Theme	Principal area of focus	Outcomes
Impairment of financial assets	• Judgements based on IFRS 9 requirements in determining the classification of and measurement of financial instruments. • Consideration of Group management adjustments, management judgement, post model adjustments and the application of FLI in the impairment model parameters. • Assessment of net impairment loss for the year; and quantum of NPE's. • Consideration of the Group Credit Risk Policy and Group Impairment Policy and the criteria for measuring impairments and criteria for classifying financial assets as NPEs.	• The Committee is satisfied that the classification and measurement of financial assets and the net impairment loss for the year, has been appropriately determined in accordance with the Group's methodologies and IFRS 9. • Associated accounting disclosures are appropriate based on the relevant accounting standards including IAS 1 and IFRS 7. • The Committee, in conjunction with the BRC, considered and made recommendations to the Board regarding the approach to and measurement of the proposed net impairment loss applied to the Group's 2025 financial statements. • The full year impairment loss allowance reflects impairment increases relating to underlying portfolio activity (primarily in the Corporate Banking Division), model methodology enhancements and an increase in post model adjustments versus 2024. • The impairment models are approved for use by the Risk Measurement Committee and are maintained and executed by a specialist central unit within Group Risk. The Committee reviewed the impact of key model changes and of management overlays made during the year.
Provisions, liabilities and commitments	• Consideration of the level of provisions for regulatory, litigation and conduct issues throughout the year. • UK Motor Finance and Northridge Commission findings. • Review and challenge of management assessment of provision requirement and associated disclosures.	• The Committee reviewed the levels of provisions during the year for regulatory, litigation and conduct matters, and was satisfied these were appropriate. • The Committee considered the evolving UK Motor Finance situation in depth, including the FCA's findings, the implications of the s166 review, the Supreme Court's August 2025 judgment and FCA consultation process on a compensation framework for customers potentially treated unfairly between 2007 and 2024. • Management continues to assess that a present obligation exists for the Group's UK Northridge motor finance business until the FCA's conclusions and the final redress structure are confirmed. • In determining the provision, the Committee drew on internal and external legal advice and evaluated management's assessment of the basis of the provision. • On the basis of the review performed, and considering the requirements of IAS 37 'Provisions, Contingent Liabilities and Contingent Assets', the Committee is satisfied with management's recommendation of the provision level at 31 December 2025 and that the disclosures included in note 39 provisions are appropriate.
Retirement benefit obligations	• Consideration of management's key assumptions and judgements in determining the actuarial values of pension liabilities under IAS 19 'Employee Benefits'. • Assessment of significant actuarial assumptions including discount rates, inflation rates and mortality assumptions in valuing liabilities in Ireland and the UK.	• The Committee reviewed the key assumptions proposed by management based on advice from independent actuaries, Willis Tower Watson, in valuing liabilities in both Ireland and the UK. • The Committee, is satisfied that the inflation rates, discount rates, mortality assumptions and other significant assumptions are appropriate and that the accounting for the Group's sponsored defined benefit pension schemes and related disclosures are in accordance with IAS 19.
Life assurance accounting	• Consideration of management's key assumptions and judgements used in determining the value of the insurance contract liabilities, including interest rate and unit growth rates, lapse rates, mortality, morbidity and expenses under IFRS 17.	• The Committee is satisfied that the significant assumptions are appropriately applied and that the accounting for the Group's insurance contract liabilities is appropriate, based on the requirements of IFRS 17.

Principal areas of Group Audit Committee focus *(continued)*

Theme	Principal area of focus	Outcomes
Intangible assets - capitalisation and impairment	• Consideration of the appropriateness of management's internal controls and governance for the capitalisation of costs related to intangible assets, recognised under IAS 38 'Intangible Assets'. • Consideration of management's assessment of the existence of impairment indicators in respect of certain intangible computer software assets and the impact on the carrying value of those assets, in accordance with IAS 36 'Impairment of Assets'.	• The Committee considers the level of the impairment charge to be recognised in 2025, and the policy in relation to the capitalisation of costs related to intangible assets, as reasonable and in line with the requirements of IAS 36 and IAS 38.
Viability statement	• Consideration of the viability statement and expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of assessment, in accordance with the requirements of the UK and Irish Codes.	• The Committee undertook a robust assessment of the principal risks facing the Group over the next three years, including those that would threaten its business model and future performance, solvency and liquidity. • The Committee concluded that there is a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment. • The Committee was satisfied that a three-year period was a suitable timeframe for the viability statement, having regard to existing relevant processes and frameworks, which are performed over time periods ranging from six months to three years.
Recoverability of the carrying value of the investment by BoIG plc in GovCo	• Consideration of management's impairment assessment of BoIG plc's investment in GovCo.	• The Committee reviewed the management's key assumptions and judgements in relation to the circulation of the recoverable amount and is satisfied that the key assumptions are appropriate, and no impairment of the investment is required at 31 December 2025.
Going concern	• Consideration of management's assessment of the appropriateness of preparing the financial statements of the Group for the year ended 31 December 2025 on a going concern basis.	• The Committee considered the performance of the Group's business, profitability projections, funding and capital plans, under both base and plausible stress scenarios, including consideration of a range of other factors such as the economic outlook for the Irish economy and the current global macroeconomic and geopolitical environment. • On the basis of the review performed and the discussions with management, the Committee is satisfied that there are no material uncertainties related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern over the period of assessment. • This assessment together with the Going Concern disclosure (as set out on page 297 within the Accounting Policies in note 1) was subsequently approved by the Board.
Corporate sustainability reporting	• Review of management's Environmental, Social, and Governance (ESG) processes and assessment of ESG topics that impact the Group's business, as well as those influenced by the Group's operations, in alignment with the CSRD. • Oversight of the CSRD reporting and annual assurance process to ensure the information reported is in accordance with the European Sustainability Reporting Standards adopted. • Oversight of the effectiveness of the Group's internal control framework and risk management systems and its internal audit, regarding the CSRD reporting of the Group.	• The Committee updated the Board of the outcome of the statutory audit and the outcome of the assurance of CSRD reporting and how it contributed to the integrity of financial reporting and sustainability reporting respectively. • The Committee endorsed the Group's CSRD reporting process, providing assurance to the Board for their consideration. • The Committee is satisfied that the Group's FY25 CSRD disclosures are appropriate and in line with the ESRS reporting requirements.
IT risk	• Consideration of management's assessment, management and mitigation of IT risks including GIA and KPMG's findings of the internal control environment and actions arising therefrom.	• On the basis of the review performed, discussions with management and the continued operation of the comprehensive internal control framework over financial reporting, the Committee is satisfied that these risks do not impact financial reporting processes.

Principal areas of Group Audit Committee focus *(continued)*

Internal audit

The GAC is responsible for overseeing the Internal Audit function, monitoring its effectiveness and independence.

Theme	Principal area of focus	Outcomes
Internal audit opinions	• Consideration of Internal Audit opinions regarding the performance of the governance, risk management, and internal control framework, and proposed actions.	• The Committee oversaw implementation of improvement actions from the 2024 External Quality Assessment and 2025 follow up, noting good progress and GIA's commitment to high standards. • The Committee assessed management's responses to key audit findings to ensure timely completion.
Annual internal audit plan & budget	• Agreement of Internal Audit's annual plan and budget and any significant adjustments necessary during the year.	• The Committee approved the annual audit plan which focused on key risk areas. • The Committee approved the annual budget, noting no material change from prior year.
Internal audit charter	• Approval of the Internal Audit Charter.	• The Committee reviewed and approved the Internal Audit Charter which is consistent with prior years and confirmed the ongoing independence of the Internal Audit Function.
Performance evaluation	• Assessment of the effectiveness of the Internal Audit function and associated skills and capabilities.	• The Committee recommended the appointment of the new Group Internal Auditor, Michelle McGreal. • In 2025 the Group Internal Auditor continued to report to the GAC Chair with a secondary reporting line to the Group CEO. • The Committee oversaw implementation of improvement actions from the 2024 External Quality Assessment and 2025 follow up, and were satisfied with the progress made.

External audit

The GAC has responsibility for monitoring the independence and objectivity of the external auditor, the effectiveness of the audit process and for reviewing the bank's financial relationship with the external auditor and fixing its remuneration.

Theme	Principal area of focus	Outcomes
External auditor appointment and audit partner	• Oversee the appointment / re-appointment of the external Auditor on an annual basis. • Oversight of the lead partner including resolution of any points of disagreement with management.	• The Group's external auditor, KPMG was appointed as the Group's external auditor on 19 April 2018, following an external tender process and has since been re-appointed as external auditor on an annual basis. • The Committee oversees the Group's relationship with KPMG, and KPMG's lead audit partner for the Group attends Committee meetings.
Annual audit plan and fees	• Agreement of the External Audit engagement terms, audit plan, assurance services and fees.	• The Committee reviewed KPMG's engagement terms, including remuneration and plans for the interim and year-end audits. It also considered KPMG's findings, conclusions, and recommendations from these audits. • The fees paid to KPMG for the year ended 31 December 2025 amounted to €8.5 million (2024[1]: €8.9 million), of which €1.8 million (2024[1]: €2.4 million) was payable in respect of assurance services. • Assurance services represented 27% of the statutory audit fee (2024[1]: 37%). Further information on fees paid and details in respect of audit and assurance services provided during the year are set out in note 13 to the consolidated financial statements 'auditor's remuneration'. • The interim review fee of €0.2 million is reflected on the assurance services line.

[1] *Comparative figures have been restated to reflect additional other assurance services recognised in the 2025 income statement for incremental fees related to the 2024 CSRD assurance engagement.*

Principal areas of Group Audit Committee focus *(continued)*

External audit *(continued)*

Theme	Principal area of focus	Outcomes
Independence	• Oversight of safeguards to protect External Auditor Independence.	• The Committee is satisfied that appropriate safeguards are in place to protect KPMG's independence and objectivity and operates a policy governing non-audit services to ensure compliance with the IAASA Ethical Standard (Ireland) 2020, the FRC Ethical Standard 2019, and applicable legislation. • To safeguard auditor independence and objectivity, the policy restricts certain non-audit services and requires all such services to be pre-approved by the Committee or, if outside regular meetings, by the Committee Chair. Non-material services may be approved by designated senior management. • Annually, expected non-audit services are presented for pre-approval, and any additional services beyond these require specific approval.
Annual evaluation	• Assessment of the effectiveness of the External Audit function and associated skills and capabilities.	• The Committee reviewed the independence and effectiveness of the external audit process, assessing performance across key areas including process, delivery, reporting, people, and service. • It concluded that KPMG demonstrated appropriate independence, quality, and performance for the year ended 31 December 2024 and recommended their re-appointment at the 2025 AGM.

Other areas of focus

Theme	Principal area of focus	Outcomes
Internal controls	• Oversight of the effectiveness of the Group's internal controls, in collaboration with the BRC.	• The Committee considered the effectiveness of the Group's internal controls, including accounting, financial reporting, and risk management systems. Based on the oversight activities of the GAC and the oversight activities of the BRC, the Committee acknowledged the continued improvement in the financial risk management and control environment and is satisfied that internal controls over financial reporting are operating effectively at the reporting date.
Subsidiary oversight	• Oversight of subsidiary audit processes and findings.	• The Committee considered updates from the Audit Committee Chairs and Head of Audit for each of BoI (UK) plc, Davy, NIAC, and BoIMB, as well as minutes of each Committee meeting.
Committee independence	• Ensuring the Group Audit Committee acts independently of the Executive with appropriate co-ordination with BRC ensuring effective governance across key areas of internal control. • The Committee composition includes members with recent and relevant financial experience and proficiency in accounting or auditing.	• The Committee acts independently of the Executive. All members of the Committee are INEDs with relevant financial experience and their biographies can be found on pages 56 to 59. • The Committee's composition meets all applicable requirements, including the necessity for recent and relevant financial experience. • Common membership between the Committee and the BRC was maintained during 2025 through the membership of both committees of Emer Finnan, Niamh Marshall, Steve Pateman, Michele Greene (Chair of the BRC).

Report of the Board Risk Committee



Michele
Greene
Chair of Board Risk Committee

Meetings attended / eligible to attend

Michele Greene	8/8
Giles Andrews	8/8
Ian Buchanan	4/4
Emer Finnan	4/4
Richard Goulding	8/8
Niamh Marshall	4/4
Steve Pateman	8/8

Committee responsibilities

- Assisting the Board in ensuring that risks are properly identified, reported, assessed, and controlled.
- Ensuring that the Group's strategy is informed by and aligned with risk appetite across a range of dimensions.
- Making recommendations to the Board or approving, under delegation, certain risk matters and maintaining oversight of the Group's risk profile, including adherence to the Group's risk principles, policies, and standards.
- Overseeing the implementation of the Group's Risk Management Framework, constituent policies, adherence to the risk appetite and management of risk within operational limits.

For more information on the Committee's responsibilities, please see: www.bankofireland.com/about-bank-of-ireland/corporate-governance.

Notes
- *Ian Buchanan stepped down in June 2025.*
- *Niamh Marshall joined in June 2025 and Emer Finnan joined in July 2025.*

Dear Shareholders,

On behalf of the Board Risk Committee (the 'Committee' or 'BRC'), I am pleased to introduce the Committee report on its activities for the year ended 31 December 2025. This report outlines the responsibilities of the BRC, its membership and meeting attendance, the matters it has considered over the course of the year, and the Committee's future priorities.

External environment

During 2025, the Committee focused on the financial and non-financial risks arising from the macroeconomic environment and geopolitical tensions that emerged throughout the year. 2025 saw substantial geopolitical and macroeconomic events, including but not limited to tensions in the US-EU trade relations culminating in the introduction of new tariffs, the sovereign rating downgrade of France, UK budgetary concerns and the increasing risk of an AI bubble burst. Significant focus was applied by BRC to understanding the potential impact of these events in light of Ireland's position as an open economy with a substantial dependency on foreign direct investment, in particular from the US, and overseeing management's approach to the changing risk environment. Although the full impact of these events and risks is yet to be realised, the BRC takes some comfort in Group's limited direct exposure to these risks and the continued robustness of the Irish economy. Nevertheless, the Committee acknowledges that further trade tensions or an AI-driven market correction could contribute to a broader economic slowdown, which may have secondary impacts on the Group's consumer and corporate books.

To address the risks inherent in the Group's portfolio and operations, the Committee discussed the Group's risk profile and responses to these economic challenges and any associated novel risks.

Risk management framework

To deliver on Group's Business Strategy, it is essential that we have a clear and robust Risk Management Framework (RMF) which sets out our Group-wide approach to risk management, and the role that each one of our colleagues plays in managing our risks. For that reason, building on the work progressed in 2024, an updated RMF was implemented in 2025, simplifying our approach to risk management, clarifying what is expected of colleagues, and enhancing our risk capability. The implementation of this RMF went hand in hand with various initiatives to enhance the risk culture in Group, through the delivery of company-wide training and communications, and other initiatives to raise risk awareness. The RMF is subject to continuous improvement and ongoing embedding.

We believe that great risk management leads to great customer outcomes, and will help us to deliver on the strategic pillars of our Strategy: Stronger Relationships, Simpler Business, and a Resilient Company.

The Committee reviewed a number of deep dives into both financial and non- financial risk areas across the Group. These were led by the relevant senior First Line of Defence business leaders, together with an independent assessment of these areas by senior members of Group Risk, our Second Line of Defence function.

Areas of focus in these deep dives included the Group's Credit Risk profile and its Cyber Risk capabilities posture, continued enhancements in Data quality and Operational Resilience. The Committee was presented with deep dives on the US and European Leveraged Acquisition finance (LAF) portfolios, and the potential impacts of US Tariffs on the loan book.

Key decisions

The Committee partners with other Board-mandated committees where appropriate to ensure that a holistic approach is taken to business concerns, covering a wide range of business and risk activities.

The Committee reviewed securitisation transactions, including a Credit Risk Transfer transaction, and recommended them to the Board for approval.

The Committee reviewed the annual ICAAP and ILAAP. It assessed whether capital and liquidity levels were adequate under base and stressed scenarios. The Committee recommended these assessments to the Board for final approval.

Regulatory and climate risk focus

The Committee considered enhancements to the Group's ESG risk materiality assessment and a new climate stress scenario within ICAAP, consistent with updated EBA guidelines.

Report of the Board Risk Committee *(continued)*

The Committee recognises that climate risk concerns will grow in importance, and risk mitigation will need to evolve accordingly to ensure the Group remains resilient, forward-looking and aligned with emerging regulatory expectations.

Other areas of focus during 2025 included Conduct Risk and assessments of the regulatory landscape, together with the Group's adherence to regulatory guidance and expectations.

Another area of focus was the Group's modelling capabilities. Recognising this increasing focus on models, elevated regulatory focus and the need to ensure appropriate oversight and prioritisation, Model Risk was elevated to a Level 1 Risk Type in 2025.

Committee effectiveness & member attendance

The Committee met a total of 8 times on a standalone basis in 2025. The Committee met jointly with GTOC to consider the risk aspects of investment allocation, as well as risk data aggregation and risk reporting compliance. In addition, the Committee held two joint sessions with the GAC to discuss impairment. These joint meetings and inter-committee communications allow the BRC to oversee risk more comprehensively across these important areas of common interest and overlap.

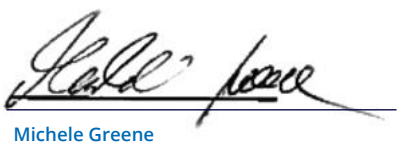
Board consideration of risk-related issues is also enhanced by Members serving on more than one Board sub-committee. There is common membership between the BRC and each of the GAC, GRC, GTOC and GSC, and is maintained as follows:

Committee	Common Members with the BRC
GAC	Richard Goulding, Steve Pateman, Michele Greene, Emer Finnan, Niamh Marshall
GRC	Giles Andrews
GTOC	Giles Andrews, Richard Goulding
GSC	Giles Andrews, Michele Greene

The Committee holds private sessions with senior management during the year. During 2025, the Committee met in private sessions (without other members of executive management being present) with each of the Group CRO and former Group Chief Compliance Officer.

The Group CRO has full access to the Committee and normally attends all meetings. The GCIA and members of the wider Executive also attend meetings as appropriate and at the invitation of the Committee Chair.

The Committee supported the new Group CRO throughout his onboarding process in 2025. During this period, John Hall departed the Group, and Enda Nolan assumed the role of Group Chief Compliance Officer on 23 September 2025.



Michele Greene

Chair of the Board Risk Committee

27 February 2026

The Committee's effectiveness is reviewed formally on an annual basis. As referenced in the Chairman's Report, the 2025 annual Board and Committee effectiveness review concluded internally in December 2025 and more details can be found on page 80.

How the Committee discharged its responsibilities

Activities outside formal meetings

As BRC Chair, I meet members of management regularly on key topics and formally with the Group CRO and his team in advance of each formal meeting to ensure preparedness for effective and efficient Committee meetings.

Connectivity with material subsidiary risk committees

During 2025, the BRC continued to actively engage with material subsidiary risk committees through the scheduled participation of material subsidiary risk committee chairs at relevant GRC meetings. This meeting is also attended by the subsidiary CROs.

This participation and connectivity supports the effective sharing of information and best practices between the BRC and material subsidiary risk committees. The BRC also receives regular reports from the Group CRO on the key risks facing material subsidiaries, ensuring appropriate oversight and alignment across the Group. These interactions enhance the BRC's understanding of the risk profile of the Group, leading to a comprehensive review and challenge by the BRC.

Engagement with executive risk committees

During 2025, the BRC continued to receive reports on the considerations of three key executive risk committees on material topics, namely the ERC, the ALCO and the Risk Measurement Committee.

These reports, together with regular interactions with executive risk committee chairs and members provide insights into the strength of the Group's executive governance capabilities and the due regard with which material risk topics are considered and challenged by management.

While not intended to be exhaustive, the table below sets out the number of Committee considerations and conclusions across key topics during the year.

Looking ahead

The committee's focus will continue to be on appropriate oversight of the embedding of the RMF, strengthening of the Group's operational resilience and safe delivery of the updated strategy in line with the Group's risk appetite.

This has been a productive year, and I would like to express my gratitude to my fellow Directors for their commitment and support.

Principal areas of Board Risk Committee focus

Theme	Principal area of focus	Outcomes
Credit risk	• The Committee reviewed and challenged a number of 'deep dives' into credit risk portfolios during the year. • Customer affordability constraints continued to ease as interest rates declined. Commercial property market conditions showed signs of recovery. Asset quality in retail portfolios and most non-retail portfolios remained strong, supported by a relatively benign economic environment in RoI and UK. • Geopolitical risks, such as potential/actual tariffs, regional conflicts and changes in political direction especially in the US, were monitored and discussed by the Committee during the year. Such risks contributed to an increase in NPEs in the US Leveraged Acquisition Finance portfolio, which accounts for c.2% of the Group's loan book. • Credit risk early warning indicators are reviewed regularly by the Committee to monitor trends in key portfolios and challenge management on actions underway.	• Credit quality is satisfactory. The Group's key economies are stable or growing and the interest rates have reduced or are reducing. Group NPEs remain under 3% of the loan book. Geopolitical risks have been somewhat elevated and are closely monitored.
Capital adequacy risk	• Regular reviews are undertaken to ensure that Regulatory capital ratios have appropriate buffers above the Group's own minimum targets and regulatory requirements. The BRC considered the impacts of future capital requirements and capital availability and reviewed in detail the ICAAP, including stress scenarios.	• The Group holds sufficient capital to meet its regulatory and business requirements over its planning horizon.
Funding and liquidity risk	• Regular reviews are undertaken to ensure that the Group is compliant with all risk appetite measures and regulatory liquidity requirements. The Committee reviewed the results of regular stress testing and of the ILAAP.	• The Group continues to be fully compliant and has no issues with market access or pricing. • The Group remains vigilant to macro events where potential triggers specific to the Group's business model (e.g. decline in Irish housing market) or Group specific (e.g. regulatory fine for past misconduct) could lead to negative market reaction, impact on financials or further regulatory impact. The Group has mitigating actions in place for such events including monitoring of social media activity, volatility in the wider sector, communication plans and recovery and resolution planning.
Market risk	• Regular reviews are undertaken to ensure that the Group is compliant with all risk appetite measures across credit spread risk, discretionary risk, Value at Risk (VaR) and scenario-based stress testing.	• The Group continues to be fully compliant with risk appetite.

Principal areas of Board Risk Committee focus *(continued)*

Theme	Principal area of focus	Outcomes
Operational risk	• Managing Operational risk continues to be a key focus for the Group, due to the complexity and volume of change, the IT and data infrastructure, cyber risk, and reliance on and management of third-party suppliers. The BRC focuses on ensuring the Group has an effective framework for managing operational risk, including enhancing policies to ensure that appropriate risk mitigation standards are explicit and comprehensive, and that residual risk reporting captures the potential for negative outcomes. In 2025 the Committee conducted deep dives into a variety of operational risks to monitor compliance with risk mitigation standards and oversee the effectiveness of controls. • Given the importance of data in underpinning the Group's digital strategies, the Committee has continued to focus on data management including: (i) the Roadmap to migrate remaining data onto the Group's strategic data infrastructure (ii) the operating model for managing data, and (iii) embedding of data controls.	• The Group continues to enhance and refine its approach to Operational risk management, noting progress made during 2025 on Operational Risk Reduction Plans and overseeing implementation and embedding of the updated RMF. • The Committee conducted a deep dive into data management and financial & regulatory reporting. The Committee continued to challenge management on the uplifting and embedding of data and reporting policy standards and controls.
Regulatory risk	• Managing Regulatory Risk continues to be a key focus for the Group due to the level of regulatory engagement and complexity, pace, and volume of regulatory change to be managed. The BRC continued to work though a full regulatory and compliance agenda in 2025, considering the outcomes of regulatory reviews and regular reporting of the status of regulatory actions arising from supervisory activities, including SREP. The regulatory and compliance change agenda is expected to remain active in 2026. The Group will maintain its focus on continuing compliance with the existing regulatory requirements of the jurisdictions in which it operates.	• The Group has applied lessons learned from previous regulatory feedback in order to enhance its regulatory standing and continues to meet its regulatory and compliance requirements on an ongoing basis.
Conduct risk	• The effective management of Conduct risk is essential to serving our customers and creating the right culture. In 2025, the BRC considered deep dives on aspects of Conduct risk including financial crime and product design and delivery.	• The Group continues to prioritise Conduct risk matters and seeks to minimise any forms of customer harm or detriment.
Business and strategic risk	• The BRC recognises the risks in delivering the approved strategy and supporting Business Plans, particularly in the context of geopolitical conflict and the knock on impact of this on supply chains and global growth. • The Committee also monitors any changes in the market that may impact the business model.	• The Committee considers the risk of ongoing geopolitical uncertainty on the operating environment and monitors the aggregate risk profile against risk appetite limits to determine sensitivities and potential impact on operations and customers.

Principal areas of Board Risk Committee focus *(continued)*

Theme	Principal area of focus	Outcomes
Model Risk	• The Committee continued to receive updates on the Model Risk profile and progress against key regulatory deliverables. The Committee endorsed the proposal to elevate Model Risk to a Level 1 Risk Type, ensuring it receives appropriate prioritisation and enhanced oversight of actions taken to strengthen model risk management and controls.	• The Committee endorsed the updated Model Risk profile whilst providing challenge to ensure regulatory expectations are met. The Committee will continue to closely monitor progress against agreed actions and is satisfied the Group remains appropriately capitalised to absorb these risks.
Subsidiary Oversight	• Understanding the risk profile of subsidiaries to enhance challenge and oversight of risks faced by the Group.	• The BRC continued to actively engage with material subsidiary risk committees. This connectivity supports the effective sharing of information and best practices between the BRC and material subsidiary risk committees. • The BRC also received regular reports from the Group CRO on the key risks facing material subsidiaries, ensuring appropriate oversight and alignment across the Group These interactions enhance the BRC's understanding of the risk profile of the Group, leading to a comprehensive review and challenge by the BRC.
Committee Independence	• Ensuring the BRC acts independently of the Executive with appropriate co-ordination with GAC ensuring effective governance across key areas of internal control. • The committee composition includes members with recent and relevant experience.	• The Committee acts independently of the Executive. • The Committee's composition meets all applicable requirements, including the necessity for members to have extensive knowledge of financial markets, consumer banking, risk management, as well as broad experience in technology, digital and operations. There is also a keen awareness of the importance of taking all reasonable steps to ensure good customer outcomes. The Members' biographies can be found on pages 56 to 59. • Common membership between the Committee, GAC, GRC, GTOC and GSC was maintained during 2025 as noted on page 93.

Attendance table

The table below reports Directors' attendance at scheduled and out of course Board and Committee meetings in 2025.

	Board		Audit Committee		Nomination & Governance Committee		Remuneration Committee		Risk Committee		Group Transformation Oversight Committee		Group Sustainability Committee	
	A	B	A	B	A	B	A	B	A	B	A	B	A	B
Giles Andrews	11	11	3	3	-	-	6	6	8	8	6	6	5	5
Akshaya Bhargava	11	11	-	-	6	6	2	2	-	-	-	-	-	-
Ian Buchanan	11	11	1	1	4	4	6	6	4	4	6	6	-	-
Emer Finnan *(appointed 9 July 2025)*	5	5	6	6	-	-	-	-	4	4	1	1	-	-
Eileen Fitzpatrick *(retired 22 May 2025)*	5	5	4	4	2	2	-	-	-	-	-	-	3	3
Richard Goulding	11	11	12	12	6	6	-	-	8	8	6	6	-	-
Michele Greene	11	11	12	12	4	4	-	-	8	8	4	4	5	5
Niamh Marshall *(appointed 23 June 2025)*	6	6	6	6	-	-	-	-	4	4	1	1	-	-
Hans van der Noordaa *(appointed 10 October 2025)*	3	3	-	-	-	-	1	1	-	-	1	1	1	1
Myles O'Grady	11	11	-	-	-	-	-	-	-	-	-	-	-	-
Steve Pateman	11	11	12	12	-	-	-	-	8	8	2	2	-	-
Mark Spain	11	11	-	-	-	-	-	-	-	-	-	-	-	-
Margaret Sweeney	11	11	12	12	-	-	6	6	-	-	3	3	2	2

Column A: Indicates the number of meetings held during the year the Director was eligible to attend.
Column B: Indicates the number of meetings attended.

Committee Tenure
(at 31 December 2025)

Group Audit Committee	Board Risk Committee	Group Remuneration Committee
Richard Goulding *1 August 2018 (Member) 28 February 2024 (Chair)*	**Michele Greene** *1 December 2019 (Member) 1 January 2024 (Chair)*	**Ian Buchanan** *1 January 2022 (Member) 1 January 2024 (Chair)*
Emer Finnan *(9 July 2025)*	**Giles Andrews** *(17 November 2020)*	**Giles Andrews** *(17 November 2020)*
Michele Greene *(7 March 2023)*	**Emer Finnan** *(9 July 2025)*	**Hans van der Noordaa** *(10 October 2025)*
Niamh Marshall *(23 June 2025)*	**Richard Goulding** *(20 July 2017)*	**Margaret Sweeney** *(1 October 2023)*
Steve Pateman *(1 September 2018)*	**Niamh Marshall** *(23 June 2025)*	
Margaret Sweeney *(1 October 2023)*	**Steve Pateman** *(1 September 2018)*	
Group Nomination & Governance Committee	**Group Transformation Oversight Committee**	**Group Sustainability Committee**
Akshaya Bhargava *1 January 2025 (Member & Chair)*	**Giles Andrews** *17 November 2020 (Member) 7 March 2023 (Chair)*	**Margaret Sweeney** *23 May 2025 (Member & Chair)*
Ian Buchanan *(1 June 2025)*	**Ian Buchanan** *(1 July 2018)*	**Giles Andrews** *(1 February 2022)*
Michele Greene *(1 June 2025)*	**Richard Goulding** *(1 August 2018)*	**Michele Greene** *(1 February 2022)*
Richard Goulding *(1 January 2021)*	**Hans van der Noordaa** *(10 October 2025)*	**Hans van der Noordaa** *(10 October 2025)*
	Margaret Sweeney *(1 June 2025)*	

Report of the Directors

Results
In 2025, the Group made a profit before tax of €1,393 million (2024: €1,855 million) and a profit after tax of €1,201 million (2024: €1,531 million). €1,201 million (2024: €1,531 million) of profit after tax is attributable to ordinary shareholders with no profit after tax attributable to non-controlling interests (NCI) (2024: €nil).

Distributions
Over the next strategic cycle, the Group's objective is to maintain a progressive dividend per share (DPS) supported by an ordinary dividend payout ratio of c.50% of attributable profits. The Board will also consider the distribution of surplus capital on at least an annual basis. The distribution level will reflect, amongst other things, the strength of the Group's capital and capital generation, the Board's assessment of the growth and investment opportunities available, any capital the Group retains to cover uncertainties (e.g. related to the economic outlook) and any impact from the evolving regulatory and accounting environments.

In respect of the 2025 financial year, the Board have proposed a distribution of €1,197 million, including an approved interim ordinary dividend of 25 cents per share (€239 million) in respect of H125 (which was paid to shareholders on 30 October 2025) and a final ordinary dividend of €428 million, equivalent to 45 cents per share, subject to ordinary shareholder approval, and a share buyback of €530 million which has been approved by the ECB. The final ordinary dividend of 45 cents per share will be paid on 9 June 2026 to ordinary shareholders who appear on the Company's register on 24 April 2026, the record date for the dividend, subject to shareholder approval. The combination of the ordinary dividend and the share buyback represents a distribution payout ratio of 100% for 2025.

Group activities
The Group provides a range of banking and other financial services. The Strategic Report on pages 3 to 26 and Financial Review on pages 27 to 50 contains a review of the results and operations of the Group, of most recent events, and of likely future developments.

In relation to the Group's business, no contracts of significance to the Group within the meaning of LR 6.1.77(10) of the Euronext Dublin (formerly the Irish Stock Exchange) Listing Rules existed at any time during the year ended 31 December 2025.

Principal Risks and Uncertainties
Information concerning the Principal Risks and Uncertainties facing the Group is set out on pages 224 to 235 in the Risk Management Report.

Financial risk management objectives and policies
Information regarding the financial risk management objectives and policies of the Group, in relation to the use of financial instruments, is set out in the Risk Management Report on pages 236 to 277.

Share capital
At 31 December 2025, the Group had 952,667,062 ordinary shares of €1.00 each in issue, of which 473,861 were treasury shares. Further detail on the structure of the Group's capital is set out in note 44.

Takeover bids regulations
The disclosures required by the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006 are set out in the Schedule to the Report of the Directors on page 101.

Directors
The names of the members of the Board of Directors of the Company at 31 December 2025, together with a short biographical note on each Director appear on pages 56 to 59.

At the AGM held on 22 May 2025, Akshaya Bhargava, Giles Andrews, Ian Buchanan, Richard Goulding, Michele Greene, Myles O'Grady, Steve Pateman, Mark Spain, and Margaret Sweeney were re-elected.

Remuneration
See Remuneration Report on pages 103 to 111.

Directors' and Secretary's interests
The interests of the Directors and Secretary in office at 31 December 2025 in the shares issued by the Company as disclosed to the Company are shown in the Remuneration Report on page 110.

Listing rules disclosures
Information required under UK Listing Rule LR 9.8.4C can be found on pages 105 to 111 for Directors' Emoluments and above under 'Group activities' for Contracts of Significance.

Substantial shareholdings
There were 77,535 registered holders of ordinary shares of the Company at 31 December 2025. In accordance with LR 6.1.82 (2) of the Euronext Dublin Listing Rules, details of notifications received by the Company in respect of substantial interests in its ordinary shares are provided in Table 1 below at 31 December 2025 and 27 February 2026. Other than the Directors' interests set out on page 110 there were no other interests disclosed to the Company in accordance with the Market Abuse Regulation and Part 5 of the Transparency Regulations and the related transparency rules during the period from 31 December 2025 to 27 February 2026. For information on acquisition or disposal of own shares, refer to note 44.

Table: 1	31 December 2025 %	27 February 2026 %
Massachusetts Financial Services Company	7.76%	7.76%
BlackRock, Inc.	5.60%	6.04%
Norges Bank	4.81%	4.81%
Pzena Investment Management LLC	3.01%	3.01%

Authority to purchase own ordinary shares
At the AGM held on 22 May 2025, the members gave the Company, and any of its subsidiaries, the authority to make market purchases up to c.10% of its own ordinary shares. This authority will expire on close of business on the date of the AGM of the Company in 2026 or on 22 August 2026, whichever is earlier.

Report of the Directors *(continued)*

Any such purchases would be made only at a price level that the Directors considered to be in the best interest of shareholders generally, after taking into account the Company's overall financial position and regulatory capital obligations and requirements. In addition, the authority provides that the minimum price which may be paid for such shares shall not be less than the nominal value of the shares and the maximum price shall be the higher of 105% of the average market price of such ordinary shares and the amount stipulated by Article 3(2) of Commission Delegated Regulation (EU) 2016/1052.

Corporate governance

The Group is subject to the 2024 UK Corporate Governance Code published by the Financial Reporting Council in the UK (UK Code) and the Irish Corporate Governance Code 2024 (Irish Code) published by Euronext Dublin.

The Corporate Governance Statement forms part of the Report of the Directors. Statements by the Directors in relation to the Group's compliance with the CBI Requirements and additional requirements of Appendix 1 and Appendix 2 of the CBI Requirements for High Impact Designated Institutions, and Credit Institutions which are deemed 'Significant' Institutions (for the purposes of the CRD IV), respectively, are set out on page 52 to 100.

Directors' compliance statement

As required by Section 225 of the Companies Act 2014, as amended, of Ireland, the Directors acknowledge that they are responsible for securing the Company's compliance with its 'relevant obligations' (as defined in that legislation). The Directors further confirm that a compliance policy statement has been drawn up, and that appropriate arrangements and structures have been put in place that are, in the Directors' opinion, designed to secure material compliance with the relevant obligations. A review of those arrangements and structures has been conducted in the financial year to which this report relates.

Political donations

Political donations are required to be disclosed under the Electoral Acts 1992 to 2014. The Directors, on enquiry, have satisfied themselves that there were no political donations made during 2025.

Branches outside the State

The Company has no branches established outside the State. The Bank has branches in the UK, France, Germany, the US and Spain.

Going concern

The Directors have considered the appropriateness of the going concern basis in preparing the financial statements for 2025 on page 297 which forms part of the Report of the Directors and on page 89, in the Corporate Governance Statement.

Viability statement

In accordance with the requirements of the UK and Irish Codes, the Directors have assessed the viability of the Group, taking account of the Group's current position and the potential impact of the principal risks facing the Group.

The Directors have selected a three-year period for this assessment, reflecting the time horizon that they consider fits with the various risk and planning frameworks taken into account in arriving at the viability statement.

The Directors have assessed the prospects of the Group through a number of frameworks, including the ICAAP, the ILAAP, each of which include an assessment of the uncertain geopolitical environment and the macro-economic outlook, the monitoring of key risks identified under the Group's risk identification process by the ERC, the BRC and the Board (see page 236 of the Risk Management Report), and the assessment of Principal Risks and Uncertainties (pages 224 to 235) together with the Group's strategic direction as set out in the Strategic report (pages 3 to 26). Within the Principal Risks and Uncertainties, the Directors consider Credit risk, Funding and Liquidity risk and Capital Adequacy, together with Environmental, Social and Governance risk (including climate risk), Operational risk and Digital to be the most relevant to the viability assessment.

The ICAAP facilitates the Board and senior management in adequately identifying, measuring and monitoring the Group's risks and ensures that the Group holds adequate capital to support its risk profile. ICAAP is subject to review by the Group's prudential regulator, the ECB Single Supervisory Mechanism (SSM). Underpinning the ICAAP, the Group prepares detailed financial projections under both a base case and a stress case. Base case projections are prepared using consensus macroeconomic forecasts together with Group-specific assumptions, and the stress case is prepared based on a severe but plausible stress economic scenario, (Risk Management Report sections 3.2).

The ICAAP demonstrates that the Group has sufficient capital under both the base and stress case scenarios to support its business and achieve its objectives, having regard to Board approved risk appetite and strategy, and to meet its CRD IV regulatory capital, leverage and liquidity requirements.

The economic impact of uncertainty in the geopolitical environment has been among the items considered in a number of areas of the Group's ILAAP, which demonstrates that the volume and capacity of liquidity resources available to the Group are adequate to support its business model, to achieve its strategic objectives under both business as usual (BAU) and severe but plausible stress scenarios and to meet regulatory requirements including the Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR).

The Directors confirm that their assessment of the principal risks facing the Group, through the processes set out above, was robust. Based upon this assessment, and their assessment of the Group's prospects, the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period to 31 December 2028.

Accounting records

The Directors ensure that adequate accounting records are kept at Baggot Plaza, 27-33 Upper Baggot Street, Dublin 4, D04 VX58, through the appointment of suitably qualified competent personnel, the implementation of appropriate computerised systems and the use of financial and other controls over the systems and the data.

Auditor

KPMG, Chartered Accountants, were appointed statutory auditor on 19 April 2018. They have been re-appointed annually since that date and will continue in office in accordance with section 383(2) of the Companies Act 2014.

Report of the Directors *(continued)*

Relevant audit information

The Directors in office at the date of this report have each confirmed that as far as they are aware, there is no relevant audit information of which the Group's Auditor is unaware; and they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Group's Auditor is aware of that information.

Sustainability reporting

In accordance with Part 28 of the Companies Acts 2014, the Group has prepared a Sustainability statement for the year ended 31 December 2025. This Sustainability statement is set out on pages 113 to 217 and represents a dedicated section of the Report of the Directors.

NIAC, a subsidiary of the Group, has availed of an exemption from preparing a Sustainability statement pursuant to section 1598 of the Companies Act 2014.

Non-financial information

Information required in accordance with the EU (disclosure of non-financial and diversity information by certain large undertaking and groups) Regulations 2017 (the 'Irish NFRD Regulations') can be found in the Sustainability Statement on page 222.

Key intangible resources

The Group's intangible resources, which it depends on and are a source of value creation for the Group, are set out in note 29 intangible assets and goodwill.

Post balance sheet events

These are described in note 58 to the financial statements.

Akshaya Bhargava
Chairman

Michele Greene
Deputy Chair

Bank of Ireland Group plc
Registered Office, 2 College Green, Dublin 2

27 February 2026

Schedule to the Report of the Directors

Information required under the European Communities (Takeover Bids (Directive 2004/ 25/EC)) Regulations 2006.

As required by these Regulations, the information contained below represents the position at 31 December 2025.

Structure of the Company's capital

The capital of the Company is divided into ordinary shares and preference shares. At 31 December 2025, there were 952,667,062 ordinary shares in issue. At 31 December 2025, there were no preference shares in issue. Further detail on the structure of the Company's capital is set out in note h to the financial statements.

Rights and Obligations attaching to the classes of shares

Ordinary shares

Dividend rights

Under Irish law, dividends are payable on the ordinary shares of the Company only out of profits available for distribution. Subject to the provisions of the Companies Act 2014 (the 'Companies Act'), holders of the ordinary shares of the Company are entitled to receive such dividends as may be declared by the Company by ordinary resolution, provided that the dividend cannot exceed the amount recommended by the Directors. The Company may pay shareholders interim dividends if it appears to the Directors that they are justified by the profits of the Company available for distribution. Any dividend which has remained unclaimed for twelve years from the date of its declaration may be forfeited and cease to remain owing by the Company.

Voting rights

Voting at any general meeting is by a show of hands or by poll. On a show of hands, every shareholder who is present in person or by proxy has one vote regardless of the number of ordinary shares held by him or her. On a poll, every shareholder who is present in person or by proxy has one vote for every ordinary share of €1.00 each. A poll may be demanded by:

- the Chair of the meeting;
- at least three members of the Company present in person or by proxy having the right to vote at the meeting;
- any member or members present in person or by proxy representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- a member or members present in person or by proxy holding shares in the Company conferring the right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

The necessary quorum for a general meeting is two persons present in person or by proxy and entitled to vote. All business is considered to be special business if it is transacted at an EGM as is all business transacted at an AGM other than the declaration of a dividend, the consideration of the Company's statutory financial statements and reports of the Directors and Auditors on those statements, the review by the members of the Company's affairs, the election of Directors in the place of those retiring, the reappointment of the retiring Auditors (subject to Sections 380 and 382 to 385 of the Companies Act), the fixing of the remuneration of the Auditors and the consideration of a special resolution for the purpose of Section 1102(2)(b) of the Companies Act. Any business that is required to be dealt with by way of special resolution must be passed by not less than 75 per cent of the votes cast by such members as, being entitled to do so, vote in person or by proxy at a general meeting at which not less than twenty one clear days' notice specifying the text or substance of the proposed resolution has been duly given.

Any business that is required to be dealt with by way of ordinary resolution must be passed by a simple majority of the votes cast by the members as, being entitled to do so, vote in person or by proxy at a general meeting.

An EGM (other than an EGM called for the passing of a special resolution) may be called on at least 14 days' notice where:

- the Company offers the facility for members to vote by electronic means accessible to all members who hold shares that carry rights to vote at general meetings; and
- a special resolution reducing the period of notice to fourteen days has been passed at the immediately preceding AGM or at an EGM held since the immediately preceding AGM.

Liquidation rights

In the event of any surplus arising on the occasion of the liquidation of the Company, the ordinary shareholders would be entitled to a share in that surplus in proportion to the capital at the commencement of the liquidation paid up or credited as paid up on the ordinary shares held by them respectively.

Preference shares

At 31 December 2025, there were no preference shares in issue. Where authorised to issue authorised but unissued shares in the capital of the Company (including where relevant, by shareholder approval under Section 1021 of the Companies Act), and subject to the scope of any such authority, in accordance with the Company's articles of association (the Articles), the Directors are authorised to issue all or any of the authorised but unissued preference shares from time to time in one or more classes or series, and to fix for each such class or series such voting power, full or limited or no voting power, and such designations, preferences or special rights and qualifications, limitations or restrictions thereof in any resolution adopted by the Directors providing for the issuance of such class or series of preference shares.

Variation of class rights

Whenever the share capital of the Company is divided into different classes of shares, the rights attached to any class may be varied or abrogated with the consent in writing of three-fourths in nominal value of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class, either while the Company is a going concern or during or in contemplation of a winding-up.

Percentage of the Company's capital represented by class of share

The ordinary shares represent 99.9% of the authorised share capital and 100% of the issued share capital. The preference shares represent 0.1% of the authorised share capital and 0% of the issued share capital.

Restrictions on the transfer of shares in the Company

There are no restrictions imposed by the Company on the transfer of shares, nor are there any requirements to obtain the approval of the Company or other shareholders for a transfer of shares, save in certain limited circumstances set out in the Articles.

Schedule to the Report of the Directors *(continued)*

A copy of the Articles may be found on the Group website: www.investorrelations.bankofireland.com.

Persons with a significant direct or indirect holding of stock in the Company.
Details of significant shareholdings may be found on page 98 of the Report of the Directors.

Special rights with regard to the control of the Company
There are no special rights with regard to control of the Company.

Shares relating to an employee share scheme that carry rights with regards to the control of the Company that are not exercisable directly by employees
The Bank of Ireland Inland Revenue Approved UK Stock Incentive Plan (SIP) provides that in respect of resolutions proposed at general meetings of the Company, voting rights in respect of shares held in trust for employees who are participants in the SIP are to be exercised in accordance with the employees' written instructions to the trustees of the SIP. In the case of 'any other business' at an AGM of the Company, the SIP trustees are entitled to vote (or refrain from voting) as they think fit.

The Group's 2023 FSA Plan provides for the granting of awards of shares to Executive Directors and certain employees of the Group. In the case of any shares held in trust for participants pursuant to any award under the FSA, the trustee shall confer a proxy on each participant in whom the beneficial interest in such shares are vested so that such shares may be voted by such participants at any vote or meeting of shareholders.

Restrictions on voting rights
There are no unusual restrictions on voting rights.

Agreements between shareholders that are known to the Company and may result in restrictions on the transfer of securities or voting rights
There are no arrangements between shareholders, known to the Company, which may result in restrictions on the transfer of securities or voting rights.

Rules of the Company concerning the:

Appointment and replacement of Directors
All Directors appointed between AGMs are submitted to shareholders for election at the first AGM following their appointment. In accordance with both the UK and Irish Codes, all Directors retire by rotation every year and, if eligible, may offer themselves for re-election, subject to satisfactory performance evaluation. In proposing the election or re-election of any individual Director to the AGM, the reasons why the Board believes that the individual should be elected or re-elected are provided in the Chairman's Letter to shareholders.

Amendment of the Company's Constitution
The Company's Constitution may be amended by special resolution passed at an AGM or EGM. An AGM and a Meeting called for the passing of a special resolution shall be called by at least twenty one clear days' notice. Special resolutions must be approved by not less than 75 per cent of the votes cast by such members as, being entitled to do so, vote in person or by proxy.

No business may be transacted at any General Meeting unless a quorum of members is present at the time when the Meeting proceeds to business. Two persons present in person or by proxy and entitled to vote shall constitute a quorum.

Powers of the Company's Directors, including powers in relation to issuing or buying back by the Company of its shares
Under its Articles, the business of the Company is managed by the Directors, who exercise all powers of the Company as are not, by the Articles or by the Companies Act, required to be exercised by the Company in General Meeting. The Directors may exercise all the borrowing powers of the Company and may give security in connection therewith. These borrowing powers may be amended or restricted only by the shareholders in General Meeting. The members of the Company in General Meeting may at any time and from time to time by resolution increase the share capital of the Company by such amount as they think proper. Whenever the share capital of the Company is so increased, the Directors may, subject to various provisions of the Articles, issue shares to such amount not exceeding the amount of such enlargement as they think proper. All ordinary shares so issued shall rank in equal priority with existing ordinary shares.

Subject to provisions of the Companies Act, to any rights conferred on any class of shares in the Company and to the Articles, the Company may purchase any of its shares of any class and may cancel any shares so purchased or hold such shares as treasury shares (the 'treasury shares') with liberty to re-issue any such treasury shares in accordance with Section 109 of the Companies Act 2014. The Company shall not make market purchases of its own shares unless such purchases shall have been authorised by a special resolution of the Company and by a special resolution passed at a separate general meeting of the holders of each class of shares.

Significant agreements to which the Company is a party that take effect, alter or terminate upon a change of control of the Company following a bid and the effects of any such agreements
There are no significant agreements to which the Company is party that take effect, alter or terminate upon a change of control of the Company following a bid, however, certain Group agreements may be altered or terminated upon a change of control of the Bank or BoI (UK) plc following a takeover. Those that may be deemed to be significant in terms of their potential impact on the business of the Group as a whole are the joint venture agreements between BoI (UK) plc and Post Office Limited in the UK (in respect of FX and Post Office branded retail financial services products).

Agreements between the Company and its Directors or employees providing for compensation for loss of office or employment that occurs because of a bid.
There are no agreements between the Company and its Executive Directors or employees providing for compensation for loss of office or employment (whether through resignation, purported redundancy or otherwise) that occur because of a bid.

The service contracts for NEDs do not make provision for benefits on termination in the event of bid.

Remuneration Report

At a glance

2025 Changes to Remuneration

Current remuneration policy

The current directors' remuneration policy was approved by shareholders at the 2025 AGM in an advisory vote. We were delighted that the policy received overwhelming support at AGM, with over 98% of shareholders being supportive of our proposals.

As outlined in the Group's 2024 Annual Report, the following changes were made to the remuneration of the Executive directors in 2025 for implementation from July 2025:

- Fixed Share Allowance (FSA)
  - The FSA was increased from 50% of salary to 100% of salary with the retention period extended to 5 years.
- Shareholding requirement
  - The shareholding requirement was increased from 100% of salary to 200% of salary.

Continuing remuneration restrictions

The Group maintains an ongoing dialogue with the Department of Finance in relation to the remaining remuneration restrictions. Notwithstanding the introduction of a FSA for Executive directors in 2024, and the approved increase in FSA to 100% of salary, the variable pay restrictions applicable for BoI (which caps variable pay to a maximum of €20,000) continues to:

- Limit the opportunity to create and maintain strong alignment between the interest of our Executive directors, our long-term performance and the achievement and delivery of our strategic objectives; and
- Restrict us from providing the same fixed and variable pay mix as our peers and therefore, the total remuneration opportunity of our Executive directors continues to remain below the median of our peers.

Other remuneration changes for the wider workforce

An annual salary review budget for 2025 of 4% was set with effect from 1 January 2025. The actual colleague level of salary increase was based on each colleague's 2024 individual performance evaluation.

Remuneration Report *(continued)*

Summary Executive directors' remuneration and alignment to wider workforce

A summary of the remuneration structures for the Executive directors, including how this aligns with the approach for all colleagues, is set out below and is provided for information only. The full policy, including recruitment and leaver provisions, can be found on pages 234 to 245 of the 2024 Annual Report and on the Group website at Financial Information.

Pay element	Operation	Executive Directors	Alignment with wider workforce
Salary *Reflecting skills and experience required for role, with reference to market benchmarking.*	Base salaries are set at a level to reflect the skills and experience required, supporting recruitment and retention. Salary levels are reviewed on an annual basis and may increase with reference to a number of factors including individual performance, market rates of pay and Group performance.	Paid 100% in cash. Reviewed on a regular basis versus market information.	
Fixed share allowance *Enabling the Group to align total pay closer to market, reflecting the cap on variable pay, without the need to increase salary.* *It aligns the interest of our senior management with long-term shareholder interests.*	Shares are typically granted in four tranches over the year, with each grant being subject to a restricted period (or periods) during which the participant may not sell or transfer their shares. The allowance is set for each participant based on a number of factors, including market pay for the role and skills. The FSA is not subject to any performance conditions.	Effective 1 July 2025, the Executive directors receive a FSA of 100% of Salary. The restricted period for Executive directors' FSA shares granted from 1 July 2025, is at least five years commencing on the date of grant. For grants prior to 1 July 2025 FSA shares are released pro-rata over the three years following each grant date subject to the Shareholding Requirement below.	For those senior colleagues who participate in the FSA the scale of the allowance is set by the Committee and expressed as a % of salary. FSA shares are released pro-rata over the three years following each grant date.
Pension *To encourage planning for retirement and provide retirement benefits that are appropriately competitive in the market.*	The Group operates a Defined Contribution (DC) scheme (RetireWell) for all new hires. The current base employer contribution rate to RetireWell is 11%, with additional matching contributions of up to 6% available depending on scheme rules. Employees hired prior to September 2014 are members of the Group's legacy defined benefit or hybrid pension schemes, with terms consistent across the eligible populations.	All employees, including Executive directors, are offered the option to participate in a pension scheme. The employer pension contribution is paid to the relevant pension scheme and are made on the same basis to all colleagues participating in the same pension scheme. A Pension Cash alternative is available to colleagues who meet certain Revenue thresholds.	
Benefits *Provision of market competitive benefits that support colleagues in carrying out their duties.*	Access to benefits and benefit levels can vary based on seniority. Benefit provision is kept under regular review to ensure the benefits provided are valued by employees, competitive versus the market, and cost effective.	Life Assurance and health benefits are provided to all eligible employees. Other benefits are typically dependent on role and may include; mobile phone; and car cash allowance.	
All employee share plans	Not currently in place, but if implemented, will be designed to promote share ownership.	If implemented, all Directors and employees will participate on the same basis.	

Remuneration Report *(continued)*

Pay element	Operation	Executive Directors	Alignment with wider workforce
Group Performance Scheme (GPS) *A discretionary incentive plan to provide all employees[1] an opportunity to receive a variable award which is determined based on the performance of the Group and individual performance during the year.*	All employees of participating Group entities, who meet certain criteria, will be eligible for a Group Performance Scheme award. The award will consider individual and Group performance over the year.	Executive directors and the wider workforce participate in the GPS. For all employees, including Executive directors award outcomes consider individual performance and overall Group performance. The appropriateness of the end of year pool is assessed against a mix of financial and non-financial criteria, including profit, a key measure of financial success of the Group, and achievement of its strategic objectives of developing strong customer relationships and operating a simpler and sustainable business. Awards are subject to the relevant regulatory requirements, including Malus (where deferred[2]) & Clawback, and risk adjustment. Awards are limited to €20,000 in line with current remuneration restrictions or tax rules and can be reduced down to nil at the Committee's discretion. A standard individual performance assessment process applies to all colleagues across the Group, including Executive directors, with Colleagues' personal performance rating informing the award, subject to available funding.	
Shareholding requirement *To provide long term alignment between the experience of Executive directors and Bank of Ireland shareholders during and post-employment.*	In-employment of 200% of salary. Post-employment requirement will be the minimum of the in-employment level or actual shareholding at time of departure and the shares will need to be held for 2 years post departure from the Group.	Executive directors are subject to a shareholding requirement.	n/a

[1] *With the exception of Davy colleagues who are not in scope for GPS and participate in Davy variable pay schemes.*
[2] *Deferral is not currently applied due to the remuneration restrictions which cap awards at €20,000.*

To help ensure there are no conflicts of interest, no individual, including directors, are involved in the determination of the remuneration policy of remuneration outcomes applicable to them.

2025 Group Performance Scheme outcome

The Committee reviewed and agreed the GPS pool based on an assessment of the Group's profit performance relative to expectations set at the start of the financial year and performance against a range of financial and non-financial measures, including affordability, customer and ESG (Green lending, customer satisfaction and employee engagement). The qualitative metrics and targets are reviewed annually and approved by the Group Remuneration Committee. ***GOV-3 / E1.GOV-3***

In making this assessment, the Committee took into consideration the following;

- Strong financial results;
- 2025 CET1 ratio of 15.1%;
- continued progress on customer satisfaction;
- employee engagement and culture scores;
- strong progress against our climate initiatives of increasing green / sustainable financing; and
- the performance of the Group in terms of risk management.

Based on the above assessment, the Committee approved a profit share pool for 2025. In setting this pool, the Committee considered the Group's risk profile and risk events which occurred during 2025. Approximately 10,700 eligible employees, including Executive directors, are participating in the GPS with individual awards informed by individual performance ratings.

Remuneration Report *(continued)*

Remuneration outcomes in 2025 for the Executive directors

Single total figure of Remuneration for Executive directors in 2025
The information below forms an integral part of the audited financial statements as described in the basis of preparation in note 1 to the financial statements.

Executive directors	Reported year	Gross salary €'000	Fixed share allowance[1] €'000	Benefits[2,4] €'000	Pension[3] €'000	Total fixed pay €'000	Annual bonus €'000	Total €'000
M O'Grady	2025	950	713	16	162	1,841	17	1,858
	2024	950	238	–	162	1,350	20	1,370
M Spain	2025	600	450	2	107	1,159	17	1,176
	2024	600	150	2	107	859	20	879

[1] *The total number of shares awarded under the FSA in 2025 was €713,000 (2024: €238,000) for the Group CEO and €450,000 (2024: €150,000) for the Group CFO. Details of Executive director shareholding including FSA, can be found in the Directors' and Secretary's interests in shares section on page 110.*
[2] *The figure includes health allowances, and where applicable, benefits in kind.*
[3] *All pension amounts have been determined by Willis Towers Watson, the Group's actuarial advisors. The Bank rate of contribution with effect in respect of M O'Grady for 2025 was 17% of pensionable salary, resulting in an amount of €162,000. This percentage rate can be broken down as an employer base contribution rate of 11%, plus an additional employer matching contribution rate of 6%. M Spain participates in a legacy Bank defined benefit pension scheme and the supplementary section of the defined contribution scheme. (see table on page* 106 *in relation to pension for M Spain).*
[4] *Benefits for M O'Grady, includes health allowance of €8,000 covering 2024 (but only claimed in 2025) and 2025, also claimed in 2025.*

Details of Executive Director shareholding including Fixed Share Allowance can be found in the Directors' and Secretary's interests in shares section on page 110.

In line with the variable pay restrictions applicable to the Group the maximum award for the Group CEO and Group CFO for 2024 was capped at €20,000. Taking into account 2025 Group performance versus a mix of financial and non-financial criteria, including profit and risk assessment and their individual performance, the Committee has determined that they both should receive a Group Performance Scheme award of €17,400. This award reflects an adjustment which was applied to Executive director Group Performance Scheme awards (which would otherwise have been capped at €20,000) in recognition of the final GPS pool outcome.

Myles O'Grady
(Group Chief Executive Officer)

- Successful delivery on financial, commercial, ESG and customer outcomes, resulting in strong shareholder returns.
- Completed build of leadership team.
- Effectively embedded the Group's purpose and values, building the Group's culture.
- Successful execution of the Group's three year strategy.
- Setting the long-term vision and organisational strategy to 2030+.

Mark Spain
(Group Chief Financial Officer)

- Successful financial management, including strategic and financial planning.
- Delivered key financial outcomes.
- Effective management of Group's cost base and balance sheet.

Decisions for 2026

The intention is that both Executive directors will receive a salary increase in 2026. Engagement through collective bargaining is not concluded in respect of the increases which will apply to the wider workforce from 1 January 2026. Any increase in salary for our Executive directors will be applied from the same date and will be no higher than the average increase applied to the wider workforce. The Committee will determine the applicable increase for our Executive directors and we will disclose the applicable increase in our 2026 annual report.

Remuneration Report *(continued)*

Remuneration outcomes in 2025 (for the Non-Executive Directors)

Remuneration for Chair and Non-Executive Directors

Non-Executive directors	Reported Year	Fees €'000	Benefits €'000	Total €'000
A Bhargava[1] ***(Chair)*** *(appointed 1 January 2025)*	2025	525	–	525
	2024	94	–	94
P Kennedy *(retired 31 December 2024)*	2025	–	–	–
	2024	394	–	394
M Greene ***(Deputy Chair)***	2025	241	–	241
	2024	207	–	207
G Andrews	2025	147	–	147
	2024	129	–	129
E Bourke[2] *(resigned 31 December 2024)*	2025	–	–	–
	2024	118	–	118
I Buchanan	2025	118	–	118
	2024	185	–	185
E Finnan[3] *(appointed 9 July 2025)*	2025	48	–	48
	2024	–	–	–
E Fitzpatrick[2] *(resigned 22 May 2025)*	2025	91	–	91
	2024	199	–	199
R Goulding	2025	241	–	241
	2024	237	–	237
N Marshall[3] *(appointed 23 June 2025)*	2025	53	–	53
	2024	–	–	–
H van der Noordaa[3] *(appointed 10 October 2025)*	2025	23	–	23
	2024	–	–	–
S Pateman	2025	340	–	340
	2024	151	–	151
M Sweeney	2025	195	–	195
	2024	98	–	98

[1] *A Bhargava joined the board on 12 January 2024, took up role as Chairman on 1 January 2025.*
[2] *E Bourke held the role of Independent NED until 31 December 2024 and E Fitzpatrick held the role of Independent NED until 22 May 2025.*
[3] *N Marshall was appointed independent NED on the 23 June 2025, E Finnan was appointed independent NED on the 9 July 2025 & H van der Noordaa was appointed independent NED on 10 October 2025.*

Remuneration Report *(continued)*

Wider workforce remuneration ethos and principles

Our approach to remuneration is consistent for all employees. Our ethos is to reward employees fairly and competitively for their contribution to the Group. Reward structures are reviewed on a regular basis to assess the competitiveness of the total reward arrangements against market norms and ensure compliance with the prevailing regulatory requirements and remuneration restrictions.

With 'Sustainable Company' a core strategic pillar, ESG is mainstreamed into our performance management system. This puts it on every colleagues 'to do' list. *GOV-3*

The following remuneration principles apply; however, their application is impacted/negated for senior role holders by the €20,000 cap on variable pay.



Employee focused

The Group's Reward approach supports and complements the Group's Employee Value Proposition, which includes, learning, development and career progression. This seeks to reward all employees fairly and transparently, promoting the concept of 'equal pay for equal work' by operating a consistent approach to remuneration for colleagues. Reward structures are designed to attract, retain, and engage high calibre employees.



Risk aligned

The Remuneration Policy is designed to promote high performance and a strong risk management culture where risk-taking is aligned to the Group Risk Appetite Statement. All employees are required to have a risk priority in their Thrive performance development plan. Increases in remuneration and the potential awarding of variable remuneration is subject to the Group's ability to pay and on maintaining strong capital and liquidity levels.



Performance aligned

Performance development plays a key role in aligning individual objectives with the Group's overall strategy, financial and non-financial goals and values. Performance outcomes, using a simple combination of "What" objectives and "How" behaviours, inform individual remuneration and provide a clear link between performance and remuneration.



Simple, flexible & cost effective

Reward is simple to operate and aims to be transparent and easy for colleagues to understand their own reward package and how reward is determined, Reward (fixed and variable) at BoI is cost effective and flexes to reflect company performance.



Externally aligned

The Group uses recognised external benchmarks to understand the remuneration levels of industry peers and remuneration offered by other industries who compete with the Group for talent in each of the Group's geographical locations.



Values & Culture

Supports the Group Values and aims to be a fair approach for all colleagues to enable participation in Group success. Risk review and minimum performance (and therefore conduct) gateways align to these aspects of BoI values.



Inclusive basis

The Policy is designed and implemented on an inclusive basis, including gender-neutrality, with pay for male and female colleagues monitored on an annual basis.



Motivating

Colleagues are motivated to deliver in the best interest of Customers, Colleagues, Community and wider Group stakeholders, with variable pay aligned to shareholder experience.



Collective incentive

Supports the Group Value of Better Together, with variable pay acting as an incentivisation tool for achieving BoI strategic priorities with the ability to tailor to individual contribution.



ESG aligned

Reward is determined taking into account the Group's performance against its environmental objectives and its customer and employee goals.

Workforce engagement

The Group continues to place a strong emphasis on workforce engagement. The Workforce Engagement Director (WED), who was a member of the Group Remuneration Committee during part of the year, conducted a series of colleague interactions during 2025 to obtain feedback directly from colleagues in the form of 'Open Door' sessions, covering over 100 colleagues from various businesses and divisional teams. Colleagues also provided their views through the 'Open View' survey. While colleague engagement scores declined in 2025, our focus in 2026 will be on overseeing the effective implementation of actions to address the concerns raised. The Group Remuneration Committee would like to thank all colleagues who participated in the engagement survey for sharing their views on what is working well, as well as highlighting areas where improvement is needed.

External benchmarking indicates that periods of significant change can negatively impact colleague sentiment. Factors such as changes to the hybrid working model and the pace of organisational change have contributed to this environment. While these changes are necessary, the Committee recognises that more can be done to support colleagues through this period of transition.

Colleagues discussed a variety of issues with the WED, which were shared with the Board during 2025, including positive sentiment around internal career mobility opportunities, the shift to agile ways of working and the opportunity around data and AI. Areas for improvement were also identified through these WED engagements, including complex processes, decision-making, and governance structures.

Remuneration Report *(continued)*

Shareholder Rights Directive year on year change in remuneration

The table below is required under the Companies Regulations 2019 (Directors' Remuneration Policy and Directors' Remuneration Report), which implement Articles 9a and 9b of European Directive 2017/828/EC1 (commonly known as the Revised Shareholder Rights Directive or SRD). The following table shows the year on year change and percentage change in Directors' remuneration and the year on year change and percentage change in the average remuneration of employees during the year ended 31 December 2025 compared to the year ended 31 December 2024, 31 December 2023, 31 December 2022, 31 December 2021 and 31 December 2020.

The total remuneration package for Executive directors increased in accordance with the Directors' Remuneration policy, approved by shareholders in May 2025. There was no change to the core salary of the Executive directors. The FSA for Executive directors increased to 100% of salary in July 2025. The FSA is paid in 4 instalments during the year.

NED fees are annualised. Changes to NED fees reflect additional responsibilities associated with membership of additional committees or appointment as Chair of committees, or as Workforce Director, or to boards of subsidiaries.

Unaudited: **Year on year (YoY) change in remuneration of Directors compared to employee average**	**2025 vs 2024**		**2024 vs 2023**		**2023 vs 2022**		**2022 vs 2021**		**2021 vs 2020**	
	€'000	**%**	**€'000**	**%**	**€'000**	**%**	**€'000**	**%**	**€'000**	**%**
Executive Directors										
M O'Grady *(appointed CEO in 2022)*	488	36%	299	28%	802	298%	(283)	(51%)	2	–
F McDonagh *(stood down as CEO in 2022)*	n/a	n/a	n/a	n/a	n/a	n/a	(293)	(31%)	(1)	–
M Spain *(appointed CFO in 2022)*	297	34%	238	37%	174	37%	467	n/a	n/a	n/a
Non-Executive Directors										
A Bhargava *(appointed NED in January 2024)*	431	459%	94	100%	n/a	n/a	n/a	n/a	n/a	n/a
P Kennedy *(stood down in December 2024)*	(394)	(100%)	–	–	–	–	–	–	–	–
M Greene	34	16%	51	33%	33	27%	44	55%	–	–
G Andrews *(appointed NED in 2020)*	18	14%	25	24%	10	11%	7	8%	–	–
E Bourke *(stood down in December 2024)*	(118)	(100%)	1	1%	7	6%	8	7%	24	30%
I Buchanan	(67)	(36%)	25	16%	(9)	(5%)	3	2%	6	4%
E Finnan *(appointed NED in July 2025)*	48	–%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
E Fitzpatrick *(stood down in May 2025)*	(108)	(54%)	24	14%	36	26%	37	36%	16	18%
R Goulding	4	2%	31	15%	26	14%	35	24%	27	23%
N Marshall *(appointed NED in June 2025)*	53	–	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
F Muldoon *(stood down in September 2023)*	–	–	(132)	(100%)	(42)	(24%)	38	28%	62	66%
H van der Noordaa *(appointed NED in October 2025)*	23	–	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
S Pateman	189	125%	53	54%	–	–	–	–	–	–
M Sweeney *(appointed NED in October 2023)*	97	99%	78	390%	20	100%	n/a	n/a	n/a	n/a
Change in average employee remuneration year on year	4	4%	4	4%	3	4%	1	1%	1	1%
Group profit after tax (€m)	1,201		1,531		1,601		897		1,055	
Percentage change in Group result after tax (%)		(22%)		(4%)		78%		(15%)		249%

Executive share options held by Directors and Secretary

No share options were granted or exercised during 2025 and there were no options to subscribe for ordinary shares outstanding in favour of the Executive Directors or Secretary at 31 December 2025.

Remuneration Report *(continued)*

Directors' pension benefits

Set out below are details of the change in accrued pension benefits for the Directors during the year ended 31 December 2025.

	(a) Additional inflation-adjusted accrued DB pension in the year €	(b) Increase / (decrease) in DB transfer value €	(c) Accrued DB Pension Benefits at 31 December 2025 €	(d) Group DC contributions €
Executive Directors				
M Spain	1,953	20,633	230,172	19,325

Column (a) represents the inflation-adjusted increase in each individual's accrued defined benefit (DB) pension during the year. Increases are shown after the opening position has been adjusted for statutory revaluation, and comprise allowance for additional pensionable service, any increases in pensionable earnings and any agreed adjustment in the individual's pension accrual. This is in line with the requirements of the Listing Rules and the related actuarial professional guidance.

Column (b) is the additional / (reduced) capital value, less each Director's contributions, of Column (a) which could arise if the DB pension were to be transferred to another pension plan on the Director leaving the Group and is calculated using factors supplied by the actuary in accordance with actuarial guidance notes ASP PEN-2, and is based on leaving service pension benefits becoming payable at normal retirement date, age 60.

Column (c) is the aggregate DB pension benefit payable at normal retirement age based on each Director's pensionable service with the Group at 31 December 2025.

Column (d) is the Group's contributions to the supplementary section of its RetireWell (DC) arrangement.

Directors' and Secretary's interests in shares

A shareholding of a minimum of 34 shares is required by each Director within two months of their appointment to the Board. The beneficial interests of the Directors and Secretary in shares issued by the Group as disclosed to the Group are detailed below in accordance with the Euronext Dublin Listing Rules.

The information below forms an integral part of the audited financial statements as described in the basis of preparation in note 1 to the financial statements.

Executive Directors' interests in BOIG plc shares

Under the shareholding requirements, the Group CEO and Group CFO need to build up and maintain shares to the value of 200% of salary. The requirements apply both during employment and for two years after leaving, in line with best practice. Procedures are in place to enforce the shareholding requirements and you can find further details on page 105.

	Myles O'Grady	Mark Spain
Shares held (as part of FSA)	49,931	31,530
Shares held in personal capacity[1]	5,000	3,563
Total shares held	**54,931**	**35,093**
Shareholding requirement (as a % of salary)	200%	200%
Current Shareholding (as a % of salary)	87%	88%

[1] *For shareholding requirement calculation purposes, only shares held by the Executive Director in a personal capacity are included in the table above.*

	Number of €1.00 ordinary shares in BoIG plc at 31 December 2025	Number of €1.00 ordinary shares in BoIG plc at 1 January 2025 or at date of appointment
Directors		
M O'Grady	54,931	18,293
M Spain	35,530	12,394
A Bhargava	4,000	4,000
M Greene	4,000	4,000
G Andrews	20,000	20,000
I Buchanan	5,034	5,034
E Finnan *(Appointed 9 July 2025)*	4,000	–
E Fitzpatrick *(Resigned 22 May 2025)*	n/a	5,000
R Goulding	25,000	25,000
N Marshall *(Appointed 23 June 2025)*	4,241	4,241
H van der Noordaa *(Appointed 10 October 2025)*	4,000	4,000
S Pateman	4,000	4,000
M Sweeney	6,060	6,060
Secretary		
S McLaughlin	7,774	4,012

Remuneration Report *(continued)*

Apart from the interests set out above, the Directors and Secretary had no other interests in the shares / securities of the Company or its Group undertakings at 31 December 2025.

There has been no change in the interests of each Director disclosed to the Company under the provisions of article 19 of the Market Abuse Regulation occurring between the end of the period under review 27 February 2026.

Advice to the Committee

The Committee was assisted in its considerations by PwC UK. PwC UK was formally reappointed by the Committee as its remuneration adviser in 2024 following a tender process comprising a review of potential advisors, and an assessment of the service provided by PwC and its performance. PwC UK had originally been appointed adviser in 2020. The Committee confirmed that the information and support received from PwC enabled its work.

PwC UK is a signatory to the voluntary Code of Conduct in relation to remuneration consulting in the UK.

PwC UK and its network firms, provide professional services in the ordinary course of business including assurance, advisory and tax advice to Bank of Ireland. The Committee is satisfied that the advice received is independent and objective and receives an annual statement setting out protocols that have been followed by PwC UK to maintain independence. There are no connections between PwC and individual Directors to be disclosed.

The Group Chair, the Group CEO, Group Chief People Officer, Group Chief Risk Officer, and the Director of Reward also attend meetings as appropriate at the invitation of the Committee Chair.

Sustainability

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Sustainability statement

General



ESRS 2 General Disclosures *(General)*



Basis of preparation BP-1, BP-2

This Sustainability statement has been prepared in accordance with Part 28 of the Companies Act 2014. This Sustainability statement is a dedicated section of the Report of the Directors on pages 98 to 100.

The Sustainability statement for the year ended 31 December 2025 has been prepared on a consolidated basis for Bank of Ireland Group plc ('BoIG plc' or the 'Company') and its subsidiaries (collectively the 'BoIG plc Group' or the 'Group'), in line with the scope of consolidation used in the Group's financial statements. For more details of the principal Group undertakings, see page 410. NIAC, a subsidiary of the Group, has availed of an exemption from preparing an individual Sustainability statement pursuant to section 1598 of the Companies Act 2014.

CSRD mandates the Group to present a comprehensive perspective on ESG topics, covering both the issues that affect the Group's business and those influenced by the Group's operations, including its entire value chain.

The Double Materiality Assessment (DMA) determines the Group's material impacts, risks, and opportunities (IROs) across its value chain, as detailed on page 117, covering upstream, downstream and own operations and considering all time horizons; short, medium and long-term. The short-term horizon used for the analysis is aligned to Group's strategic financial and planning process, with short-term being defined as zero to three years, which varies from the European Financial Reporting Advisory Group (EFRAG) definition of short-term. For medium and long-term, the Group has used EFRAG's definition. See page 121 for details on the approach taken for the DMA and the results of the assessments.

The DMA informs the Group's potential strategic choices and shapes its ESG data collection, while providing the basis for its CSRD disclosures. Policies, actions, targets and metrics[1] to address the material IROs identified have been disclosed in the respective topical sections. Main policies are defined as policies that the Group has in place to prevent, mitigate and remediate actual and potential impacts, to address risks and to pursue opportunities. See page 131 for details. The actions outlined in the disclosures are those that are material for the Group as a whole, and the Group's intention in the short-term is to proceed with a continuation of these actions with periodic reviews as required.

The Group's presentation of sustainability information may be subject to measurement uncertainty due to limitations in methodologies and data, including reliance on third-party data. The Group has used estimates based on recognised frameworks available at this time. The Group will continue to monitor methodologies and data availability, and update as appropriate.

[1] *The Group uses standards ISO 50001, ISO 14001 and ISO 45001 for managing Energy, Environmental and Health and Safety respectively.*

ESRS 2 General Disclosures *(General) (continued)*

Strategy, Business Model, Value Chain and Stakeholder Engagement

Group strategy *SBM-1*

The Group Strategy for 2023 to 2025 is guided by the Group's purpose to help customers, colleagues, shareholders and society to thrive. Sustainability is embedded as one of the Group's three core strategic pillars: Sustainable Company, Stronger Relationships and Simpler Business. Sitting below the Group's Sustainable Company pillar, the 'Investing in Tomorrow' Sustainability Strategy has focused on the Group's material ESG impacts and opportunities aligning to science and best practice including the UN Sustainable Development Goals (UN SDGs), the blueprint for a more sustainable future for all. The Group's Sustainability Strategy is built on three pillars:

- Supporting the Green Transition;
- Enhancing Financial Wellbeing; and
- Helping Colleagues to Thrive

These pillars are underpinned by Social and Governance Foundational topics.

See pages 12 and 21 respectively for details on the Group's refreshed Corporate and Sustainability Strategies for the period 2026 to 2028.

Sustainability Strategy aligned to UN SDG's which interconnect broader ESG considerations beyond climate and Net Zero.

Sustainability Pillars

Supporting the Green Transition	Enhancing Financial Wellbeing	Helping Colleagues to Thrive
Focus areas We are committed to working with our customers, colleagues and communities to support their transition to a resilient, net zero economy by 2050 in line with government ambitions and actions.	**Focus areas** We are committed to empowering people with the knowledge and skills needed to make the most of their finances while striving to leave no one behind on the journey to financial health.	**Focus areas** We are committed to create an inclusive and supportive workplace for all our colleagues, enabling them to develop brilliant careers, supporting them during key life moments that matter and providing a safe and fair place to work that welcomes everybody.
• Science-based targets • Providing sustainable finance • Decarbonise our own operations • Manage climate-related risks • Transparently report our progress	• Fostering financial inclusion • Improving financial literacy and capability • Building a more financially resilient and confident Ireland	• Build a future ready workforce • Create a differentiated colleague experience and workplace • Simplify our ways of working
Relevant UN SDGs	**Relevant UN SDGs**	**Relevant UN SDGs**

Our sustainability pillars are underpinned by strong foundational topics which guide our commitment to being a sustainable business:

Social foundation topics

Community investment | Health & Safety | Sourcing Responsibly | Human Rights

Governance foundation topics

Culture | Business Ethics | Cyber Security | Data Protection | Financial Crime

ESRS 2 General Disclosures *(General) (continued)*



Susan Russell *(Chief Executive Officer for Retail Ireland)*, **Aine McCleary** *(Group Chief Customer Officer)* **and Mark Murray** *(Senior Product Manager for Debit Cards)* **at the introduction of voluntary gambling blocks on debit cards.**

Business model and product offerings *SBM-1*

The Group's range of sustainable products and services are carefully designed to help customers make real, impactful changes. This includes green mortgages, loans for eco-friendly cars, loans for home retrofits and business loans for Small and Medium sized Enterprises (SMEs) and farmers, focusing on renewable energy, capital expenditure, and sustainability-linked lending. The sustainable products and services offered by the Group are outlined in the table and further detailed in the Group's Sustainable Finance Framework.

Banking	
Retail Ireland	**Retail UK[1]**
Home buying and everyday banking products:	
• EcoSaver Mortgage • Green Home Improvement Loan • Home Energy Upgrade Loan Scheme • Green Motor Loan • Motor financing for EVs	• Green New Build mortgage • Motor financing for EVs
Personal Banking Green hub	Home energy hub - Bank of Ireland UK

Corporate & Commercial	
Corporate banking products:	*Business banking products:*
• Green Capex Loan • Sustainability-Linked Loans • CRE Green Loan • Project Finance • Woodland Nature Credit • Green Deposits (new for FY25)	• Enviroflex: Sustainability-Linked Agri Lending • Strategic Banking Corporation of Ireland (SBCI) Growth and Sustainability Loan Scheme • Green Business Loan
Corporate Banking Product and Services hub	Business Green hub

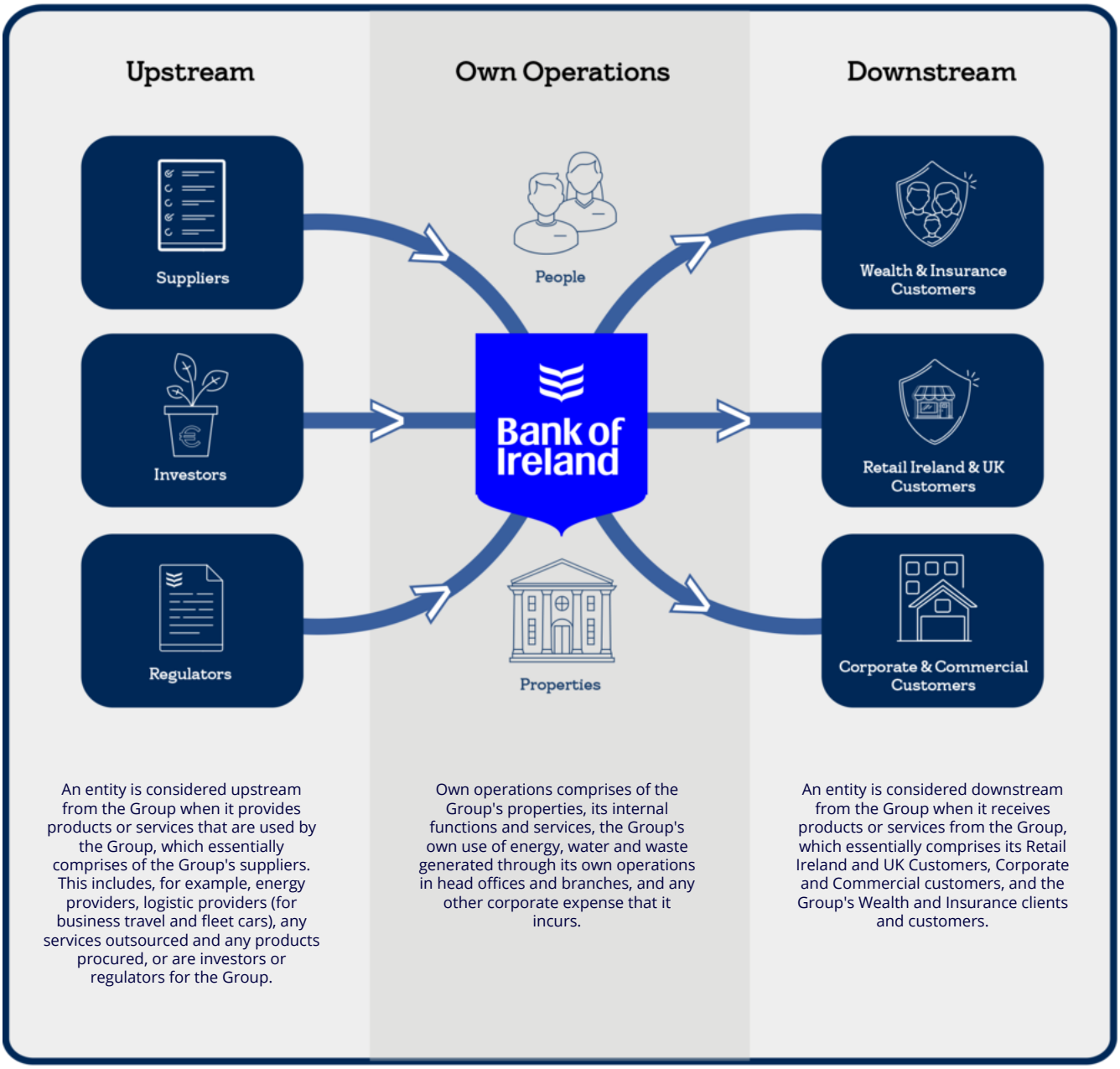
Wealth and Insurance	
New Ireland	**Davy**
New Ireland aims to be a sustainable insurer and a responsible investor and offers a range of investment funds to its clients that promote environmental and / or social characteristics.	Davy offers a range of investment solutions to its wealth clients that are sustainable, and provides specialist sustainability supports to its corporate and institutional clients.
New Ireland Sustainable Investing hub	Davy Sustainable Investing hub

[1] *The UK Green Buy to Let product included in 2024 is no longer part of our sustainable finance suite of products.*

ESRS 2 General Disclosures *(General) (continued)*

Value chain

The concept of the value chain takes into account the entire spectrum of activities, resources, and relationships that are part of the Group's business model and its interaction with the external environment. This includes the Group's internal operations and its interactions with suppliers, partners, and customers. It is a comprehensive view of how the Group operates within its ecosystem.



An entity is considered upstream from the Group when it provides products or services that are used by the Group, which essentially comprises of the Group's suppliers. This includes, for example, energy providers, logistic providers (for business travel and fleet cars), any services outsourced and any products procured, or are investors or regulators for the Group.

Own operations comprises of the Group's properties, its internal functions and services, the Group's own use of energy, water and waste generated through its own operations in head offices and branches, and any other corporate expense that it incurs.

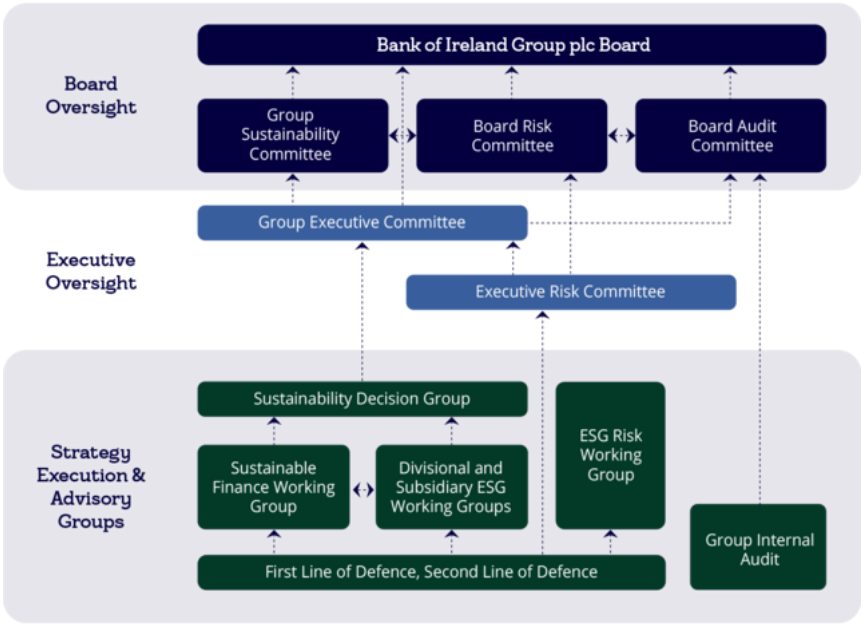
An entity is considered downstream from the Group when it receives products or services from the Group, which essentially comprises its Retail Ireland and UK Customers, Corporate and Commercial customers, and the Group's Wealth and Insurance clients and customers.

ESRS 2 General Disclosures *(General) (continued)*

Governance

The role of the administrative, management and supervisory bodies *GOV-1, GOV-2*

Sustainability governance framework



Board oversight of sustainability
The BoIG plc Board (the 'Board') is collectively responsible for the long-term sustainable success of the Group and for ensuring there is a strong corporate governance structure in place, which is aligned with the Group's strategy and purpose. It provides leadership to the Group, setting strategic aims, within the boundaries of the Group's risk appetite and a framework of prudent and effective controls.

The Board is supported by the Group Sustainability Committee (GSC) and Board Risk Committee (BRC), who monitor climate-related risks and progress against commitments such as Science-Based Targets (SBTs) and the United Nations Principles for Responsible Banking (UNPRB). The GSC and BRC also monitor how identified material IROs are being managed through policies, actions and targets.

Group Sustainability Committee
As outlined in the GSC Terms of Reference (ToR), the committee, on behalf of the Board, is responsible for guiding the development and direction of the Group's Sustainability Strategy, ensuring it aligns with key stakeholder interests and recommending it to the Board for approval. The GSC also manages the execution of the Sustainability Strategy, reviews key sustainability policies, and ensures alignment with the Group's purpose and long-term success and, together with the BRC, oversees related risks, including monitoring the EBA Guidelines. The GSC approved the material IROs identified in the DMA in 2024 and subsequently reviewed and challenged the annual refresh process ahead of approval by the GAC in 2025. The GSC oversees progress against ESG targets and reviews the Group's ESG-related commitments.

The GSC review the Group's Sustainability Report and support the Group Audit Committee (GAC) in maintaining the integrity of CSRD disclosures.

The GSC met three times in 2025 to discuss Group sustainability matters including the 2025 Sustainability Statement, the Sustainability Report and UNPRB Progress statement and to review the annual DMA refresh.

Board Risk Committee
Jointly with the GSC, the BRC ensures that ESG risks are fully embedded within the Group Risk Management Framework and reflected across key risk management policies and processes.

Every three years, the BRC will review the DMA in partnership with the GSC. On an annual basis, the BRC will also approve the ESG Risk Materiality Assessment as part of the ECAP cycle, expanding its scope from climate and environmental factors to full ESG in line with the new EBA Guidelines. An accompanying ESG Risk Report will set out how climate stress testing and ICAAP assessments inform RAS key risk indicators (KRIs) and lending pricing.

The BRC makes recommendations to the Board on risk issues, oversees the Group's risk profile, ensures adherence to risk principles, policies, and standards, and approves certain material risk policies.

The BRC met three times in 2025 to consider ESG matters.

Group Audit Committee
On behalf of the Board, the GAC is responsible for monitoring the quality and integrity of the Group's financial statements, including sustainability disclosures and the review of the annual DMA refresh.

The GAC ToR states that the Committee oversees the integrity of external reporting, which includes Environmental, Social and Governance disclosures such as those required under the Corporate Sustainability Reporting Directive. It reviews arrangements to ensure the Annual Report is fair, balanced, and understandable, monitors the effectiveness of internal controls and risk management systems in partnership with the BRC, and formally reports its views on the Annual Report and related disclosures to the Board.

The GAC met five times to discuss Group sustainability matters in 2025, including to approve the Group's Sustainability Statement for 2025 and the refresh of the DMA.

ESRS 2 General Disclosures *(General) (continued)*

Detail on how management oversee the setting of the targets and monitor their progress is included within the topical standards.

Executive oversight

The GEC acts in an advisory capacity to the Group CEO and assists the CEO in the management and leadership of the Group on a day-to-day basis. The GEC has overarching responsibility for delivery and operationalisation of the Group's Sustainability Strategy, with specific executive responsibility for sustainability delegated to the Chief Sustainability and Investor Relations Officer (CSIRO).

The GEC receives regular updates on the progress against key initiatives from the Sustainability Decision Group (SDG).

The GEC met five times in 2025 to consider aspects of CSRD implementation, including the DMA, and how the identified material IROs are being managed through policies, actions and targets.

Executive Risk Committee

The ERC supports both the GEC and the BRC, in overseeing the material risks of the Group, taking a holistic approach to overseeing the effective management of risk, including ESG risks.

Advisory forums and execution

Sustainability Decision Group

The SDG brings together senior business and functional management across the Group to enable a coordinated approach to sustainability objectives across the three strategic pillars and to provide a discussion and decision-making forum to deliver on the Group's Sustainability Strategy. The SDG is chaired by the CSIRO and regularly updates the GEC on progress against key initiatives. The SDG is responsible for reviewing, challenging, and recommending sustainability related risk matters to relevant committees. This includes evaluating the progress on the Sustainability Strategy, overseeing the ECB Climate Risk Implementation Plan, and supporting the achievement of SBTs. Additionally, the SDG contributes to the development of the sustainable finance framework and products, and ensures robust sustainability disclosures (including the review of material IROs identified as part of the DMA and annual refresh process) and reporting through oversight and challenge.

First Line of Defence (1LOD)

The business divisions or functions have the primary responsibility for managing the risk generated by their actions and this includes managing ESG factors.

Second Line of Defence (2LOD)

2LOD has responsibility for ensuring that ESG risk factors are considered when executing second line responsibilities as set out in the Group RMF. This includes consideration as part of policy setting and taking reasonable steps to ensure the Group does not suffer outcomes outside of the Group's risk appetite.

Third Line of Defence (3LOD)

3LOD is responsible for ensuring that the first and second lines of defence assess whether all significant risks are identified and appropriately reported by management to the GEC and Board, as well as assessing whether risks are adequately controlled.

Sustainable Finance Working Group

The Sustainable Finance Working Group (SFWG) brings together representatives from across the Group to enable a coordinated approach to the development of the Groups' Sustainable Finance and Green Bond frameworks, monitoring and reporting of the Group's Sustainable Finance and Green Bond portfolios and the development of Sustainable Finance products.

Divisional and Subsidiary ESG Working Groups

All materially impacted business divisions and businesses have dedicated ESG leads and ESG working groups who ensure ESG strategy and operational aspects are integrated into the Group's business model.

ESG Risk Working Group

The Group ESG RMF sets out the Group's approach to ESG risk management. Coordinated by Group Risk, the ESG Risk Working Group brings together 2LOD risk management from across the Group's principal risk and sub risk types (with representation from 1LOD Group Sustainability) to ensure there is a coordinated, cohesive and challenging approach to the management of ESG risks within the Group.

Sustainability-related skills and expertise

In support of the Group's Sustainability Strategy and to meet regulator, investor, customer and colleague expectations, the Group has committed to developing a multi-year training plan outlining steps and ambition in terms of sustainability capability development.

The framework is based on a tiered curriculum, supported by key enablers and partnerships, to deliver core foundational sustainability training to all colleagues with more targeted and technical skills development for select groups. The design of the curriculum, content and other critical success factors for the Group's sustainability training are informed by ongoing analysis of industry standards and peer benchmarking to assess the Group's comparative position. Training solutions are tailored across four colleague cohorts at all-colleague, divisional, senior leadership and Board level to meet the different training requirements.

In order to adequately assess ESG risks and opportunities, the Board draws on expertise both internally and externally. In 2025, the Board engaged external experts to explore:

- **Embedding Sustainability into strategy:** How leading industries integrate ESG principles into core business models and the best practices for aligning sustainability with long-term growth and risk management.
- **Infrastructure Updates:** Insights on future-proofing infrastructure to support climate goals.
- **Empowering Customers and Communities for the Green Transition:** Strategies to enable customers to adopt sustainable practices and community engagement initiatives to accelerate decarbonisation and social impact.

All-colleague training on climate concepts and processes, as well as role specific training on sustainable finance and ESG risk management, supports development of skills and expertise across the Group.

ESRS 2 General Disclosures *(General) (continued)*

Risk management and internal controls over sustainability reporting GOV-5

The Group's overarching risk approach is outlined and maintained in the RMF. This ensures that the Group has clearly identified and classified the risks it faces, set its risk appetite through statements of risk tolerance and quantitative limits, and set requirements through risk policies. It is through adherence with the risk policies that the Group observes these tolerances and limits.

The Group identified the operational risks in respect of sustainability reporting, which were similar to existing risks in the Group's Annual Report.

This enabled the Group to leverage the existing suite of controls around the Annual Report and have applied those controls to the CSRD disclosures where appropriate.

Each risk identified has been assigned a risk rating in line with the Group's Risk Assessment Matrix. This calculates the overall risk rating based on the frequency and impact (for example, financial loss or reputational damage) of the risk occurring.

The Risk and Control Self Assessment (RCSA) is embedded into business processes and as such, needs to be regularly performed to ensure the outcome reflects the current risk and control environment. See page 276 for further details on the RCSA.

The Group seeks to ensure effective management of its risks via a three lines of defence approach.

Forums for discussion of RCSA reporting include (but are not limited to):

- business unit team meetings;
- discussions between risk functions and business units through business unit management meetings;
- strategic meetings;
- Divisional Risk Committee (or similar) meetings;
- BRC (or similar) meetings; and
- Board meetings.

The Group has identified the following key risks which could potentially result in errors to sustainability disclosures and associated controls.

Risks identified	Associated controls
Non Compliance with ESRS: The risk of inaccurate, incomplete reporting (i.e. the risk that the CSRD disclosures are materially incorrect due to non compliance to ESRS standards resulting in reputational damage and / or statutory impact). **Incorrect data capture:** The risk of inaccurate, incomplete reporting (i.e. the risk that the CSRD disclosures are materially incorrect due to incorrect data capture resulting in reputational damage and/or statutory impact). **Incorrect stakeholder input:** The risk of inaccurate, incomplete reporting (i.e. the risk that the CSRD disclosures are materially incorrect due to incorrect input from stakeholders, resulting in reputational damage and / or statutory impact).	**Reporting standards and regulatory guidance:** The CSRD disclosures are prepared based on the reporting principles set out by EFRAG and are assured by the Group's external auditors. **Business process controls:** Affirmations from the identified Business owners, who provide the input for disclosures, attesting to the data quality of the information provided. **Data management and data quality controls:** Includes review of any manual adjustments and reconciliation of inputs to source. Where assumptions and estimates have been used, this has been documented in detail within the relevant topical standards. **Governance and oversight:** Approval process includes GAC / GSC review and sign off.

ESRS 2 General Disclosures *(General) (continued)*

Impact, risk and opportunity management

Identification and assessment of material IROs *IRO-1*

Double materiality assessment approach

The DMA identified which sustainability-related matters are material to the organisation and its stakeholders, taking both an impact materiality ('inside-out') and a financial materiality ('outside-in') approach. The DMA not only determines the scope of the Group's sustainability-related reporting but it also provides valuable insights for shaping the Group's Sustainability Strategy. Following a full DMA in 2024, the Group conducted a refresh in 2025. The Group plans to conduct a full DMA every three years, in line with the Group's overall strategic cycle, with a refresh taking place annually, unless there are indicators or events identified by management which would suggest a full assessment is appropriate.

Initial 2024 DMA process

Identification >	Stakeholder engagement >	Impact and financial materiality >	Finalise and document >	Governance
Initial 2024 DMA Process				
Understanding the sustainability matters along with associated IROs, that are most relevant for the Group, considering its own operations, upstream and downstream value chain.	Engagement with internal stakeholders (through workshops / questionnaires) and external stakeholders (through surveys / interviews / via proxies) to get their view on the identified sustainability matters and associated IROs.	Conducting a preliminary assessment of the identified IROs using internal and external data. Assessment of the materiality of the identified IROs based on results of the preliminary assessment and discussions with stakeholders.	Finalisation of the list of material topics based on the identified material IROs and documentation of the approach and resultant output, in line with CSRD requirements.	Final results reviewed and approved jointly by GSC and BRC.

Identification of relevant sustainability matters and associated IROs *IRO-1, G1.IRO-1*

A comprehensive long list of topics and sub-topics was developed from a variety of sources, including topics identified within the ESRSs, topics specific to the Group covered in previous materiality assessments or sustainability reporting, and topics from other established standards, such as the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB). Using this long list of topics, associated IROs were identified, and materiality was assessed covering both lenses (inside-out and outside-in), by engaging with internal and external stakeholders.

During the impact assessment, relevant actual and potential impacts connected to the Group's value chain (see page 117) were identified. These were classified as negative (that result in a net harm to society, the environment, and / or the economy) or positive impacts (that result in net benefit to the society, the environment, and / or the economy).

Stakeholder engagement

The Group initially considered a list of stakeholders from a variety of sources[1], and categorised them into two groups - 'Affected stakeholders', or 'Users of the Sustainability statement'. The Group then selected a subset of prioritised external stakeholders from this list considering both:

- the influence that the external stakeholder has on the Group; and
- the influence that the Group has on the external stakeholder.

The prioritised stakeholder groups[2] were consulted using a variety of engagement approaches, including surveys, interviews, media analysis and through the use of proxies (for regulators and employees).

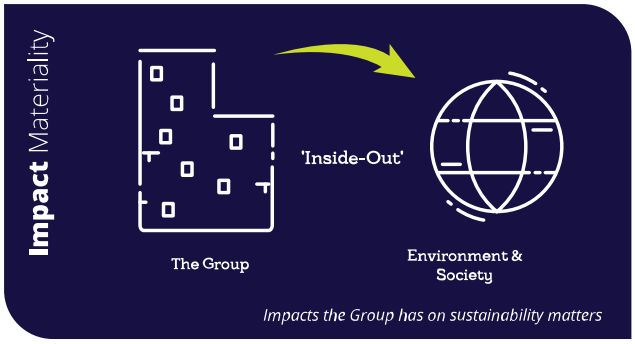
Surveys requiring representatives to rank the identified sustainability matters in order of importance were followed up with interviews to allow for further discussion on the survey responses.

Survey results were used to aid in the determination of material matters for the Group, as an independent input from stakeholder representatives. Internal stakeholders were consulted through workshops and questionnaires as part of the impact and financial materiality exercise.

[1] *e.g. Industry benchmarks, GRI standards, stakeholder groups consulted in the past.*
[2] *Investors / shareholders, Regulators, Customers, Suppliers, Employees and Business partners.*

ESRS 2 General Disclosures *(General) (continued)*

Impact materiality



The impact materiality assessment identified and analysed the impact areas of the Group's business activities on the economy, environment, and people, including effects on human rights.

This allows the Group to understand how it, not only through its own operations, but also through its various downstream exposure, is impacting sustainability matters.

The preliminary impact assessment was based on an inherent approach and the initial assessment was conducted by mapping the Group's portfolio to a list of possible material impacts based on the sectors the Group is active in, using data from publicly available databases[1].

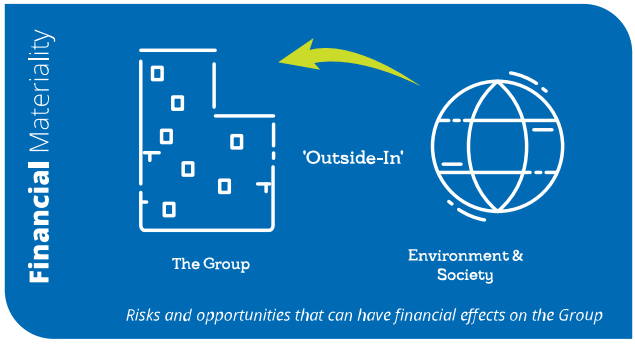
The list of identified impacts was subject to assessment by the Group's subject matter experts. The subject matter experts were allocated to different working groups for sustainability topics based on their role in the Group and their specific area of expertise.

In advance of their participation, internal experts were briefed on the concept of the DMA, the process to be undertaken, additional information on the DMA and the considerations relevant to the Group's strategy.

Each impact related to a sustainability sub-topic was scored based on the following criteria, as outlined in ESRS 1:

- **Scale:** How grave the negative impact is or how beneficial the positive impact is for people or the environment.
- **Scope:** How widespread the negative or positive impacts are. In the case of environmental impacts, the scope may be understood as the extent of environmental damage or a geographical perimeter. In the case of impacts on people, the scope may be understood as the number of people adversely affected.
- **Likelihood (only for potential impacts):** How likely is it that the potential impact will materialise i.e. the probability of occurrence.
- **Irremediable character (only for negative impacts):** Whether and to what extent the negative impacts could be remediated *(restoring the environment or affected people to their prior state)*.

Financial materiality



A risk assessment enabled the Group to understand how sustainability issues can have an impact on the Group across its value chain. The Group recognises ESG factors represent a common risk driver across the Group's Principal Risk types.

A combination of a quantitative and qualitative approach was used to assess the impact of ESG related risk factors on the Principal Risk types of the Group with reference to good practice published by ECB and in line with the maturity observed across the market. The preliminary assessment was conducted on an inherent basis. The approach used in the assessment was in line with the Group's internal processes and prior assessments were leveraged, given the forward looking nature of these risks and consistent degree of impact on the Group's portfolio.

An exposure concentration approach was predominantly leveraged for credit risk by mapping the Group's corporate portfolio to external[2] industry and country scores to get an initial indication of the Group's portfolio that might be materially impacted by ESG related risk factors.

The results were discussed in workshops separately with 1LOD and 2LOD to incorporate knowledge of the Group and its business activities, a view on potential impact and probability of occurrence of these risks, as well as prior climate and other risk assessments carried out by the Group.

A qualitative approach was used to consider opinions and views from the 1LOD and 2LOD, on how ESG related risk factors could materialise and have an impact on the Group's other principal risk types (except credit risk). For the assessment of opportunities, a qualitative approach was used to consider opinions / views from the Group experts via questionnaires / workshops, on how ESG opportunities could materialise for the Group.

[1] *e.g. Encore, United Nations Environment Programme Finance Initiative (UNEP FI), Carbon Disclosure Project, World Wildlife Fund.*
[2] *e.g. Bloomberg, Encore, Sustainability Accounting Standards Board, Environment Performance Index Yale, Morgan Stanley Capital International.*

ESRS 2 General Disclosures *(General) (continued)*

Each risk / opportunity related to a sustainability sub-topic was assessed / ranked based on the following criteria, as outlined in ESRS 1:

- **Magnitude:** If the risk / opportunity does materialise, how bad will the financial impact be.
- **Likelihood:** How likely is it that the ESG risk aspect / opportunity will materialise i.e. the probability of occurrence.

The scores obtained from the subject matter experts were used to identify the material risks / opportunities as part of the financial materiality assessment, to incorporate knowledge of the Group and its business activities, as well as prior climate and other risk assessments carried out by the Group.

Finalise and document

A topic was considered to have material impact from an outside-in perspective if it impacts a significant portion of the Group's portfolio and if the impact was considered as being critical for delivering on the Group's strategy and business model. Similarly, it was considered to be material from an inside-out perspective, if it causes a significant impact on ESG issues. Thresholds were selected by Group subject matter experts.

A completeness check was conducted to assess whether items below the threshold should potentially be moved above the threshold based on the results of other assessments such as external engagement, as described earlier, and based on the criticality of the topic in delivering the Group's strategy and sustainable business model.

This list of material topics was used to inform the Group disclosures for 2024 reporting.

Governance

As part of the DMA, the Group had the following decision making process and controls in place:

- the Group obtained feedback from stakeholders who participated via questionnaires and workshops on the input used for the analysis as well as on the final results of the assessment;
- the Group ensured any manual adjustments were reviewed and data used for initial assessment was reconciled back to the Group's Pillar 3 report;
- the Group considered inputs from internal and external stakeholders to finalise the output of the assessment by ensuring appropriate attendance in workshops and coverage through questionnaires, while also considering IROs across all aspects of the value chain; and
- the final results were approved jointly by BRC and GSC after being reviewed and challenged by 2LOD.

Non-Material topics

Through the process described on page 121, the environmental topics ESRS E2 (Pollution), ESRS E3 (Water and Marine resources), ESRS E4 (Biodiversity and Ecosystems) and ESRS E5 (Circular Economy) were assessed as not material for 2024, through both the financial and impact materiality lenses. This is closely aligned with the Group's internal expectations, strategic objectives, industry trends and in particular, with the specifics of the Group's portfolio. The assessment as described on page 121 identified and analysed the impact areas of the Group's business activities on the economy, environment and people. Site level activities in our own operations were considered to determine any actual and potential impacts, risks or opportunities relating to these topics. There was no consultation with affected communities used as an input to the DMA in relation to these matters, beyond the stakeholder engagement described above.

Maintaining these topics as non-material continued to be deemed appropriate for 2025 based on the enhanced quantification of potential environmental risk impacts conducted as part of the Group's ICAAP 2025 in line with EBA guidelines, which superseded the initial DMA analysis. In this exercise, non-climate environmental risks were not considered material with the quantified impacts of all environmental risks approximately one seventh of the impact of climate risk. Management will continue to closely monitor these topics, in particular E4 Biodiversity and Ecosystems, given its emergent nature and evolving regulatory developments.

DMA refresh 2025 *IRO-1*

In 2025, the Group undertook an annual refresh of the DMA. The 'top-down' refresh by management comprised a number of steps. The DMA methodology and assumptions used in the 2024 process were reviewed to assess if any updates were required to account for external factors such as the EU Omnibus simplification and the new EBA Guidelines on the management of ESG risks. Extensive peer benchmarking was considered to identify themes and emerging practice amongst other Wave 1 reporters and confirmed that the Group is broadly consistent with its peers. The refresh also considered the Non-Material topics from 2024, which were reviewed in the context of enhanced quantification of potential environment risk impacts conducted as part of ICAAP 2025 in line with EBA guidelines. Management assessed that these topics remained Non-Material in 2025.

The refresh resulted in management bringing a number of proposals to the GSC for discussion and the GAC for approval. In 2024, the Group identified one potential positive material impact and one material risk under 'ESRS S2 Workers in the Value Chain'. In 2025, management considered the narrowing of focus on the value chain amongst stakeholders. On this basis the material impact previously identified, is no longer deemed material for FY25 reporting. The material risk identified relates to suppliers not adhering to the Group's standards and processes in relation to workers in the value chain. This is captured under a broader supplier risk identified under G1 Business Conduct. To streamline disclosures and to avoid duplication, the risk is now disclosed under G1 Business Conduct and removed from ESRS S2 Workers in the Value Chain. With the removal of the material impact and risk from the topic, the topic is no longer deemed material for FY25.

The refresh also included a proposal to amalgamate 'ESRS S3 Affected Communities' and the entity specific topic of Housing. On a review of IROs included under ESRS S3, it was noted that they largely overlapped with the entity specific topic of Housing. Considering the challenges facing the communities in which the Group operates relating to availability and affordability of housing, the IROs under the entity specific topic of Housing aligned closely to the theme of adequate housing, a sub-sub topic of the 'Communities' economic, social and cultural rights' sub-topic in ESRS S3.

Both proposals outlined above arising from the DMA refresh were approved by the GAC.

ESRS 2 General Disclosures *(General) (continued)*

Interaction of material IROs with strategy and business model *SBM-3*

Operational and financial planning is projected over a 1–3 years timeframe. The Group's near-term SBTs and Climate Transition Plan are aligned to 2025 and 2030 measures, and the long-term net zero emissions commitment by 2050.

The impact materiality assessment illustrated positive impact areas associated with the business and corporate banking activities (downstream) in Ireland and the UK. This included areas such as 'sustainable finance', 'human rights', 'ethical business practices' 'availability, accessibility, affordability, quality of products and services', 'healthy economies', 'socio-economic convergence', 'financial stability and wellbeing'.

As part of the impact materiality assessment, ESG risk factors were identified to have a material impact on the Group's Principal Risk types. This included credit risk, business and strategic risk, operational risk, and conduct risk.

The identification of material impacts serves as the foundation for the identification of material sustainability opportunities, as they are often a result of these impacts. The Group recognises that dependencies on natural, human and social resources can be a source of financial risks and opportunities. Therefore, the Group considers the effect of such dependencies when assessing risks and opportunities as part of the DMA.

As part of the DMA and subsequent DMA refresh, connections between IROs were considered by the Group's subject matter experts to ensure potential threats were identified and are planned to be mitigated, while opportunities for growth and improvement are being leveraged.

The financial materiality assessment captured significant opportunities for the Group around 'sustainable finance', 'unlocking efficiency through digitalisation and strategic partnerships in banking', 'affordable home ownership' and 'competitive advantage of transparency and fairness in banking'.

Based on the results of the DMA and the subsequent 2025 DMA refresh, the ESRS topical standards require disclosures to be made for each material sustainability matter, including the description of material IROs identified, part of the value chain impacted and the expected time-horizon.

Policies to address the material IROs identified as part of the DMA has been disclosed in the policy table in this section (see page 131). Actions, targets and metrics to address the material IROs identified has been disclosed in respective topical sections. The definition of targets can include a range of metrics to manage the impact, opportunity or risk e.g. business targets, risk metrics, KRIs.

The Group's focus is on material ESG IROs aligning to science and best practice. The Group acknowledges that addressing the material IROs is imperative to upholding the Group's financial stability and safeguarding its reputation. Mitigating the risks identified in this assessment is critical to avert financial losses, protect the Group's reputation, and ensure compliance with regulations. This also enables the Group to capitalise on identified opportunities that are essential for enhancing the Group's competitiveness, attracting socially responsible investors, and promoting sustainable long-term growth.

The Group recognises that the ESG risks it faces need to be identified, assessed and managed on an ongoing basis to minimise the negative impact on the Group.

In the Group's key planning process, the ICAAP, the potential impact of transition and physical risk drivers is assessed for each key risk type over the short, medium and long-term.

At 31 December 2025, there have been no (2024: nil) material impacts on workers arising from the Group's Environmental policy and Climate Transition Plan. The Climate Transition Plan, including related investment in employee upskilling and hiring, is outlined on page 140.

Management of Material IROs *IRO-2*

Management of material risks

The Group ESG RMF sets out the Group's approach to ESG risk management.

ESG risk is defined in the Group as the risk to the Group that ESG factors (environmental, social or governance matters) could cause a material negative impact on:

- the Group's earnings, capital, franchise value or reputation;
- the Group's regulatory standing;
- the long-term sustainability of our customer's operations and financial wellbeing; and
- the communities and environment in which the Group and our customers operate.

ESG factors represent a common driver across the Group's Principal and Sub risk types. The Group applies a risk lens to ensure that the impact of ESG across the Group's risk types is considered on an ongoing basis and that the aggregate impact arising from ESG risk drivers is given appropriate consideration. See page 277 for more information on the Group's approach to ESG risk management.

1LOD has the primary responsibility for managing the risk generated by the Group's actions and this includes managing ESG factors. 2LOD has responsibility for ensuring that ESG risk factors are considered when executing second line responsibilities as set out in the Group RMF. The Group RMF is the foundation stone for how we manage risk in the Group. It sets out the Group-wide approach to risk management and reflects the Group's Risk Culture. See page 236 for more details on the Group RMF. The Group's Risk policies set out the risk mitigation requirements (RMRs) which are designed to ensure the Group has an extremely low probability of having risk outcomes outside of Risk Appetite. The implementation of these policies is monitored by 2LOD risk owners.

While ESG risk management is managed through the Group's principal and sub risk types, the Group also has dedicated resources to lead the co-ordination of the Group's approach to ESG risk management, both in 1LOD (Sustainability Team, Group Strategy) and in 2LOD (Business, Strategic and ESG Risk Team, Group Risk).

The Group assesses the impact of ESG factors on an ongoing basis. In parallel with ESG risk identification and assessment activities across the Group's principal risk types, the Group also undertakes an ESG Risk Materiality Assessment. The outputs from this assessment should be consistent with the Group's DMA.

ESRS 2 General Disclosures *(General) (continued)*

The outcome of the DMA and the ESG Risk Materiality Assessment is used to inform the Group's ICAAP, Sustainability Strategy and the management of ESG risk including the composition of the Group's ESG risk metrics.

More information on how the Group manages its material risks through policies has been disclosed in the policy table in this section (see page 131) and actions, internal limits and KRIs is covered under the respective topical section.

Management of material impacts and opportunities

The Group has a set of overarching policies, standards and statements pertaining to sustainability matters. This creates an environment that enables the Group to deliver on its Sustainability Strategy whilst supporting management of its material impacts and opportunities through action.

The Group's governance structure (see page 118) ensures that the Board and its sub-committees, consider CSRD requirements, including the DMA and how identified material IROs are being managed through policies, actions and targets.

The matrix below details the materiality of sub-topics within the six material topics (E1, S1, S3, S4, G1 and Digital Banking) identified as part of the 2025 DMA refresh.

Material and non-material sub-topics identified as part of the DMA[1]

Impact material	Impact and financially material (i.e. material from both inside-out and outside-in perspective)
S1 - Working conditions	E1 - Climate change adaptation
G1 - Corruption and bribery	E1 - Climate change mitigation
	E1 - Energy
	S3 - Communities' economic, social and cultural rights
	S4 - Personal safety of consumers and / or end-users
	G1 - Corporate culture
	G1 - Protection of whistleblowers
	G1 - Management of relationships with suppliers [2]
	Digital Banking - Digital offerings and platforms
	Digital Banking - Technology Infrastructure
Non-material	**Financially material**
S1 - Other work-related rights	S1 - Equal treatment and opportunities for all
S3 - Communities' civil and political rights	S4 - Information-related impact for consumers and / or end-users
S3 - Particular rights of indigenous communities	S4 - Social inclusion of consumers and / or end-users
G1 - Political engagement and lobbying activities	
G1 - Animal welfare	

Environment | Social | Governance | Entity-specific

[1] *The material impact identified previously for S2 is not deemed material for FY25 reporting and has been removed. The entity specific topic of Housing has been combined with S3 and therefore is now included in S3 - Communities' economic, social and cultural rights.*
[2] *The sub sub-topic payment practices was deemed not material in the DMA.*

ESRS 2 General Disclosures *(General) (continued)*

Material IROs

The table below outlines the material IRO's identified during the DMA process.

ESRS E1 Climate Change

Sub-topic	ID	Material IROs	Time horizon
Climate change adaption, Climate change mitigation, Energy	**E1-Impact 1**	**Actual positive impact *(Downstream)*** The Group offers sustainable financing options which incentivise customers to reduce the emissions produced by their business activities and physical assets.	Short, medium, long-term.
	E1-Impact 2	**Actual positive impact *(Downstream)*** By supporting renewable energy projects, the Group can further develop access to clean energy sources, thereby reducing economic reliance on fossil fuels.	Long-term.
	E1-Impact 3	**Actual positive impact *(Downstream)*** Due to the Group's loans in sectors with high decarbonisation potential, the Group can support climate change adaptation by financing these sector's transition to a low carbon economy.	Short, medium, long-term.
	E1-Impact 4	**Actual negative impact *(Downstream)*** The Group finance sectors that consume large amounts of fossil based energy for manufacturing production processes and transport.	Short, medium, long-term.
	E1-Opportunity 1	Financing of investment in new low emission equipment and, infrastructure can potentially lead to increased profits, positive public image, access to government initiatives and sustainable financing opportunities for the Group.	Short, medium, long-term.
	E1-Opportunity 2	Financing investments in renewable energy sources can potentially lead to increased income, reputation and franchise benefit for the Group.	Medium, long-term.
	E1-Opportunity 3	Financing electric mobility investments can potentially lead to increased EV financing opportunities, increased income, reputation and franchise benefit for the Group.	Short, medium, long-term.
	E1-Opportunity 4	Participation in governmental, intergovernmental climate change programmes and initiatives can potentially lead to enhanced public trust, reputation and competitiveness for the Group.	Short, medium, long-term.
	E1-Opportunity 5	Financial support of building resilience to extreme weather events can potentially lead to increased customer loyalty, increased income, reduced credit risk and enhanced reputation for the Group.	Medium, long-term.
	E1-Risk 1	**Credit risk: Impact of transition and physical risk *(Downstream)*** Risks associated with climate change (both physical risks and transition risks) can impact the Group's counterparties negatively and see an increased PD and hence increased credit risk for the bank, for example: • borrowers' ability to repay if operating in sensitive sectors; • changes in emission regulation or in user sentiment could affect asset value (Stranded Assets); • collateral depreciation leading to negative impacts on LTV (e.g. flooding, storms); and • borrowers' ability to repay in sectors more sensitive to weather impacts like floods and storms (e.g. agriculture).	Short, medium, long-term.
	E1-Risk 2	**Business and strategic risk: Impact of transition risk *(Own operations)*** Failure to consider the risks associated with climate change (both physical risks and transition risks) as part of the Group's strategy and financial plans can negatively impact the Group's strategic and financial outcomes. e.g. not adapting the Group's business model and product offering to mitigate climate change risk.	Short, medium, long-term.
	E1-Risk 3	**Conduct risk: Impact of transition risk *(Own operations)*** Failure to consider the risks associated with climate change (both physical risks and transition risks) can negatively impact the Group's delivery of product and services to support the management of climate change resulting in poor outcomes for, or harm to customers, clients and markets e.g. lack of transparency in product characteristics and misleading product classification (greenwashing).	Short, medium, long-term.

ESRS 2 General Disclosures *(General) (continued)*

Material IROs *(continued)*

ESRS E1 Climate Change *(continued)*

Sub-topic	ID	Material IROs	Time horizon
Climate change adaption, Climate change mitigation, Energy	**E1-Risk 4**	**Regulatory risk: Impact of transition risk *(Own operations)*** Failure to implement in a timely manner ongoing changes in climate regulation could affect the Group's reputation and regulatory standing. Also, the potential to affect the Group's regulatory standing, through supervisory measures, if physical risks impact our services with consequent impact to services we provide to clients.	Short, medium, long-term.
	E1-Risk 5	**Operational risk: Impact of physical risk *(Upstream & own operations)*** Increased exposure to operational risks driven by climate change including IT, data and Third Party Risk Management & Outsourcing (TPRM&O) risk. The Group's operational resilience capability should also consider climate change to be able to effectively respond to and recover from climate related events e.g. extreme floods or storms at multiple locations.	Medium, long-term.

ESRS S1 Own Workforce

Sub-topic	ID	Material IROs	Time horizon
Working conditions	**S1-Impact 1**	**Actual positive impact** Positive impact of rewards programmes to promote employee welfare and attract talent.	Short, medium, long-term.
	S1-Impact 2	**Actual positive impact** Positive impact of working conditions to build a workplace where everyone can thrive.	Short, medium, long-term.
	S1-Impact 3	**Actual positive impact** Positive impact of collective bargaining agreements on working conditions of employees in accordance with jurisdictional law.	Short, medium, long-term.
Equal treatment and opportunities for all	**S1-Opportunity 1**	Opportunity of I&D programmes and initiatives, and a positive working culture, to create and promote equal opportunities for all, alongside attracting talent, leading to an enhancement in the Group's overall capabilities, innovation and competitiveness, and helping colleagues to thrive.	Short, medium, long-term.
	S1-Opportunity 2	Opportunity of employee development and training initiatives to attract and retain a skilled workforce leading to an enhancement in the Group's overall capabilities.	Short, medium, long-term.

ESRS S3 Affected Communities

Sub-topic	ID	Material IROs	Time horizon
Communities economic, social and cultural rights	**S3-Impact 1**	**Actual positive impact *(Downstream)*** Investing in sustainable infrastructure projects enhances mobility and livelihoods, and provides environmental and social benefits to affected communities.	Medium, long-term.
	S3-Impact 2	**Actual positive impact *(Downstream)*** As home ownership remains difficult to access, by supporting the development of housing, including social and affordable housing, and by supporting organisations, individuals and families who own and provide social and affordable homes, the Group will impact the ability of its communities to own homes, and to tackle homelessness issues in more socially disadvantaged areas. Home ownership can greatly contribute to the wealth of individuals and family units. By supporting greater access to home ownership, the Group supports a more equal distribution of wealth in society, further aligning to its purpose to help society to thrive, and positively impacts sectors such as real estate, construction and infrastructure.	Short, medium-term.

ESRS 2 General Disclosures *(General) (continued)*

Material IROs *(continued)*

ESRS S3 Affected Communities *(continued)*

Sub-topic	ID	Material IROs	Time horizon
Communities economic, social and cultural rights	**S3-Risk 1**	**Business and strategic risk *(Own operations)*** Failure to adjust the Group's strategy or business model to support the economic and social needs of the communities it operates in can have a detrimental impact on reputation and the long term sustainability of the Group's businesses.	Short, medium, long-term.
	S3-Risk 2	**Conduct risk *(Own operations)*** The risk to the Group of financial loss, regulatory breach, reputational damage or causing customer detriment, as a result of failures in the design, market practice, customer engagement or delivery of its products and services (including sustainable finance products) causing poor outcomes for, or harm to the Group's communities, customers, clients and markets or lead to greenwashing claims.	Short, medium, long-term.
	S3-Risk 3	**Business and strategic risk *(Own operations)*** Risk that the Group's strategy does not support customers and communities in addressing the housing challenges in Ireland and results in poor financial outcomes, reputational damage and negatively impacts the long term sustainability of the Group's businesses.	Short, medium, long-term.
	S3-Opportunity 1	The Group can support the financial health and resilience of unbanked or underbanked adults or other affected communities, by establishing new partnerships in financial health and inclusion. This will aid those who currently struggle to effectively access financial products and services while also benefiting the Group's reputation and customer base.	Short, medium, long-term.
	S3-Opportunity 2	The Group can support communities by investing in local businesses and infrastructure, thus creating jobs and stimulating the economy while enhancing its reputation and profits.	Medium, long-term.
	S3-Opportunity 3	**Financing affordable and sustainable home ownership** • Offering mortgages allows the Group to establish long-term relationships with customers. Homebuyers often require multiple financial products and services beyond the mortgage, creating opportunities for cross-selling; providing competitive mortgage rates and excellent customer service can help the Group attract and retain customers, thereby increasing market share and building brand loyalty; • By providing financing options for homebuyers, the Group has an opportunity to expand credit availability to a broader range of individuals, including those with diverse financial backgrounds; • The Group's financing of affordable housing developments can contribute to creating jobs and stimulating the economy, while enhancing its reputation and profits; and • Home improvement and retrofitting loans: The Group can support the Green transition of customers by providing sustainable home improvement and retrofitting loans to help homeowners make the necessary investments to reduce their energy consumption.	Medium, long-term.

ESRS 2 General Disclosures *(General) (continued)*

Material IROs *(continued)*

ESRS S4 Consumers and End-Users

Sub-topic	ID	Material IROs	Time horizon
Personal safety of consumers and / or end users	**S4-Impact 1**	**Actual positive impact *(Downstream)*** Building stronger relationships with customers helps to enable them to benefit from better financial planning and management, which supports their financial stability and wellbeing.	Long-term.
	S4-Opportunity 1	By implementing a customer-oriented approach, the Group can reap the benefits of increased customer loyalty, by providing appropriate products to customers, while also improving operational efficiency.	Short, medium, long-term.
	S4-Opportunity 3	Continuing to promote the Group's financial literacy programmes will enable the Group to improve customer service, engagement and sales, lower costs and ultimately enhance the Group's credit risk profile.	Short, medium, long-term.
Information-related impacts for consumers and / or end users	**S4-Opportunity 2**	Providing increasingly secure and privacy respecting services and data management practices will enable the Group to increase its customer appeal while also reducing the possibility of customer complaints.	Short, medium, long-term.
Social inclusion of consumers and / or end users	**S4-Risk 1**	**Conduct risk *(Own operations)*** The risk to the Group of financial loss, regulatory breach, reputational damage or causing customer detriment, as a result of the delivery of its products and services causing poor outcomes for, or harm to the Group's communities, customers, clients and markets.	Short, medium, long-term.
	S4-Risk 2	**Operational risk *(Upstream & downstream)*** The impact on consumers and end-users driven by operational risk events could lead to customer detriment, customer inconvenience, reputational risk and regulatory sanctions.	Short, medium, long-term.

ESRS G1 Business Conduct

Sub-topic	ID	Material IROs	Time horizon
Corporate culture	**G1-Impact 2**	**Actual positive impact *(Own operations)*** Effective communication of the Group's purpose, values and Group Code of Conduct ensures its commitment to transparency and fair business practices.	Short, medium, long-term.
	G1-Risk 1	**Regulatory risk *(Own operations)*** Risk of failure to comply with regulations can lead to increased regulatory risk which could affect the Group's reputation and regulatory standing.	Short, medium, long-term.
	G1-Risk 3	**Business and strategic risk *(Upstream & own operations)*** Poor business conduct by the Group can impact on the Group's reputation, lead to financial sanctions and negatively impact the long term sustainability of the Group's businesses.	Short, medium, long-term.
	G1-Risk 4	**Conduct risk *(Own operations)*** The risk to the Group of financial loss, regulatory breach, reputational damage or causing customer detriment, as a result of the delivery of the Group's products and services causing poor outcomes for, or harm to its customers, clients and markets.	Short, medium, long-term.
Management of relationship with suppliers	**G1-Impact 3**	**Actual positive impact *(Upstream)*** Completing supplier due diligence promotes responsible, transparent, ethical, and conscientious behaviour in wider society.	Medium, long-term.

ESRS 2 General Disclosures *(General) (continued)*

Material IROs *(continued)*

ESRS G1 Business Conduct *(continued)*

Sub-topic	ID	Material IROs	Time horizon
Management of relationship with suppliers	**G1-Risk 2**	**Operational risk *(Own operations)*** The risk of operational loss or reputational damage to the Group as a result of not implementing and operating adequate standards and processes to effectively manage the Group's suppliers.[1]	Short, medium, long-term.
Corruption and bribery	**G1-Impact 4**	**Actual positive impact *(Own operations)*** Financial crime-related procedures help maintain the integrity and stability of the financial system. By preventing illicit funds from entering the financial system, banks and investment companies contribute to a more stable and trustworthy economic environment.	Short-term.
	G1-Opportunity-1	Gain competitive advantage by having a reputation of transparency and fairness with strong AML practices.	Short, medium, long-term.
Protection of whistleblowers	**G1-Impact 1**	**Actual positive impact *(Own operations)*** Having relevant mechanisms in place to facilitate whistleblowers supports a culture of integrity where ethical concerns are taken seriously.	Short, medium-term.

Digital Banking

Sub-topic	ID	Material IROs	Time horizon
Digital offerings and platforms	**Digital Banking-Risk 1**	**Regulatory risk *(Own operations)*** Failure to implement in a timely manner ongoing changes in digital regulation could affect the Group's reputation and regulatory standing.	Short, medium, long-term.
	Digital Banking-Risk 3	**Business and strategic risk *(Own operations)*** The risk that failure to keep pace in a highly competitive digital economy can impact on delivery of the Group's strategy and financial performance (e.g. loss of market share arising from failure to compete effectively on digital offerings).	Short, medium, long-term.
	Digital Banking-Risk 4	**Conduct risk *(Own operations)*** The risk to the Group of financial loss, regulatory breach, reputational damage or customer detriment if the Group's digital strategy leads to the exclusion of certain customers that do not engage with the Group through digital platforms.	Short, medium, long-term.
	Digital Banking-Opportunity 1	Digitalisation provides banks with a unique opportunity to increase efficiency, reduce operational costs, promote sustainability, and enhance customer experiences through levers such as automation and the use of data analytics. This comprehensive approach to banking transformation leverages technological advances and partnerships to drive financial inclusion and increased customer satisfaction and loyalty.	Short, medium, long-term.
Technology infrastructure	**Digital Banking-Impact 1**	**Actual negative impact *(Own operations)*** IT system failures and outages lead to service disruption for customers, preventing customers from accessing their accounts online or seeing incorrect information. Social media can amplify negative reputation impacts from any such failures or outages. Additionally, social media can be used to spread misinformation or disinformation which can present a risk to the Group and its stakeholders.	Short, medium-term.
	Digital Banking-Risk 2	**Operational risk *(Upstream, downstream & own operations)*** Operational failures on digital platforms, including delays in meeting regulatory requirements, could result in service disruption, reputational damage, regulatory sanctions and adverse customer experience.	Short, medium, long-term.

[1] *The Material Risk reported as S2-Risk 1 in 2024 has been amalgamated into G1-Risk 2 in 2025.*

ESRS 2 General Disclosures *(General) (continued)*

Policies

The tables below outline the policies adopted to manage material sustainability matters. Additional details on policies which may be required under the relevant topical disclosure requirements, are included in the corresponding sections of the Sustainability statement.

The Group regularly reviews its business practices to ensure adherence to our policies. Compliance is monitored on an ongoing basis and policies are refreshed where necessary. The Group's risk policies are owned by Group Risk, with periodic review and re-approval at a Group Risk Committee, Board Risk Committee or Board, as appropriate.

Name of the policy	Key content	Scope and Availability	Accountable for implementation
Group Environmental policy *(E1-Risk 2, E1-Risk 3, E1-Risk 4, E1-Risk 5)*	The Group's Environmental policy guides the identification, control and reduction of significant environmental impacts associated with our own operations (across energy, water and paper consumption, waste management and suppliers). This policy is approved by the Group CEO and is reviewed annually as part of the certification of the ISO 50001 Energy Management System and ISO 14001 Environmental Management System.	**Scope**: This policy applies to the Group and its subsidiaries. **Availability**: Policy is shared internally and is available on the Group's website.	Group Property Management
Group Energy policy *(E1-Risk 2, E1-Risk 3, E1-Risk 4, E1-Risk 5)*	The Group's Energy policy guides our approach to improving our energy performance, decarbonising our own operations and reducing our dependence on the use of fossil fuels in all operational areas. This policy is approved by the Group CEO and is reviewed annually as part of the certification of the ISO 50001 Energy Management System and ISO 14001 Environmental Management System.	**Scope**: This policy applies to the Group and its subsidiaries. **Availability**: Policy is shared internally and is available on the Group's website.	Group Property Management
Sustainable Finance Framework *(E1-Impact 1, E1-Impact 2, E1-Impact 3, E1-Opportunity 1, E1-Opportunity 2, E1-Opportunity 3, E1-Opportunity 5, S3-Impact 1, S3-Impact 2, S3-Risk 3, S3-Opportunity 3)*	• Outlines the approach to sustainable financing, providing transparency and clear criteria for classifying financial commitments and products as sustainable. • Aligns with global standards and principles on sustainable finance. The Group defines our Sustainable Finance (SF) as all financial products and services that we provide, that support positive environmental and/or social purposes and contribute to achieving the goals of the Paris Agreement and the UN SDGs. • Discloses the criteria used to classify financial commitments and products as sustainable, ensuring stakeholders understand the composition of the Group's SF portfolio.	**Scope**: This framework applies to the Group and its subsidiaries. **Availability**: Framework is shared internally and is available on the Group's website.	Group lending businesses and subsidiaries
Green Bond Framework *(E1-Impact 1, E1-Impact 2, E1-Impact 3, E1-Opportunity 1, E1-Opportunity 2, E1-Opportunity 3, E1-Opportunity 5, S3-Impact 1)*	• Defines the loans or investments eligible to be financed and / or refinanced by the proceeds of Green Bonds issued by the Group or any of its subsidiaries. • Outlines the process used to identify, select and report on eligible loans and projects and how the proceeds are managed prior to allocation. • Green Bonds issued under this Framework will only reference Use of Proceeds categories that are aligned to the Green Bond Principles.	**Scope**: This framework applies to the Group and its subsidiaries. **Availability**: Framework is shared internally and is available on the Group's website.	Group Treasury

ESRS 2 General Disclosures *(General) (continued)*

Policies *(continued)*

Name of the policy	Key content	Scope and Availability	Accountable for implementation
Code of Supplier responsibility *(E1-Risk 2, E1-Risk 3, E1-Risk 4. E1-Risk 5, G1-Impact 3, G1-Risk 2)*	This Code sets out expectations for suppliers to: • have an Environmental Sustainability Strategy, policy or statement; • Conduct all business activities with care for the environment, in full compliance with applicable environmental laws, regulations, relevant legislation, regulatory directives, and codes of practice related to energy management, climate-related disclosures, and transition plans (where applicable); and • in addition, suppliers are encouraged to obtain ISO 14001 and ISO 50001 certifications.	**Scope**: This Code applies to all suppliers to the Group. Suppliers include any third-party organisation that provides goods or services to or on behalf of the Group, suppliers' officers, employees and subcontractors. This Code does not include individual contractors, agents, or intermediaries. **Availability**: Code is shared internally and is available on the Group's website.	Chief Operating Officer
Group Credit Risk policy *(E1-Risk 1)*	• The objective of the Group Credit Risk policy is to meet the legitimate credit needs of our customers, and the markets and communities in which the Group operates. The Group does this by serving its customers through delivering appropriate credit decisions that underpin the development of profitable customer relationships. • ESG factors are included as part of risk mitigation measures such as credit approvals and assessments, loan origination standards, external valuation standards and country risk limit management.	**Scope**: This policy applies to the Group and its subsidiaries. **Availability**: Policy is shared internally.	Group lending businesses and subsidiaries
Group Property Collateral Valuation policy *(E1-Risk 1)*	• The Group Property Collateral Valuations policy (and related Guidelines) require that market valuations should take into account ESG factors and EPC Energy Ratings. • Valuer Letter of Instruction provides a detailed report template to valuers, each including an ESG section. ESG factors should include, but are not limited to; – the Energy Efficiency rating of the building; – natural environmental constraints – potential risks such as flooding, ground instability etc; – non-natural constraints – potential risks such as land contamination and / or hazardous substances on site.	**Scope**: This policy applies to the Group and its subsidiaries. **Availability**: Policy is shared internally.	1LOD businesses / functions across the Group
Group Business and Strategic Risk policy *(E1-Risk 2, E1-Risk 3, S3-Risk 1, S3-Risk 3, Digital Banking-Risk 3)*	• The policy details the requirements to mitigate the risk of the Group not achieving its agreed strategic and business goals. • This includes requirement that ESG factors and the Group's Transition Plan are considered as part of the development of the Group Strategic Plan and in assessments of the internal and external environment for new and additional ESG related risks that could impact on Strategy and Business plan delivery (e.g. greenwashing event, failure to materially meet carbon reduction targets). See page 243 for further detail. • The policy sets our minimum risk mitigation requirements in relation to private equity investment, which includes the Group's investment in the First Home Scheme (FHS).	**Scope**: This policy applies to the Group and its subsidiaries. **Availability**: Policy is shared internally.	1LOD businesses / functions across the Group

ESRS 2 General Disclosures *(General) (continued)*

Policies *(continued)*

Name of the policy	Key content	Scope and Availability	Accountable for implementation
Group Financial and Regulatory Reporting Risk policy *(E1-Risk 4, S4-Opportunity 2, Digital Banking-Risk 1)*	• The purpose of this policy is to provide risk mitigation requirements with regards to the production, review, and governance of financial and risk reporting, including regulatory, statutory, financial and internal reports, to be presented to the Boards and Senior Management of the Group and its subsidiaries, as well as to regulatory authorities. • ESG risk factors are considered when assessing ESG driven reporting risks. This involves clearly interpreting regulatory and business requirements related to ESG reporting in adherence with the ESG Framework, as well as articulating assumptions and implementing mitigants, such as quality controls, to ensure the accuracy and completeness of the report.	**Scope**: This policy applies to the Group and its subsidiaries. **Availability**: Policy is shared internally.	1LOD businesses / functions across the Group
Group Operational Resilience policy *(E1-Risk 5)*	• The purpose of the policy is to set out the minimum requirements that the Group must have in place to ensure that the Group is able to withstand and recover from operational disruptions to its Business Services and ensuring it is able to stay within its stated Impact Tolerances for its most Important Business Services in the event of a severe but plausible disruption to its operations. • ESG factors are included as part of mitigation measures such as in defining criteria for Impact Tolerances and Business Impacts, in conducting the scenario identification exercise.	**Scope**: This policy applies to the Group and its subsidiaries. **Availability**: Policy is shared internally.	Group Chief Operating Officer
Group Regulatory Risk policy *(E1-Risk 4, S4-Risk 2, G1-Impact 2, G1-Risk 2, G1-Risk 3, G1-Risk 4, Digital Banking-Risk 1)*	• This policy outlines the Group's policy with respect to regulatory risk and sets out the framework within which the Group manages this risk. It addresses financial services regulatory change relating to conduct of business compliance, prudential compliance and financial crime and the Group's interaction with its financial service regulators. • ESG risk factors are managed as part of Regulatory Risk including in policies, risk appetite, risk monitoring and reporting.	**Scope**: This policy applies to the Group and its subsidiaries. **Availability**: Policy is shared internally.	1LOD businesses / functions across the Group
Group Operational Risk Information Technology Risk policy *(E1-Risk 5, S4-Risk 2, Digital Banking-Impact 1, Digital Banking-Risk 2)*	• It is recognised that IT is a critical tool to support the management and mitigation of ESG risks. • The policy sets out specific ESG Risk remediation measures including considering ESG factors while outlining the process of hardware / infrastructure acquisition, maintenance and disposal. • The policy also mandates annual risk assessment, including scenario analysis, to identify vulnerabilities to service continuity management. The risk assessment should consider amongst other factors, potential threats to the IT environment as a result of ESG risk factors. This could include natural disasters, cyber-attacks, power failures, or human errors. • ESG factors must be considered in the management and delivery of IT Services by the Group and third-party providers when assessing service provision, relevant risks, issues and events.	**Scope**: This policy applies to the Group and its subsidiaries. **Availability**: Policy is shared internally.	Group Chief Information Officer

ESRS 2 General Disclosures *(General) (continued)*

Policies *(continued)*

Name of the policy	Key content	Scope and Availability	Accountable for implementation
Group Data Risk policy *(E1-Risk 5, S4-Opportunity 2, Digital Banking-Risk 1, Digital Banking-Risk 2)*	• The Data Risk policy defines minimum standards to minimise and mitigate the risks related to data through the effective implementation of sound data management practices, and it sets out the requirements to achieve these standards. • The requirements set out in this policy include roles and responsibilities with respect to ensuring that insights and information yielded from data can be trusted, and that data is: fit for purpose for its defined business process, understood and used correctly, available to those who need it, and stored, archived, and destroyed in line with business, legal, regulatory, and legislative guidelines.	**Scope**: This policy applies to the Group and its subsidiaries. **Availability**: Policy is shared internally.	Group Data & Analytics Office 1LOD businesses / functions across the Group
Group ESG Risk Management Framework *(E1-Risk 1, E1-Risk 2, E1-Risk 3, E1-Risk 4, E1-Risk 5, S3-Risk 1, S3-Risk 2, S3-Risk 3, S4-Risk 1, S4-Risk 2, G1-Risk 1, G1-Risk 3, G1-Risk 4)*	• The Group ESG RMF sets out the Group's approach to ESG risk management. • ESG factors represent a common driver across the Group's Principal and Sub risk types. The Group applies a risk lens to ensure that the impact of ESG across the Group's risk types is considered on an ongoing basis and that the aggregate impact arising from ESG risk drivers is given appropriate consideration.	**Scope**: This framework applies to the Group and its subsidiaries. **Availability:** Framework is shared internally.	1LOD businesses / functions across the Group 2LOD has responsibility for risk oversight
Group Remuneration policy *(S1-Impact 1)*	• The Group Remuneration policy provides the framework for all remuneration related policies, procedures and practices for all employees and directors of the Group and its wholly owned subsidiaries. It aims to enable the Group to be an employer of choice by attracting and retaining the right people in the right roles. • Reward structures are reviewed on a regular basis to assess the competitiveness of the total reward arrangements with market norms and ensure compliance with the prevailing regulatory requirements and remuneration restrictions. • The Group Remuneration Policy is subject to annual independent review by Group Internal Audit, in line with regulatory obligations.	**Scope**: This policy applies to the Group and its subsidiaries excluding Bank of Ireland (UK) plc, New Ireland, and Davy who have their own Remuneration Policies. **Availability:** Policy is shared internally and is available on the Group's intranet site.	Group Remuneration Committee
Speak Up policy *(S1-Impact 2, G1-Impact 1)*	• The purpose of the policy is to illustrate how all colleagues can safely and confidentially raise a concern about suspected or actual relevant wrongdoing of which they become aware in a work related context, without fear of penalisation. • It also describes what all colleagues can expect from the Group if you report a Speak Up concern. • The Group regularly reviews its business practices to ensure adherence to this policy. Compliance is monitored through ongoing assessments of risks and through an independent external review which is reported to the GAC. Corrective measures are tracked and implemented where necessary.	**Scope**: • This policy applies to all colleagues working in or for the Group and its subsidiaries. This policy does not include all colleagues working for the Davy Group who should refer to the Davy Group Whistleblowing Policy. • 'Colleagues' includes permanent, fixed-term and specified-purpose employees, officers, directors, consultants, contractors, individuals who work under contract, interns, casual workers, temporary agency employees, work experience students, volunteers, unpaid trainees, Board members, shareholders, members of administrative management or supervisory bodies and job applicants, in each case who acquire information on Speak Up concerns in a work-related context. **Availability:** Policy is shared internally and is available on the Group's website.	Head of Speak Up and Investigations

ESRS 2 General Disclosures *(General) (continued)*

Policies *(continued)*

Name of the policy	Key content	Scope and Availability	Accountable for implementation
Recruitment Policy *(S1-Opportunity 2)*	The policy covers the Group's recruitment, assessment and selection practices which are designed to meet legislative and regulatory obligations, ensuring inclusivity, attracting the best people with the skills, behaviours and capabilities to deliver on our strategic priorities and serve our customers brilliantly.	**Scope:** This policy applies to the Group and its subsidiaries to the internal and external recruitment of permanent, temporary and fixed term contract employees. **Availability:** Policy is shared internally and is available on the Group's website.	Chief People Officer
Human Rights policy[1]	• The purpose of this policy is to provide information about the Group's commitments and efforts to respect human rights in all its business activities and relationships. • The Group regularly reviews its business practices to ensure adherence to this policy. Compliance is monitored through ongoing assessments of risks and corrective measures will be implemented where necessary.	**Scope**: This policy applies to all employees, contractors, and business partners of the Group and its subsidiaries. **Availability:** Policy is shared internally and is available on the Group's website.	Chief Strategy Officer
Group Inclusion and Diversity policy *(S1-Opportunity 1)*	The Group is committed to promoting an inclusive workplace which embraces both colleagues' similarities and differences. The value this brings is recognised at all levels including the organisation as a whole as well as its colleagues, customers and business contacts. The policy includes principles, definitions and responsibilities for leaders, managers and employees in the areas of: • Discrimination; • Recruitment / Career Progression; • Advertising; • Performance Reviews; and • Reasonable Accommodations (Inclusion Passport). The inclusion and diversity team will monitor the effectiveness of this policy and review its design and implementation on an annual basis. Records documenting the adoption of the policy and any changes thereto will be maintained by the Inclusion and diversity team.	**Scope**: • This policy applies to job applicants, colleagues (whether full-time, part-time or fixed term), contractors, customers, suppliers and visitors equally regardless of the individual's status in the Group. • This policy does not include all colleagues working for the Davy Group who should refer to the Davy Inclusion and Diversity Policy. **Availability:** Policy is shared internally and is available on the Group's website.	Chief People Officer
Respect at Work policy *(S1-Opportunity 1)*	• The policy is intended to promote respect and dignity in the workplace and build awareness of what is expected of all colleagues and the behaviours that are not acceptable. All colleagues have an obligation to treat fellow colleagues, customers and other third parties with dignity and respect at all times. • Employee Relations monitors the effectiveness of this policy and reviews its design and implementation on an annual basis. Records documenting the adoption of the policy and any changes thereto will be maintained by Employee Relations.	**Scope**: • This policy applies to all colleagues, contractors, customers, suppliers and visitors in the workplace of the Group. The policy applies to all work related events, including social events, business trips and other work related activities, whether they take place on the Group's premises or not, and whether they take place during normal or outside working hours. • This policy does not include all colleagues working for the Davy Group who should refer to the RoI Davy People Handbook, Values and Behaviours and Code of Conduct. **Availability:** Policy is shared internally and is available on the Group's website.	Group Employee Relations

[1] *This policy is included given ESRS disclosure requirements on Human Rights. There are no material IROs related to Human rights.*

ESRS 2 General Disclosures *(General) (continued)*

Policies *(continued)*

Name of the policy	Key content	Scope and Availability	Accountable for implementation
Group Learning Policy *(S1-Opportunity 2)*	• The purpose of this policy is to establish a framework for promoting continuous learning and development to ensure our colleagues possess skills, knowledge and competencies required to perform their roles, meet regulatory standards and to achieve our strategic objectives. • The Group maintains an annual schedule to ensure that this policy is reviewed and approved by the designated policy owner.	**Scope**: • This policy applies to permanent, temporary and fixed term contract employees. • This policy does not include all colleagues working for the Davy Group who should refer to the Davy Further Education Policy. **Availability**: Policy is shared internally and is available on the Group's website.	Chief People Officer
Group Procurement policy **(***G1-Impact 3, G1-Risk 2)*	• The Group Procurement policy sets out the requirements for the effective and consistent procurement of all goods and services for the Group while ensuring that consistent, transparent and fair procurement best practices are followed across the Group. • The policy ensures that there is a robust control framework in place in order to protect the Group's assets and reputation when dealing with suppliers and minimising the risk to the Group.	**Scope**: This policy applies to the Group and its subsidiaries. **Availability:** Policy is shared internally.	Head of Group Procurement
Group Third Party policies **(***G1-Impact 3, G1-Risk 2)*	This policy complements our Code of Supplier Responsibility and summarises internal Group policy statements into mandatory clear requirements that we expect Third-Party Suppliers to meet, and reflects our commitment to regulatory compliance, operational resilience, operational excellence and our shared success.	**Scope**: This policy applies to all Group third party suppliers. **Availability:** Policy is available on the Group's website.	Chief Operating Officer
Modern Slavery and Human Trafficking statement[1]	• The Group remains committed to trade ethically, source responsibly and work to combat modern slavery and human trafficking in all its forms across all jurisdictions in which the Group operates. • This commitment is an integral part of the Group's policies and approach to protecting human rights and is a foundational element of the Group Sustainability Strategy. • The Group continues to utilise network analysis technology to aid in the identification of potential human trafficking rings. • The Group has also been instrumental in the development of new technology designed to identify potential human trafficking red-flags in large data sets.	**Scope**: This policy applies to the Group and its subsidiaries. **Availability:** Policy is shared internally and on the Group's website.	Chief Operating Officer
Group Data Privacy Risk policy *(S4-Opportunity 2)*	• This policy establishes the Group-wide approach to Data Privacy risk management and addresses how Bank of Ireland can mitigate this risk. • The requirements set out in this policy include roles and responsibilities with respect to: – the preservation of the rights of the Data Subject; – data protection and privacy breach management; – engagement with Data Protection Supervisory Authorities; – maintaining records of processing activities which include personal data; and – implementing and managing data protection by design and by default, including conducting Data Protection Impact Assessments.	**Scope**: This policy applies to the Group and its subsidiaries. **Availability:** Policy is shared internally.	Group Chief Compliance Officer

[1] *This policy is included given ESRS disclosure requirements on Human Rights. There are no material IROs related to human rights.*

ESRS 2 General Disclosures *(General) (continued)*

Policies *(continued)*

Name of the policy	Key content	Scope and Availability	Accountable for implementation
Disciplinary policy *(G1-Impact 2, G1-Risk 2, G1-Risk 3, G1-Risk 4)*	• The purpose of the Group Disciplinary policy is to ensure that all colleagues are able to work freely from those behaviours which are contrary to the Group's purpose and values. The policy exists to address those unwanted behaviours and to maintain an environment where colleagues can thrive. • Employee Relations monitors the effectiveness of the Disciplinary Policy and Procedure and reviews its design and implementation on an annual basis, or more frequently in line with legal and regulatory obligations.	**Scope:** This policy applies to permanent, temporary and fixed term contract employees of the Group and its subsidiaries, excluding Davy who should refer to the Davy Disciplinary Policy. **Availability:** Policy is shared internally and is available on the Group's website.	Group Employee Relations
Group Risk Management Framework *(G1-Impact 4, G1-Opportunity 1)*	• The Group RMF sets out the Group-wide approach to risk management and reflects the Group's risk culture. • It establishes common principles for the risk management process of identifying, assessing, monitoring, mitigating and controlling risks to the Group. It sets out clear roles and accountabilities for the management of risk across the Group, standard methods to identify and classify risks, principles for setting risk appetite and requirement for risk policies and procedures and a framework for monitoring and reporting on risk in the Group.	**Scope**: This framework applies to the Group and its subsidiaries. **Availability:** Framework is shared internally.	2LOD are responsible for taking reasonable steps to ensure that the Group does not suffer outcomes outside of Risk Appetite
Group Financial Crime policy *(G1-Impact 4, G1-Opportunity 1)*	• The policy defines financial crime risk which consists of four sub-risks: money laundering, sanctions, bribery & corruption (B&C), and fraud risk. • As part of its mitigating requirements for money laundering risks, the Group aims to stem the proceeds of human trafficking and modern slavery, illegal arms dealing, environmental crimes such as illegal waste disposal, tax evasion, and white collar crime among its money laundering prevention efforts. • The purpose of this policy is to ensure that the Group meets its legislative and regulatory requirements, and establish the minimum mitigating requirements to be implemented by the business in order to mitigate this risk.	**Scope**: This policy applies to the Group and its subsidiaries. **Availability:** Policy is shared internally.	Designation of a Sanctions Risk Accountability Executive (Sanctions AE or AE) at GEC or GEC -1 level
Group Code of Conduct *(G1-Impact 2, G1-Risk 2, G1-Risk 3, G1-Risk 4)*	The Code includes an overview of what the Group stands for, the Group's values and purpose, what happens in instances where the Code is breached and how to keep the Group safe against unacceptable behaviour, including bribery and corruption. Employees must complete the Group Code of Conduct training each year as well as other assigned mandatory training.	**Scope**: This code applies to all employees directly employed by the Group and Independent NEDs. **Availability:** Code is shared internally and is available on the Group's website.	Chief People Officer
Group Transaction Processing Risk policy *(Digital Banking-Impact 1)*	• The policy establishes a consistent, comprehensive and proportionate approach to managing transaction processing risk. • It is designed to ensure that adequate control measures are in place to prevent delays or errors in customer transactions and to mitigate the risk of financial loss, regulatory breach or reputational damage to the Group.	**Scope:** This policy applies to the Group and its subsidiaries. **Availability:** Policy is shared internally.	1LOD Accountable Executives for the processes where these risks arise (Transaction Processing Risk)

ESRS 2 General Disclosures *(General) (continued)*

Policies *(continued)*

Name of the policy	Key content	Scope and Availability	Accountable for implementation
Group Customer Protection Risk policy *(E1-Risk 2, E1-Risk 3, S3-Risk 2, S4-Risk 1, S4-Risk 2, G1-Impact 2, G1-Risk 2, G1-Risk 3, G1-Risk 4, Digital Banking-Risk 4)*	• This policy establishes the Group-wide approach to Customer Protection risk management; • The policy establishes minimum mitigating requirements to be implemented by the business in order to mitigate the risk; • The policy addresses Customer Protection Risk (as a level 2 risk in the Group's Risk Library) as well as its constituent level 3 sub-risks; Customer Engagement Risk, Customer Error & Remediation Risk, Customer Complaints Risk, Client Money & Assets Risk and Product Design & Delivery risk. • The policy is owned by the Group Chief Compliance Officer (GCCO), and Group Compliance is responsible for providing 2LOD oversight and monitoring of the Customer Protection policy.	**Scope:** This policy applies to the Group and its subsidiaries. **Availability:** Policy is shared internally.	1LOD businesses / functions across the Group
Group Third Party Risk Management and Outsourcing Risk Policy *(E1-Risk 4, E1-Risk 5,G1-Impact 2, G1-Impact 3, G1-Risk 2, G1-Risk 3, G1-Risk 4)*	• This policy details the minimum risk mitigating requirements relating to TPRM&O risk to which the Group is exposed. • ESG risk factors are considered and managed as part of TPRM&O risk mitigant Onboarding due diligence. In addition, risk mitigating requirements in the policy relating to contracting and ongoing due diligence are deemed to intrinsically support mitigation of actual or potential negative impacts from ESG risk factors. • For suppliers where ESG is considered a material risk, appropriate ESG related metrics and tolerance levels are set.	**Scope:** This policy applies to the Group and its subsidiaries. **Availability:** Policy is shared internally.	Director of Group Operational Risk
Group Operational Risk Information Security and Cyber Risk policy *(S4-Opportunity 2, Digital Banking-Impact 1, Digital Banking-Risk 2)*	• This policy document establishes the Group-wide approach to Cyber Risk management. • The purpose of this policy is to detail the risk mitigating requirements for the Cyber Risk sub risk types, such as security design risk and confidentiality risk. These provide the foundations that the business should have in place to meet the objectives of operating within risk appetite. • This policy is based on applicable legislation, regulation rules, and best practice guidance including, but not limited to: Central Bank of Ireland (CBI), EBA, Prudential Regulation Authority (PRA) and FCA Guidelines and Rulebooks.	**Scope:** This policy applies to the Group and its subsidiaries. **Availability:** Policy is shared internally.	Group Chief Information Security Officer
Reputation Risk Management Framework *(S3-Risk 1, S3-Risk 2, S3-Risk 3, S4-Risk 1, S4-Risk 2, G1-Risk 1, G1-Risk 3, G1-Risk 4)*	The Reputation Risk Management Framework sets out a framework for identifying, assessing and managing reputation as a risk lens within the Group.	**Scope:** This framework applies to the Group and its subsidiaries. **Availability:** Framework is shared internally.	Group Corporate Affairs

Environmental



ESRS E1 Climate Change *(Environmental)*

Transition plan *E1-1*

The Group's Climate Transition Plan

Introduction

As a signatory to the UNPRB, the Group has committed to aligning its strategy and practices with the Paris Climate Agreement. The Group's Climate Transition Plan outlines the key role it plays in facilitating Ireland's green transition to a low-carbon economy and its efforts to reduce its own impact on the environment. In 2021, the Group published its Climate Action Plan (referred to as the Climate Transition Plan from here on), as part of its Sustainability Strategy.

Since launching this strategy, the Group has made significant progress on supporting the move towards a net zero economy. In 2022, the Group became the first Irish bank to have its Science Based Targets on greenhouse gas (GHG) emission reduction validated by the SBTi, covering all the Group's operations and 71% of its FY20 baseline loan book. At an overall level, the Group's SBTs are classified as 1.5°C aligned by the SBTi and cover Scope 1 and 2 emissions present in our operations and Scope 3 emissions in our downstream value chain[1].

[1] *Coverage excludes Davy from Scope 1 and 2 coverage and Davy and New Ireland from Scope 3 coverage. Within Scope 3 target set, residential and CRE lending targets are <2°c aligned.*





Strategy integration of climate transition plan

The Group's Sustainability Strategy 2023 to 2025 is built on three pillars:

- Supporting the Green Transition;
- Enhancing Financial Wellbeing; and
- Enabling Colleagues to Thrive.

The Green Transition pillar is supported by the Group's Climate Transition Plan, which was published as part of the Group's Sustainability Strategy. This plan addresses the Group's targets, actions and resources for its transition towards a lower-carbon economy.

Board oversight of the climate transition plan

On behalf of the Board, the GSC oversees the development and implementation of the Group's Sustainability Strategy and Climate Transition Plan.

ESRS E1 Climate Change *(Environmental) (continued)*

Emission reduction targets - SBTs

The Group is committed to working with its customers, colleagues and communities to support their transition to a sustainable, resilient, and net zero economy by 2050, in line with the Irish and UK governments' ambitions and actions. Having its GHG targets validated to the global SBTi standard reinforces the credibility of the Group's commitment to assisting Ireland in achieving its climate targets. The SBTs guide and measure the impact of the Group's progress towards this objective.

For further details see page 160 (E1-4 Targets related to Climate change).

Sustainable finance targets

In support of the SBTi-approved emission reduction targets the Group is committed to:

- providing customers with sustainable products and services, such as green residential mortgages, renewable energy project financing and EV financing, supported by its green bond programme; and
- continuing to develop its suite of sustainable finance products for customers.

In March 2023, the Group extended its Sustainable Finance lending targets to €15 billion by 2025, which it exceeded ahead of schedule, and €30 billion by 2030. As the Group progresses towards these targets, it provides updates to its stakeholders through its standard market disclosures. For further details on the Group's Sustainable Financing and the Group's Sustainable Finance Framework, see pages 131 and 156 respectively.

Net zero in own operations by 2030

While the Group has primarily focused on carbon-reduction activities, it is also preparing for the carbon offsetting which will be required to achieve Net Zero in its own operations by 2030. In 2024 the Group developed a Carbon Offsetting Policy to guide the neutralisation of residual (5–10%) emissions. During 2025, this policy was endorsed by Environmental Resource Management (ERM), who issued a Second Party Opinion, and was subsequently approved by the Sustainable Finance Working Group, which has primary oversight of its implementation.

CapEx investments

The Group has set up continuous internal funding to aid in executing its transition plan. The Group regards the quantification of capital expenditure as less relevant for a bank as our climate targets are largely dependent on the capital expenditure of our clients rather than the Group itself.

In 2025 the Group has continued to invest in energy efficiency improvements across a number of sites, including the IT Centre in Cabinteely, to support its target of achieving net zero in own operations by 2030.

OpEx investments

OpEx investment supporting the Climate Transition Plan materially relates to the resourcing integrated into the Group's business model and is not considered to be significant for the Group. The Group continually assesses its resourcing and capability requirements in respect of the implementation of the Climate Transition Plan and adjusts its resource base according to the planned level of activity.

Execution and implementation of the Climate Transition Plan is supported by operational plans that have seen the Group's progress tracked against milestones on a quarterly basis across the 2023 to 2025 period. To meet these objectives on an ongoing basis the Group applies a Hub and Spoke Operating Model for the implementation of the Group's Sustainability Strategy and climate transition plan interventions. This sees central dedicated resources in the Group sustainability function reporting to the CSIRO, with sustainability leads across divisions.

The Group sustainability function provides strategy governance and implementation oversight, project delivery as well as subject matter expertise on key delivery areas including SBTs, sustainable finance, risk management and reporting. Dedicated sustainability leads are in place within the divisions to ensure divisional level activities are adequately resourced and delivered across product development, training and risk management procedures.

Climate standards implemented

The following key relevant standards and methodologies have been used to ensure GHG emission reduction targets are science based and compatible with limiting global warming to 1.5°C:

- **Partnership for Carbon Accounting Financials (PCAF), the Global GHG Accounting and Reporting Standard for the Financial Industry. First edition. (PCAF Standard):** first published in 2020 which seeks to standardise GHG accounting and reporting for the finance industry.
- **SBTs, Financial Sector SBT Guidance. Version 1.0. (SBTi Finance Guidance):** The SBTi is a partnership between Carbon Disclosure Project (CDP), the United Nations Global Compact, World Resources Institute (WRI) and the World Wildlife Fund (WWF) World Wide Fund for Nature, which provides guidance and validation for GHG emissions target setting.

The SBTi-approved emission reduction targets are gross targets, and do not include GHG removals, carbon credits or avoided emissions as a means of achieving the GHG emission reduction targets (note: the related own operations net zero target allows for up to 10% carbon offsets following at least 90% carbon reduction). Target reductions in carbon emissions are assigned to each asset class / sector in line with the Paris Climate Agreement, similar to reductions governments are setting across sectors.

The target setting approach identifies a baseline at 2020 and:

- 2030 reduction targets based on emissions intensity; or
- 2025 targets based on SBT portfolio coverage.

The Group has used sector specific mandated formulae measuring emissions and set targets under the Sector Decarbonisation Approach (SDA), i.e. a reduction in financed-GHG emissions from a baseline, to measure targets for the following portfolios - Residential mortgages, CRE and electricity generation (project finance).

ESRS E1 Climate Change *(Environmental) (continued)*



For both corporate lending (excluding CRE) and Bank bonds portfolios, the Group has used Portfolio Coverage Approach (PCA), i.e. where the percentage of the portfolio with SBTi-approved reduction targets must meet a target level of coverage. Lending divisions that are in scope of the SBTs are Retail Ireland, Retail UK and Corporate and Commercial.

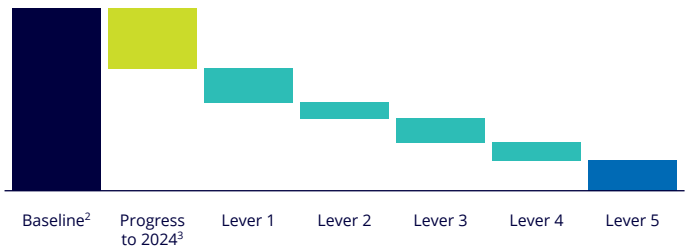
Locked-in GHG emissions

Locked-in GHG emissions can include fossil-fuel powered fleet, infrastructure, facilities or other products with a long life cycle. In terms of the Group's operational emissions, locked in emissions are minimal as the Group's electricity supply is 100% renewables and its car fleet are leased assets which are switching to EVs as individual leases fall due. It is the Group's target to reduce its operational emissions by at least 90% and neutralise the residual (5-10%) GHG emissions.

The more material emissions associated with the Group's business activities are those in its lending portfolio and its portfolio replenishment will see turnover and decarbonisation of assets in line with its business objectives and SBTs (see page 160 for further details):

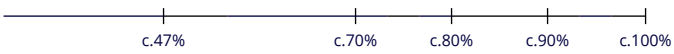
Decarbonisation levers

The Group has defined decarbonisation[1] levers for its lending book and own operations to demonstrate its commitment to GHG emission reduction and to meet the SBTs (see pages 144 and 160 for further details). The details of the decarbonisation levers are described below:

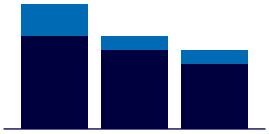
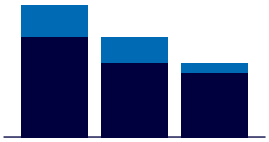
Levers to achieve Net Zero in own operations by 2030	Own operations Net Zero Plan: 2025-2030 phase
Levers 1 and 2 to achieve 70% reduction *Building Energy Efficiency:* Replacement of gas boilers with heat pumps and solar panels. *Building Fuel Switching:* Replacing kerosene with hydrotreated vegetable oil (HVO) in legacy heating systems. **Lever 3 to achieve 80% reduction** *Car Fleet Electrification:* Transition of the Group's Car Fleet to electric vehicles over a multi-year period as leases renew over the 2024 to 2028 period. **Lever 4 to achieve 90% reduction** *Further Efficiencies:* Supported by implementation of new ISO standard to complement existing Energy Management System. **Lever 5 to achieve Net Zero** *Carbon Offsetting:* In line with CSRD guidance, in 2024 the Group established Carbon Offsets Policy to source appropriate instruments to offset permittable residual emissions by 2030 (10% of 2020 baseline).	

[1] *Decarbonisation actions include consideration of nature-based solutions.*
[2] *Baseline Emissions 2020: Scope 1 & 2 of 6,238 tCO_2e (100%).*
[3] *Progress to 2024: 47% reduction in baseline emissions.*

Planned reduction from 2020 Emissions Baseline to Net Zero

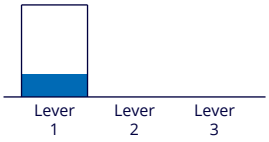


ESRS E1 Climate Change *(Environmental) (continued)*

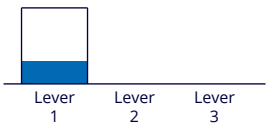
Asset class	Decarbonisation levers			
Residential mortgages *€46.1 billion (55% of lending in 2025)* **Science Based Targets** *Reduce GHG emissions 48% per square meter by 2030 from a 2020 base year (emissions intensity of 46 $kgCO_2/m^2$).*	**Lever analysis 2020-30 2020 SBT Setting**  Key focus for the Group to provide Sustainable Finance support to improve housing stock energy efficiency	**Lever 1- Improving energy efficiency of housing stock** ■ **Reduction in range of 25%-35%** Level of property decarbonisation in the mortgage portfolio in line with increasing energy efficiency in market housing stock.	**Lever 2 - Impact of greening of grid** ■ **Reduction in range of 5%-15%** Decrease of household emissions attributed to the 'greening' of the electricity grid.	**Lever 3 - Impact of the Group portfolio choices** ■ **Reduction in range of 5%-15%** Focus on energy efficiency propositions and shift in mortgage portfolio mix towards RoI jurisdiction where housing stock is expected to decarbonise at quicker rate.
Commercial real estate *€5.0 billion (6% of lending in 2025)* **Science Based Targets** *Reduce GHG emissions 56% per square meter by 2030 from a 2020 base year (emissions intensity of 73 $kgCO_2/m^2$).*	**Lever analysis 2020-30 2020 SBT Setting**  Key focus for the Group to provide Sustainable Finance support to improve CRE stock energy efficiency	**Lever 1 - Impact of Government led / market driven action to retrofit existing property stock** ■ **Reduction in range of 25%-35%** Level of property decarbonisation in the CRE portfolio in line with increasing energy efficiency in market stock.	**Lever 2 - Impact of greening of grid** ■ **Reduction in range of 25%-35%** Decrease of commercial property emissions attributed to the 'greening' of the electricity grid.	**Lever 3 - New builds in period** ■ **Reduction in range of 5%-15%** Increased proportion of property in the portfolio at 2030 built to energy efficient regulations during 2020-30.
Electricity generation project finance *€0.3 billion (0.4% of lending in 2025)* **Science Based Targets** ***Reduce GHG emissions*** *76% per kWh by 2030 from a 2020 base year (emissions intensity of 0.155 $kgCO_2e$/kWh).*	**Lever Analysis 2020-30 2020 SBT Setting**  	**Lever 1 - Increase level of lending support to renewable energy** ■ **Reduction to achieve 76% target** Key focus for the Group to provide sustainable finance support to renewable energy sector. Build support to the renewables sector up to 2030 through a range of technologies including onshore wind, offshore wind and solar.		

■ Reduction in emissions intensity ■ Emissions intensity post lever impact

ESRS E1 Climate Change *(Environmental) (continued)*

Asset class	Decarbonisation levers	
Corporate loan: other long-term debt *€6.5 billion (8% of lending in 2025)* **Science Based Targets** *25% of portfolio by financed emissions setting SBTi validated targets by 2025 from a 2020 base year (portfolio coverage of 0%).*	**Lever Analysis 2020-30 2020 SBT Setting**  	**Lever 1 – Support customers and Government led / market driven action to drive adoption rates of SBTs** ■ **Increase portfolio coverage to achieve 25% target** The Group will proactively engage with its corporate customer base and through industry initiatives to promote adoption of SBTs and to support customer plans through Sustainable Finance products and supports.

Portfolio coverage post lever impact

Asset class	Decarbonisation levers	
Corporate bonds *€0.7 billion of bonds held in 2025* **Science Based Targets** *25% of portfolio by invested value setting SBTi validated targets by 2025 from a 2020 base year (portfolio coverage of 0%).*	**Lever Analysis 2020-30 2020 SBT setting**  	**Lever 1 – Support customers and Government led / market driven action to drive adoption rates of SBTs** ■ **Increase portfolio coverage to achieve 25% target** The Group will proactively engage and advocate through industry initiatives to promote adoption of SBTs among peer banks.

Portfolio coverage post lever impact

Progress against the plan *E1-1, E1-3*

The Group discloses its progress against the plan annually. Details on progress against each element of the plan in 2025 is highlighted below:

Climate Transition Plan	Objective	Key actions and achievements in 2025	Targeted actions in 2026
Science based targets	***Target outcome:*** Alignment with decarbonisation goals of the Paris Climate Agreement. ***Success measured by:*** Meeting our validated SBTs covering our own operations and 71% of our lending. Targets as compared to baseline has been highlighted in table above. See page 160.	Accelerating progress during 2025 is in line with the Group's expectations: • **Own operations decarbonisation:** During 2025, the Group achieved a 64% reduction[1] in absolute scope 1 and 2 GHG emissions and has sourcing agreements in place for 100% renewable electricity for all our operations as it concludes the year; • **Lending decarbonisation:** Continued momentum in emission intensity reduction in 2025 across portfolio; – Residential mortgages emissions: 19% decrease by year end 2025 (14% decrease by year end 2024), with a 26% decrease in RoI mortgages. – Commercial real estate emissions: 34% decrease by year end 2025 (28% decrease by year end 2024). – Electricity generation project finance emissions: 43% decrease by year end 2025 (32% decrease by year end 2024); and • **Corporate lending SBT coverage:** 2025 corporate coverage target of 25% has been exceeded as large corporate customers continue to adopt SBTs.	Continue momentum on decarbonisation and update targets for 2026 to 2028 Strategic Cycle aligned to government ambition and actions.

[1] *Reduction from 2020 baseline does not include Davy which was acquired by the Group in 2022.*

ESRS E1 Climate Change *(Environmental) (continued)*

Climate Transition Plan	Objective	Key actions and achievements in 2025	Targeted actions in 2026
Providing sustainable finance[1]	***Target outcome:*** Support the delivery of national climate plans in Ireland and the UK. ***Success measured by:*** Meeting our sustainability related finance targets of €15 billion by 2025 and €30 billion by 2030.	• Sustainable Finance increased by 20% in 2025 to c.€17.7 billion (2024: €14.7 billion), with the Group exceeding its near term lending target of €15 billion during the year. • Extended our impact across sectors, through green residential mortgages, sustainability-linked lending for SMEs and farmers, electric vehicles (EVs) and renewable energy generation; – Financed our largest green energy project to date and our first solar power project. – Launched Sustainable Business Coach, a free to use digital tool designed to support businesses with sustainability planning and to identify their ESG priorities. – Significantly expanded our Enviroflex sustainability-linked loans for the agri-sector, now available to all dairy farmers nationwide, with expansion to the tillage sector underway. – Grew EV financing in 2025, supported by partnerships with 16 motor brands and accounted for 42% of all new EV sales in Ireland in 2025. • Raised €1.5 billion through new green bond issuance during 2025, bringing total green issuance over the 2023 to 2025 strategic cycle to €3.75 billion.	Continue to increase sustainable financing on a linear path towards long-term 2030 strategic target of €30 billion.
Decarbonise our own operations	***Target outcome:*** Obligation to deliver our products and services in a sustainable manner. ***Success measured by:*** Make our own operations net zero by 2030.	• Key initiatives to drive energy efficiency and carbon reductions during 2025, and deliver a reduction from 2020 baseline of 17% (1,066 tCO2e) included: – continued rollout of more efficient heating systems through the use of Heat Pumps and HVO throughout the Group property estate (reduction of c.570 tonnes, 9% versus baseline); – reduction in F Gas emissions vs 2024 (reduction of c.270 tonnes, 4% versus baseline); – continued transition of the Group's car fleet to EVs in 2025 (reduction of c.200 tonnes, 3% versus baseline); – installation of a new 100 kWp Solar Photovoltaic (PV) renewable electricity system in the Group IT Centre, which has increased the building's Solar PV Array to 200 kWp, with 576 solar panels now in place on the roof. Combined with the IT Centre's existing renewable electricity system this will reduce the usage of 180,000 kWhs from the national grid each year; – continued certification of the ISO 50001 Energy Management Systems and transition from fossil fuels to electric heating systems in the branch network.	Ongoing implementation of decarbonisation initiatives including further heat pump installations and decarbonisation of the Group's car fleet in line with Climate Transition Plan.
Manage climate related risks	***Target outcome:*** Build resilience by embedding climate risk impacts in our decision making processes. ***Success measured by:*** Implementation of ECB's guidance on the management of climate-related and environmental risks.	• Implementation of the Group's multi-year climate action plan to embed climate risk management in line with regulatory guidance. • Ongoing updates to the integration of climate related impacts into our processes for our own operations, in lending and investment decisions and the advice we give our customers. • The ongoing addition of climate risk metrics into the Group's Risk Appetite Framework in support of the Group's decarbonisation targets and to de-risk the lending book. • Progressive integration of climate change into the measurement of credit impairment loss allowances.	Build on the infrastructure implemented for climate risk management to continually mature and to address the broader scope of ESG risk management in line with EBA guidelines.
Transparently report our progress	***Target outcome:*** Need to report on progress in supporting the green transition to our stakeholders. ***Success measured by:*** Alignment of our disclosures with expectations of regulators, ESG rating agencies and our shareholders.	• Finalist in the 'Sustainability ESG Reporting (listed entities),' category at the 2025 Published Accounts Awards, hosted by Chartered Accountants Ireland Leinster Society. • In 2025, the Group's MSCI ESG rating was upgraded from A to AAA. • Ongoing progress in reporting against climate targets for decarbonisation and sustainable finance development.	Continuous improvement of our climate disclosures to ensure ongoing alignment with the requirements and expectations of our external stakeholders.

[1] *See page 131 for more details on the Group's Sustainable Finance Framework and other relevant policies.*

ESRS E1 Climate Change *(Environmental) (continued)*

Climate-related IROs *E1.IRO-1, E1.SBM-3*

Processes to identify and assess material climate-related IROs

Material IROs identified as part of DMA

The IROs related to Climate Change have been identified through the DMA and listed in the table on page 126. This included considering impact of both climate-related physical (including acute and chronic hazards) and transition risks (considering factors like policy and legal, technology, market and reputation) in the Group's value chain across the short, medium and long-term time horizon. Scenario analysis, described in the section below, was further considered to inform the results on risk materiality.

The Group conducts energy-rating and flood analysis, which was also considered to inform the results of the DMA. See pages 151 and 154 for further details on this.

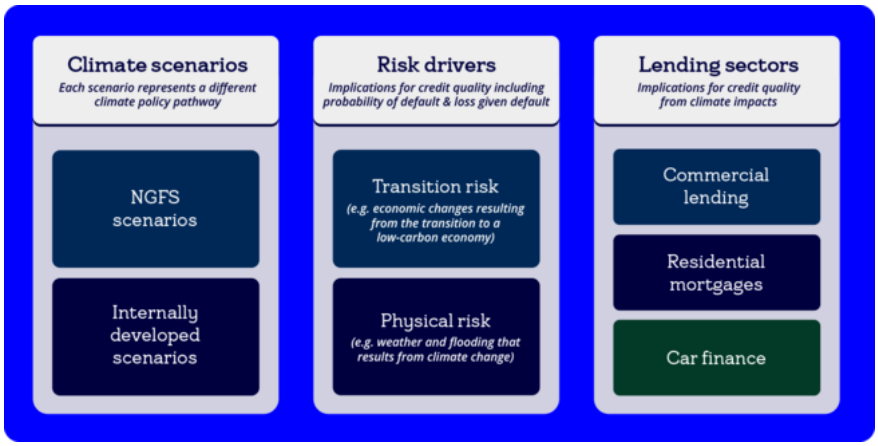
The subsequent sections in this disclosure provide further detail of the identified material IROs.

See page 121 for further details on the approach used in the DMA to consider materiality through the dual-lens.

The assessment identified actual positive impact on Climate Change and opportunities around sustainable finance as a result of the Group's operations. The identified transition and physical risks associated with climate change and its impact on the Group's GHG emissions, are being managed by the Group actions under its transition plan, and supported by the Group's ESG RMF. See page 140 for further details on the transition plan and page 277 for further details on the Group's ESG RMF.

Climate scenario analysis

Supporting the green transition also requires the Group to assess its own resilience to climate change. To address this requirement, the Group has been continually developing its scenario analysis and stress testing capabilities in line with emerging industry methodologies and regulatory guidance. Given the long time horizon associated with climate change, scenario analysis is considered a key tool to inform strategic direction and risk management.



Critical assumptions

The Group's starting point for modelling climate-related risks are reference climate scenarios published by the Network of central banks and Supervisors for Greening the Financial System (NGFS). The NGFS has developed the scenarios, each of which reflects a different climate policy pathway to provide a common starting point for the financial sector to analyse physical and transition climate-related risks. During 2023, the Group developed internal scenarios and methodologies to quantify the potential impact of climate-related risks across its commercial and retail customer lending portfolios.

Each scenario has a separate risk driver profile (made up of both physical and transitional risks) that have implications for credit quality, including the probability of default (PD) and loss given default (LGD).

The scenarios consider the macroeconomic implications of the green transition. This includes implications across sensitive industry sectors such as energy, agriculture, transport and manufacturing as well as asset types including property and vehicles. The ICAAP base-case informs and motivates the Group's strategies to support the green transition through its:

- sustainable finance and decarbonisation targets aligned to transitional scenario pathways; and
- risk appetite where the Group restricts lending to potentially sensitive sectors which it believes could cause environmental harm at odds to the transition objectives, including fossil fuel sectors.

These scenarios and their associated risk profiles are applied to lending sectors (e.g. commercial lending, residential mortgages and car finance) to understand the implications for credit quality for that sector.

ESRS E1 Climate Change *(Environmental) (continued)*

Resilience analysis (stress testing)

While the scenarios help guide portfolio steering towards the Group's objectives, we believe it is critical that a range of scenarios is used to examine adverse future pathways. In addition to the Group's base-case scenarios, the Group uses adverse climate scenarios in stress testing the resilience of the Group's financial position and business processes to potential negative outcomes arising from climate change. These scenarios consider disruptive transitional policies with downside implications for the broader macroeconomy and the effects of physical climate change impacting on economic activity and asset values. This resilience analysis is used to size the materiality of potential risk events to ensure that the Group has adequate financial resources to absorb potential impacts and to plan the execution of preventative mitigating actions.

To ensure that the Group is prepared for a range of climate change outcomes, it has integrated these scenarios into the Group's forward planning processes within the annual strategic ICAAP – see below. Across the stress scenarios, quantitative data-led analysis of the Group's lending portfolio is used to identify potential areas of risk exposure by using:

- macroeconomic modelling to assess the economic impacts of severe climate change including higher costs and lower output in sectors most sensitive to climate change;
- energy efficiency profiling of the Group's residential and commercial property portfolios to assess the potential for falls in collateral values for less energy efficient properties;
- information on vehicles within the Group's motor finance portfolios to assess implications for residual values that may arise due to disruptive shifts from petrol and diesel vehicles to electric vehicles; and
- the potential for physical risk and flood events in its core RoI and UK markets, leading to property damage and disruption for businesses. This includes the localised physical risk assessment for properties in RoI and UK that are residential or commercial property collateral for lending exposures. This is further outlined in page 153.

This provides a quantitative basis for assessment of the potential impacts of climate change and informs the Group's assessment of capital requirements and mitigating actions through the Group's Risk Management Framework and the ICAAP.

Mitigating actions and capital resources

The ICAAP is a key annual planning process for the Group and facilitates the Board and senior management in identifying, measuring and monitoring the Group's risks and ensures that the Group holds adequate capital to support its risk profile.

The Group has integrated climate into the ICAAP and its broader scenario analysis framework to assess the impacts of climate across all the principal risk types (e.g. credit, business, operational, conduct and regulatory). The potential impact of transition and physical risk drivers is assessed for each key risk type over the short, medium and long- term. This scenario analysis informs climate risk materiality assessments to quantify the potential impacts that is integrated into the Group's ICAAP. This materiality assessment also informs the focus and priority of management action to mitigate climate risk across the Group's risk types as set out in on page 147.

The short-term financial impacts of climate change can be mitigated by holding adequate capital buffers and providing for ECL through impairment loss allowances.

As the Group's range of models across risk types cannot fully address all emerging climate risk drivers at this time, the Group includes the outcome of the climate risk materiality assessment in its economic capital framework within the ICAAP. It is included as an additional economic capital requirement on top of the capital set aside for the key risk types.

During 2025, the Group has continued to incorporate climate change into the measurement of credit impairment loss allowances through:

- a Post Model Adjustment (PMA) for the SME (Small and Medium Enterprise) lending portfolio; and
- following the introduction of a PMA for the Retail Ireland and UK residential mortgage portfolios in 2024 (informed by analysis of the potential impact of physical and transitional climate-related risks on asset valuations), this has now been extended to transition risks (insurability).

Identification and assessment of climate-related risks

Guided by the Group's ESG Risk Management Framework, the Group has progressively embedded climate risk into its key risk processes. The Group continues to improve how it assesses climate risk drivers, taking into account potential impacts, its mitigating actions, and next steps for each risk type. A key element of the Group's approach to managing ESG related risks is an annual Group- wide materiality assessment of potential ESG-related impacts across the Group's principal risk types. In line with EBA/ECB guidelines and industry practices this assessment uses scenario analysis to assess impacts, with the outcomes of the assessment incorporated into the ICAAP capital adequacy assessment. Within the Group's ICAAP, the impact of climate risk drivers is assessed at a sub-risk level across each Principal Risk with a potential risk impact quantified. The output of the assessment was considered when assessing risk materiality under the DMA.

Interaction with business model

The Group's assessment of climate risk drivers is informed by the use of climate change scenario analysis. The Group has continued to embed the management of climate risk drivers into its RMF to mitigate the risk that climate change presents to the Group's business strategy. The scenario analysis included in scope the following lending portfolios: Mortgage, CRE and motor finance which is aligned to its business model and its inherent risks.

The subsequent table summarises the current position on the identification, assessment and mitigation of climate-related risks across the Group's Principal risk types. The risks identified as part of the assessment to have 'Moderate' to 'High' impact is consistent with material risks[1,2] identified as part of the DMA. See page 121.

[1] *Impact of Capital adequacy risk has been assessed as the aggregated potential financial impact across each assessed risk type, as part of the DMA. In line with the quantitative Group Climate Risk Assessment, the potential financial impact is expected to be seen in a higher capital impact.*

[2] *The DMA rating of moderate-high for Regulatory Risk also considers regulatory compliance. This will be reviewed in 2026 to align with the Group's Risk Library, which identifies regulatory compliance as a lens (rather than a risk type).*

ESRS E1 Climate Change *(Environmental) (continued)*

Principal risk types	Impacting climate risk drivers	Climate risk impacts	Quantified Potential Impacts[1] Short	Medium	Long	What we are doing to mitigate climate risk drivers
Credit risk	**Transition risk:** • Policy and legal • Technology • Market • Reputation **Physical risk:** • Acute • Chronic	• Borrowers' ability to repay if operating in sensitive sectors. • Changes in emission regulation or in user sentiment could affect asset value (Stranded Assets). • Collateral depreciation leading to negative impacts on Loan To Value (LTV) (e.g. flooding, storms). • Borrowers' ability to repay in sectors more sensitive to weather impacts like floods and storms (e.g. agriculture).				• Credit Risk policy: ESG risks form part of credit assessment. ESG reporting requirements included in collateral valuation; excluded sectors and risk limits. • Limits and controls: limits on property energy ratings (CRE / Buy to Let); requirements for flood insurance. • ESG risk lending fora established in Corporate and Business Banking to assess lending where ESG risk is elevated. • The addition of climate risk metrics into the Group's risk appetite framework to de-risk the lending book, including limits on fossil fuel related activities. • Integration of climate change into the measurement of credit impairment loss allowances.
Business and strategic risk	**Transition risk:** • Policy and legal • Technology • Market • Reputation **Physical risk:** • Acute • Chronic	• Long term franchise impacts if strategic commitments are not achieved and product offering does not adapt to changing market dynamics.				• Group Strategy: Sustainable company is a key strategic pillar underpinned by the Group's Objectives and Key Results (OKRs) (including risk OKRs). • Group Business and Strategic Risk policy requires ESG risk factors to be reflected in strategic planning and internal and external business environment assessments.
Operational risk	**Transition risk:** • Policy and legal • Technology • Market • Reputation **Physical risk:** • Acute • Chronic	• Climate driven impacts on operational processes include increasing levels of systems, data, models and TPRM&O risk to manage. • Extreme floods or storms at multiple locations impacting our Business Continuity Plans with consequent impact to services we provide to clients (e.g. transaction processing). • Potential need to increase resilience of our network, supply chain and production process where offshore operations are more exposed to increasing physical climate risks.				• Climate risk integrated into ICAAP scenario analysis for Operational Risk. • Business Continuity Mission Critical Services Scenario Analysis: climate-related scenario testing carried out. • Third Parties and Outsourcing: ESG risk factors (including climate change) are considered as part of supplier due diligence assessments. • Data Risk: Standard Group Data Management control framework applies to climate data.
Conduct risk	**Transition risk:** • Policy and legal • Reputation **Physical risk:** • Acute • Chronic	• Failures in ESG / green product design, market practice or customer engagement could lead to regulatory sanctions and brand damage, if there is a lack of transparency and misleading classification (greenwashing), or if clients suffer an unexpected loss due to climate risks.				• ESG considerations are incorporated in new product approvals and ongoing product lifecycle reviews for all product / service / channel initiatives that are classified or marketed as a Green / ESG proposition to mitigate potential claims of 'Greenwashing'. • Group Customer Protection Risk policy requires mitigation of greenwashing risk. • All colleague training on climate concepts and processes, as well as role specific training on sustainable finance and ESG risk management.

[1] *An estimation of:*
(i) The time horizon at which each risk is likely to materialise: short-term, within 3 years; medium-term, between 3 and 5 years; or long-term, more than 5 years.
(ii) ESG Risk Lens Materiality Scale: Not a Material Risk Driver Low Moderate Moderately High High

ESRS E1 Climate Change *(Environmental) (continued)*

Principal risk types	Impacting climate risk drivers	Climate risk impacts	Quantified Potential Impacts[1]			What we are doing to mitigate climate risk drivers
			Short	Medium	Long	
Regulatory risk	**Transition risk:** • Policy and legal • Technology • Market • Reputation **Physical risk:** • Acute • Chronic	• Failure to implement in a timely manner ongoing changes in climate regulation could affect the Group's regulatory standing. • Potential for regulatory sanctions if physical risks impact our services with consequent impact to services we provide to clients.				• Upstream Regulatory Change Monitoring: Sustainable Finance related regulatory changes are tracked and kept up to date in the Group Upstream Register which notes the Lead Business Owner of each regulatory change and is circulated to relevant Group stakeholders.
Model risk	**Transition risk:** • Market	• Volatility could effect model estimation if erroneous estimations on transition and physical risks impacts negatively effect decisioning process and bank profitability				• Model Risk Policy: The model owner must ensure ESG (including climate change) factors are considered for their models. This includes assessing the data collection requirements to determine how ESG risk factors could be introduced in the model where relevant.
Life insurance risk	**Transition risk:** • Policy and legal • Market **Physical risk:** • Acute • Chronic	• The potential for climate risk drivers to drive sudden increases in morbidity and mortality risk is assessed as minimal.				• Climate risk scenario analysis for life insurance risk is part of the Own Risk and Solvency Assessment (ORSA) process for the New Ireland entity which manages life insurance risk of the Group.
Market risk	**Transition risk:** • Policy and legal • Market **Physical risk:** • Acute • Chronic	• The material trading instruments in the Group do not include equities and commodities where climate concerns may significantly impact the valuation.				• Policy controls on exposure to climate sensitive traded instruments. • Climate risk scenario analysis for market risk integrated into the Group ICAAP.
Funding and liquidity risk	n/a	• Group liquidity risk profile does not include instruments where climate concerns may significantly impact funding and liquidity pools.				• Climate risk scenario analysis for funding and liquidity risk integrated into the Group's internal liquidity adequacy assessment process (ILAAP).
Capital adequacy risk	• Aggregate of the risk impacts above.	• The risk of increased capital depletion from the impact of climate risks across the Group's other principal risks.				• Aggregation into the ICAAP quantitative Climate Risk Assessment across principal risk types.

[1] *An estimation of:*
(i) The time horizon at which each risk is likely to materialise: short-term, within 3 years; medium-term, between 3 and 5 years; or long-term, more than 5 years.
(ii) ESG Risk Lens Materiality Scale: *Not a Material Risk Driver* *Low* *Moderate* *Moderately High* *High*

ESRS E1 Climate Change *(Environmental) (continued)*

Measuring and monitoring of climate related risks

The Group has developed methodologies to allow climate risk to be actively measured and monitored by the Group and to track the effectiveness of policies, in a similar manner to other key risk types:

- the Board Risk Report (BRR) is the report used by the Group to review and monitor the Group's risk profile across all Principal Risks, compliance with Risk Appetite and risk policies. The BRR is the primary source of reporting for the impact of ESG-related risks on the Group's risk profile; and
- key risk metrics on the lending portfolio are monitored by the GSC on a quarterly basis and are aligned to Pillar 3 ESG reporting to ensure transparency and comparability. These include:
  - exposure to **Transition Climate Risks;**
    - sectoral concentrations; and
    - the energy efficiency profile of property lending portfolios.
  - exposure to **Physical Climate Risks.**

The Group recognises that the climate-related risks it faces need to be identified, assessed and managed on an ongoing basis to minimise negative impacts. The Group assesses the impact of climate change through the Principal Risks the Group manages across its value chain. See page 121 for more details on the approach used in the DMA and as part of scenario analysis, to identify and assess climate-related transition and physical risks in the Group's value chain, over short, medium and long term.

The Group's exposure to these risks is through its business operations, and primarily through its lending portfolio.

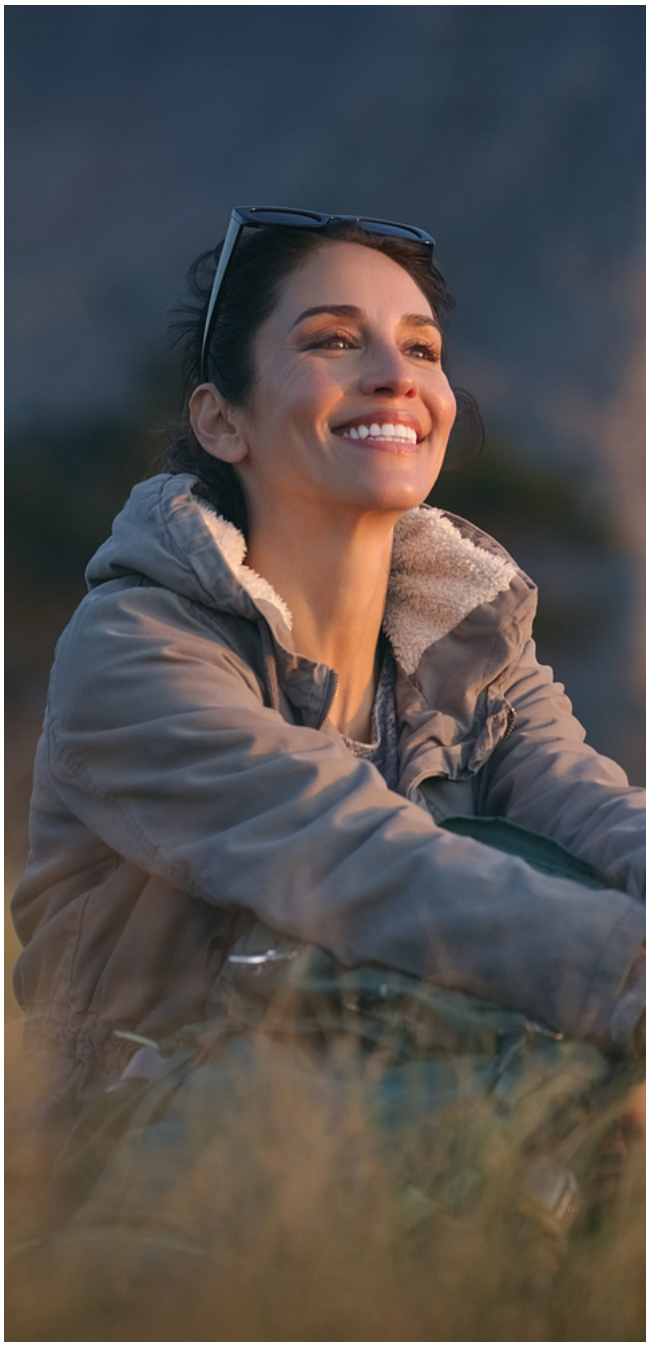
These climate risks can affect the creditworthiness of its customers and the stability of its lending portfolios, as well as the value of assets in the medium to long term. In this section the Group covers how it measures and monitors these risks in its lending portfolio (downstream value chain), as well as how the Group tracks them across its risk types.

Climate related risks in the lending portfolio

Transition risk - sectoral concentrations *SBM-1*

The Group monitors sectors that contribute highly to climate change on a quarterly basis. In assessing the high contributing lending sectors, the Group considers if they are in scope for national decarbonisation plans and are a focus area for SBTs. The Group also considers emissions intensity and scenario analysis when assessing whether the sector is more acutely impacted by climate risk than the overall portfolio. The Group's loan book breakdown below shows the current composition of its commercial loan portfolio and the percentage of lending to sectors. The Group classifies the sectors most sensitive to climate change – in line with EBA Pillar 3 ESG reporting standards. In terms of portfolio mix, the Group has no direct exposure in fossil fuels extraction, in cultivation and production of tobacco, and in financing of controversial weapons. The Group's revenue from financing the manufacture of pesticides and other agrochemical products is not material.

As a predominantly retail lending bank, 76% of its customer lending is in residential and commercial property and car finance. The Group's Responsible and Sustainable Business Sector Statement clearly outlines the sectors which the Group does not provide financing for, which include oil and gas exploration, thermal coal mining, and nuclear-based power facilities. This assessment also highlights that the Group's direct exposure to fossil fuels is nil and to commercial lending segments with high emissions is relatively low (with the exception of the agricultural sector, which due to its specific challenges requires broader support in which the Group will play an active role through our sustainable financing options like EnviroFlex). See page 142 for qualitative description of Group's locked-in emissions that would require more support in transition.

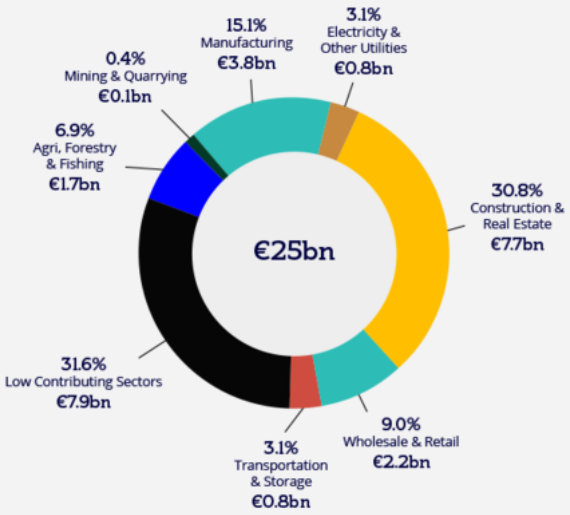


ESRS E1 Climate Change *(Environmental) (continued)*

Sectoral concentrations key risk indicators	2025 Gross Carrying Amount €bn	2025 % Total	YoY Change
Exposure to high contributing sectors[1,2]	17.3	69%	▲1%
Exposure to top 20 global emitters[3]	–	–	–
Direct fossil fuel exposure[4]	–	–	–
Indirect fossil fuel exposure[5]	0.1	1%	–

[1] Denotes exposure to commercial lending sectors that highly contribute to climate change as classified in Pillar 3 Reporting. The €25 billion in the pie chart denotes the total 2025 exposure to commercial lending (non-financial counterparties).
[2] As a result of regulatory Pillar 3 updates to this classification criteria, NACE I (Accommodation and Food Service activities) is no longer classified as a 'sector contributing to climate change'. This sector has been reclassified under 'Low Contributing Sectors', for both the current year and for the YE24 comparative (% of total 68% when restated for 2024).
[3] Denotes exposure to companies listed among the top 20 most carbon intensive firms globally.
[4] Denotes exposure classified in the following Pillar 3 Reporting sub-sectors in Mining and Quarrying: B.05 - Mining of coal and lignite; B.06 - Extraction of crude petroleum (oil) and natural gas.
[5] Denotes exposure classified in Pillar 3 to counterparties with revenue from non-direct fossil fuel activities (logistics and supply chain) – denoted in Pillar 3 as Excluded from EU Paris-aligned Benchmarks.

Commercial lending exposure to sectors that contribute to climate change



Reporting principle

The above risk metric was calculated in accordance with Pillar 3 (Article 449a CRR) detailed quantitative disclosures per prescribed requirements. Preparation of this metric is consistent with the basis of preparation provided in the following templates:

- Template 1: Banking book- Climate change transition risk.
- Template 4: Exposures to top 20 carbon-intensive firms.

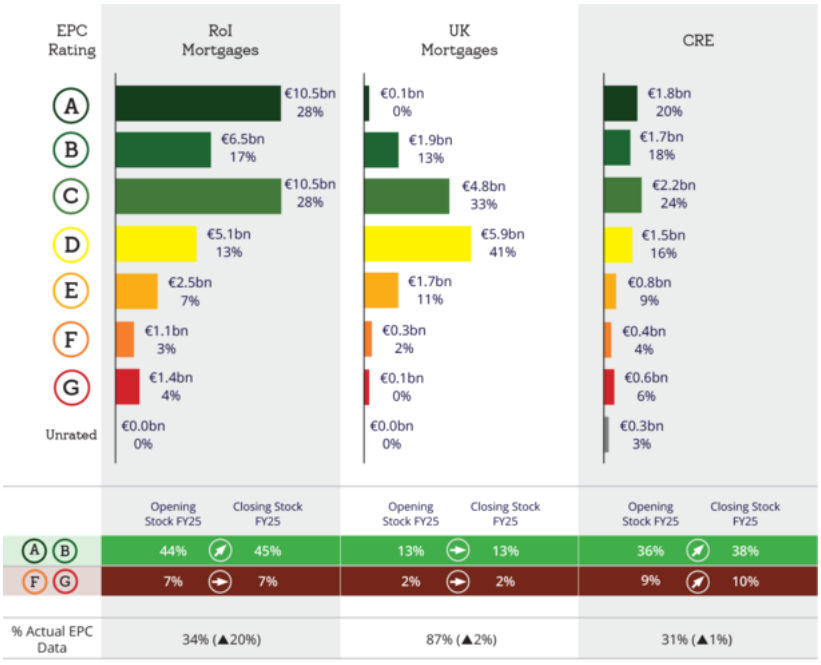
Transition Risk - Energy efficiency of property lending portfolios

The Group is committed as part of its sustainability ambitions, to support its customers to increase their residential energy efficiency whilst encouraging the purchase of energy efficient properties. Energy efficiency is represented by EPC ratings, with 'A' indicating the best and 'G' the worst in terms of energy efficiency.

The charts to the right summarise the energy efficiency of the Group's residential and commercial property portfolios in RoI and the UK, based on a combination of actual and estimated EPC ratings. The EPC profile of the RoI mortgage portfolio continued to improve in 2025 as 55% of the new lending flow this year was in the 'A' to 'B' EPC categories.

In the UK, the proportion of the properties in 'A' to 'C' EPC categories has increased by 2% year on year to 46% reflecting an improving portfolio distribution.

Energy efficiency of property lending portfolios (2025)



ESRS E1 Climate Change *(Environmental) (continued)*

In the CRE portfolio the proportion in the 'A' to 'B' EPC categories has increased by 2% year on year to 38%, again reflecting decarbonisation across the portfolio.



EPC data coverage

RoI mortgages – exposure collateralised by residential immovable property GCA of €37.6 billion

- 2024 saw system implementation of BER data capture (Building Energy Ratings – the Irish equivalent of EPC) and the launch of EcoSaver which incentivises customers to provide EPC ratings for properties. These actions have seen substantial progress on increasing actual EPC data coverage on the portfolio, ending 2025 with 34% coverage (an increase of 20% versus 2024).
- For the residual RoI located properties, BER / EPC ratings are representatively estimated using the national database maintained by the Sustainable Energy Authority of Ireland (SEAI) on domestic properties with recorded energy ratings has been used to provide an estimated view on the energy rating profile of RoI lending collateralised by residential property, based on key explanatory factors (namely year of build, property type and location).

UK mortgages – exposure collateralised by residential immovable property GCA of €14.8 billion

- For UK mortgages, the Group has processes for the collection of actual EPC data in place since 2020, and EPC data coverage continues to improve year on year as the portfolio updates. For this December 2025 disclosure, 87% of the EPC data for the stock of UK mortgages is based on specific EPC labels. Coverage is up 2% year on year driven by higher coverage levels on new lending versus existing loans.
- For the residual UK located properties, EPC ratings have similarly been estimated using the UK government EPC national database, based on key explanatory factors (namely year of build, property type and location).

Commercial real estate – exposure collateralised by commercial immovable property GCA of €9.3 billion

- The Group has developed EPC data capture capabilities within its CRE lending business to progressively expand and enhance the collection of data based on specific EPC certificates. Data collection is being progressed in phases and this has seen coverage of the portfolio (where specific EPC ratings are available), at c.31% in 2025. Increases in coverage are planned in 2026 through continual improvements to the data capture process throughout the credit cycle, both at loan origination and the annual credit review stage.
- For the residual properties, national EPC ratings data on non-domestic properties is used to estimate the energy rating profile for those properties based on property type.

ESRS E1 Climate Change *(Environmental) (continued)*

Lending exposure to physical climate risks

Physical risks are risks related to potential financial implications from physical phenomena and associated climate trends which disrupt operations, supply value chains or damage property.

These include acute risks that may arise as a result of increased severity of extreme weather events (such as floods, storms, fires, heatwaves or droughts) and chronic risks that include longer term trends in climate patterns (such as chronic weather patterns, rising mean temperatures and sea level rises).

The drivers considered in the scenario analysis for physical risk are acute hazards (e.g. floods, storms, heatwaves, wildfires) and chronic hazards (e.g. temperature, precipitation, sea levels). These scenarios and their associated risk profiles can then be applied to lending sectors to understand the implications for credit quality for that sector. The Group also identifies, measures and monitors the potential financial impacts emerging from physical climate risk on the RoI, UK Mortgages and CRE portfolio from physical flood, risk. For this purpose, the Group has acquired data from Moody's to assess physical risks, also used by the ECB to provide physical risk assessments for the 2022 ECB Climate Stress Test.

The Group has developed capabilities for assessing its exposure to physical risk parameters using data from Moody's to assess physical risks, at a Nomenclature of territorial units for statistics[1] (NUTS) 3 regional level across six sub-types of acute and chronic physical risk.

The data provided by Moody's provides coverage at a NUTS 3 level across six sub-types of physical risk that have been categorised into acute and physical risk categories as follows:

Acute physical risks	Chronic physical risks
• Floods	• Heat Stress
• Storms	• Sea Level Risk
• Wildfire	• Water Stress

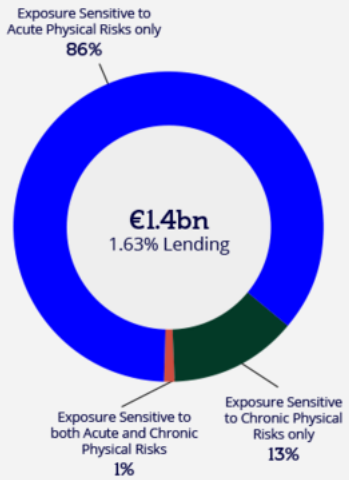
For exposures collateralised by immovable property (residential and commercial), in line with ECB guidance the collateral location is used to assign exposures to the NUTS 3 regions level to assess the exposure to physical risk. Where the lending is not collateralised, the country of risk is used. If any of the six physical risks are classed as 'Highly Exposed' for that region, the exposure is classed as Sensitive to Impact from chronic and acute Physical Risks based on the categorisation of the risk factors above.

[1] *The Nomenclature of territorial units for statistics is a geographical nomenclature subdividing the economic territory of the EU into regions at three different levels (NUTS 1, 2 and 3 respectively, moving from larger to smaller territorial units). See the flood risk map on page 154 for a visual representation of the NUTS 3 regions.*

Exposures sensitive to climate change: physical risk

	Exposure sensitive to physical risks (€m)			As a % of total exposure[1]	YoY change[2]
Group Total	1,174	175	13	1.63%	▼0.04%
UK Mortgages	340	174	13	3.56%	▼0.13%
RoI Mortgages	460			1.23%	▼0.05%
Commercial Lending	374	1		1.47%	▲0.12%

Acute only | Chronic only | Both



[1] *Group total exposure is total gross carrying amounts for loans and advances to customers at amortised cost.*
[2] *Material driver of YoY change is increase in coverage of flood risk assessment across CRE portfolio.*

ESRS E1 Climate Change *(Environmental) (continued)*

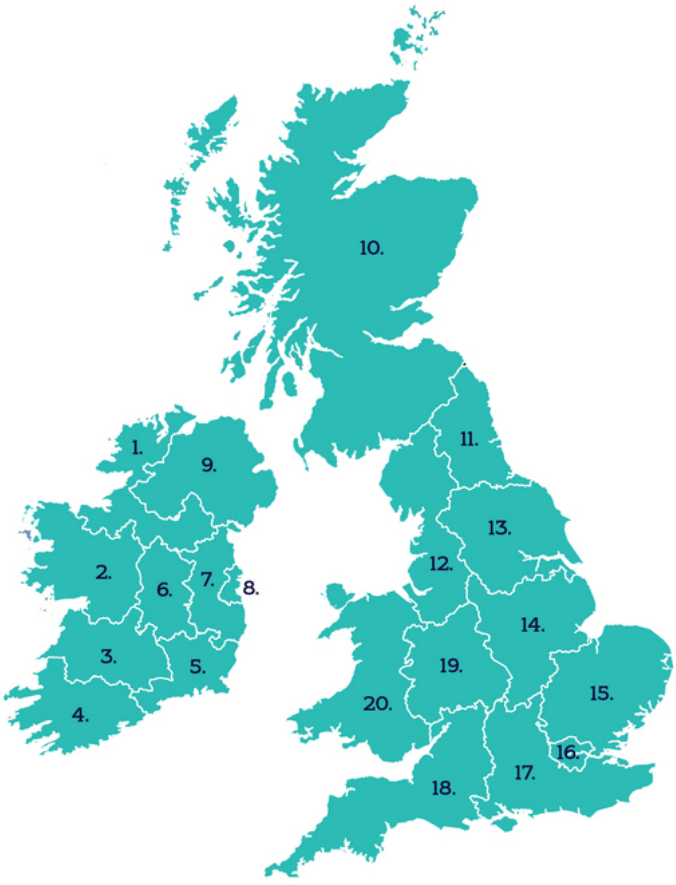
Flood risk scenario analysis

An additional lens used to identify physical risks in the table above is a more property specific physical risk assessment, which is undertaken for properties in RoI and the UK that are residential property collateral for lending exposures (and commercial property collateral based on available data). The locations of these properties have been geocoded for flood risk assessment. Using latitude and longitude, properties are matched to building and street based on address data available. The map below represents the proportion of RoI and UK properties at high risk of flood as a percentage of the Group's mortgage lending under a forward looking climate scenario. The locations of these properties have been geocoded for flood risk assessment using data and modelling from JBA Flood Risk Management, a leading provider of climate flood modelling in the Irish and UK market. The JBA flood model for RoI and UK includes river (fluvial), surface water (pluvial) and coastal flood risk. It assigns flood risk per property based on the potential flood damage to the property dependent on the type, frequency and depth of flooding modelled. The scoring ranges from 0 to 53, with 0 being lowest and 53 being the highest risk. The flood scores are projected forward based on the RCP 8.5 Pathway[1] where emissions continue to rise throughout the 21st century and global temperatures increase by 2100 by 3.2 to 5.4 degrees.

Properties classified at high risk[2] of flooding are:

- properties in RoI with a score of 31 and above by 2050 on an undefended basis[3]; and
- properties in the UK with a probability of a flood event occurring by 2030 of >5%[4].

High risk of flood map



1. Border
% of total mortgage lending: 2.4%
% of regional lending at risk: 0.6%

2. West
% of total mortgage lending: 4.8%
% of regional lending at risk: 0.2%

3. Mid West
% of total mortgage lending: 4.6%
% of regional lending at risk: 2.1%

4. South West
% of total mortgage lending: 7.8%
% of regional lending at risk: 1.2%

5. South East
% of total mortgage lending: 4.2%
% of regional lending at risk: 1.7%

6. Midlands
% of total mortgage lending: 3.0%
% of regional lending at risk: 0.1%

7. Mid East
% of total mortgage lending: 14.5%
% of regional lending at risk: 0.8%

8. Dublin
% of total mortgage lending: 30.4%
% of regional lending at risk: 2.2%

9. Northern Ireland
% of total mortgage lending: 1.1%
% of regional lending at risk: 2.7%

10. Scotland
% of total mortgage lending: 2.4%
% of regional lending at risk: 1.5%

11. North East
% of total mortgage lending: 0.8%
% of regional lending at risk: 0.7%

12. North West
% of total mortgage lending: 2.7%
% of regional lending at risk: 1.8%

13. Yorkshire and the Humber
% of total mortgage lending: 1.4%
% of regional lending at risk: 3.3%

14. East Midlands
% of total mortgage lending: 1.6%
% of regional lending at risk: 1.5%

15. East of England
% of total mortgage lending: 2.9%
% of regional lending at risk: 1.4%

16. Greater London
% of total mortgage lending: 5.6%
% of regional lending at risk: 3.6%

17. South East
% of total mortgage lending: 4.6%
% of regional lending at risk: 3.0%

18. South West
% of total mortgage lending: 2.3%
% of regional lending at risk: 2.2%

19. West Midlands
% of total mortgage lending: 1.9%
% of regional lending at risk: 0.8%

20. Wales
% of total mortgage lending: 1.0%
% of regional lending at risk: 3.9%

[1] Representative Concentration Pathways for greenhouse gas concentration trajectories adopted by the IPCC (Intergovernmental Panel on Climate Change). The pathways describe different climate futures, all of which are considered possible depending on the volume of GHGs emitted in the years to come.
[2] Percentage at risk: Percentage of mortgage lending classified at high risk of flooding per classification above.
[3] Previous reporting of flood risk in RoI did not take into account mitigating flood defences. Flood defence data is now being integrated on new properties and reflected in the reported RoI data.
[4] Probability based on projected JBA Flood Scores.

ESRS E1 Climate Change *(Environmental) (continued)*



BoI's Kevin Baxter with Maura Lavelle of Willows Ingredients. Bank of Ireland is proud to have supported the Business in the Community Ireland Climate Action Programme, helping 40 SMEs take practical steps toward decarbonisation and future-proofing their businesses.

Measuring and monitoring of climate related opportunities *E1-4*

The Group recognises that the most significant impact it can have on climate change is through the finance it provides to its customers. The Group's assessments highlight that given the anticipated investment requirements in its key markets, the transition to the 'green economy' could lead to substantial financing opportunities across sectors and business lines.

In November 2023, Davy's Decarbonisation unit's white paper 'Investing in Tomorrow: Shaping a Net-Zero Future' showed that c.€129 billion expenditure is required by 2030 across the key sectors illustrated in order to meet Ireland's Climate Action Plan targets. This shows the investment opportunities that are arising from the transition.

The Group aims to be at the centre of a sustainability support system for the Green Transition which informs its approach to sustainable finance. By providing the right finance in the right place at the right time, it can support innovation and drive scaling. The Group is addressing these opportunities in its business planning and product development.

This focuses on its home and business customers in the sectors transitioning across electricity, transport, buildings, industry and agriculture. The Group expects the commercial realisation of the opportunities to materially increase in the medium to long-term.

See page 121 for more details on the approach used in the DMA to identify and assess opportunities associated with Climate change over short, medium and long term.

Investment required for Ireland's green transition

Sector[1]	Total €bn	Public €bn	Private €bn	*of which;* Debt €bn	*of which;* Equity €bn
Electricity	43.0	–	43.0	32.0	11.0
Transport	43.0	4.0	39.0	39.0	–
Residential buildings	23.0	13.0	10.0	10.0	–
Commercial buildings	13.0	–	13.0	11.7	1.3
Industry	3.0	–	3.0	2.7	0.3
Agriculture	4.3	1.7	2.6	2.3	0.3
Total	**129.3**	**18.7**	**110.6**	**97.7**	**12.9**

[1] *Source: Davy Decarbonisation White Paper - Investing in Tomorrow: Shaping a Net-Zero future.*

ESRS E1 Climate Change *(Environmental) (continued)*

Increasing our sustainable finance products & support

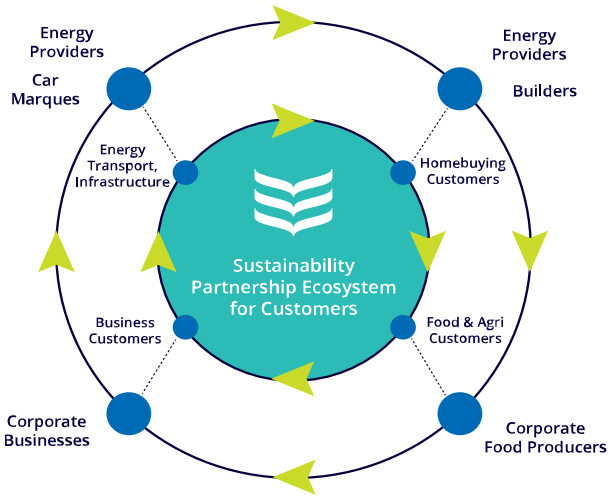
The Group is at the heart of the movement towards sustainability in Ireland, particularly in supporting the green transition in line with Ireland's Climate Action Plan. Its goal is to help its customers adapt to this change. A key part of the Group's commitment is to develop financial products that support the transition. This aligns with its dedication to the UNPRB.

The Group's range of sustainable finance products is carefully designed to help its customers make real, impactful changes. This includes green mortgages, loans for eco-friendly cars, and business loans for SMEs and farmers, focusing on renewable energy, capital expenditure, and sustainability-linked lending.

The Group's approach supports meeting its SBTs by reducing the GHG emissions that its business finances. With this science and policy-based approach, it can focus its resources where it matters to support credible action.

The Group offers a growing portfolio of sustainable financing products and services, including green residential mortgages, renewable energy project financing and EV financing, supported by the Green Bond programme. Through these offerings, the Group seeks to not only align with the national climate action plans in both Ireland and the UK, as well as the Paris Agreement, but also to provide tangible benefits to its customers.

Sustainability partnership for customers



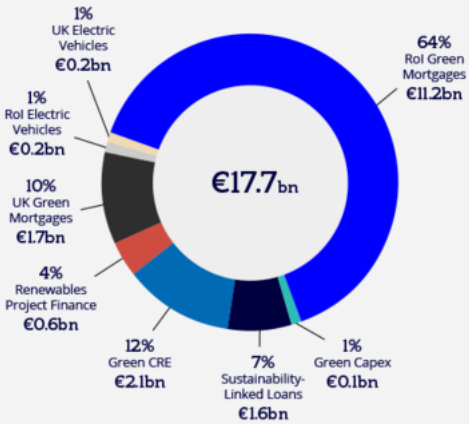
Sustainable financing

In line with its ambitions, the Group has achieved its interim sustainable financing target of €15 billion by 2025 and is on track to achieve its €30 billion by 2030 target.

During 2025, we extended our impact across sectors, through green residential mortgages, sustainability-linked lending for SME and farmers, EVs and renewable energy generation:

- financed our largest green energy project to date and our first solar power project;
- significantly expanded our Enviroflex sustainability linked loans for the agri-sector, now available to all dairy farmers nationwide, with expansion to the tillage sector underway;
- grew EV financing in 2025, supported by partnerships with 16 motor brands and accounted for 42% of all new EV sales in Ireland in 2025; and
- launched Sustainable Business Coach, a free to use digital tool designed to support businesses with sustainability planning and to identify their ESG priorities.

These interventions supported the continuing take up of Sustainable Finance by our customer base and the ongoing decarbonisation of our loan book.



ESRS E1 Climate Change *(Environmental) (continued)*

The Group met its 2025 €15 billion target during the year. By the end of 2025, its sustainable finance portfolio grew by 20%, reaching €17.7 billion with momentum evident across lending categories per the table below:

- growth in Green Finance during 2025 was materially driven by RoI Green Mortgages and is supported by the EcoSaver mortgage product that offers customers lower rates for higher energy rated homes, thereby incentivising investment in energy efficiency;
- growth in Renewable Project Finance of 51%;
- growth in EV Financing reflected growing market momentum in lending volumes across our RoI and UK motor finance businesses;
- increasing take-up of dedicated sustainable finance products with EnviroFlex for farmers and the Green CapEx loan for commercial and business customers.

Reporting principles

The Group's Sustainability Strategy was launched in 2021 and was significantly informed by a comprehensive stakeholder engagement exercise, which sought the views of customers, colleagues, suppliers, trade associations and Non-Governmental Organisations (NGOs), among others, through interviews and surveys. A key element of the Strategy was targets for the provision of Sustainable Finance in support of the Green Transition. In early 2023 as part of the overall Group Strategy refresh for the 2023 to 2025 period, the Group sustainable finance loan targets for customers were extended to €15 billion by 2025 and €30 billion by 2030.

Progress against Sustainable Finance targets are assessed quarterly with RAG status measured against short-term annual targets aligned with the medium and long term targets above. RAG Status is reported to the SDG, GEC, BRC, GSC and the Board.

Lending classified for reporting as Sustainable Finance has to meet the criteria set out in the Group's Sustainable Finance Framework published in April 2024. The gross carrying amount (GCA) outstanding against properties that meet these criteria at end 2025 are included in the reporting of Sustainable Finance volumes. Details of the criteria met across the Sustainable Finance lending categories for 2025 are set out below:

Residential mortgages and CRE

RoI properties

- **built <2021:** belonging to the top 15% low carbon buildings in Ireland (a Building Energy Rating (BER) of A or B[1]).
- **built ≥2021:** buildings complying with the Nearly Zero-Energy Buildings (NZEB) standard.

UK properties

- UK properties belonging to the top 15% low carbon buildings in the UK (an EPC Rating of A or B).

Project finance

- Onshore and offshore wind energy generation.

Car finance

- Zero-emission battery electric vehicles (BEVs).

Sustainability linked loans

- Loan agreements meeting the Group's requirements on Sustainability-linked Financing and link the interest margin to the improvement of preselected customer key performance indicators (KPIs).

Green CapEx loan

- Loan agreements originated through the Group's Green CapEx loan, where the use of proceeds meets the Group's criteria on Sustainable Finance.

[1] For mortgages originated since Q1 2024, BER Rating requirement is B2 Rating and above, for loans originated prior to end Q1 2024 BER Rating requirement is B3 Rating and above. The Group's incumbent sustainable finance products and transactions established before inception of this Framework may have definitions that deviate from the eligibility criteria above and are considered as sustainable finance until they are amended or cease to exist.

Sustainable finance[1]	2025 GCA €bn	2024 GCA €bn	YoY increase %[2]	2025 target GCA €bn	2030 target GCA €bn	RAG
Customer lending	**17.7**	**14.7**	**21%**	**15.0**	**30.0**	
of which:						
RoI Green Mortgages	*11.2*	*8.6*	*31%*			
UK Green Mortgages	*1.7*	*1.7*	*(2%)*			
Green CRE	*2.1*	*2.2*	*(3%)*			
Renewables Project Finance	*0.6*	*0.4*	*51%*			
RoI Electric Vehicles	*0.2*	*0.2*	*45%*			
UK Electric Vehicles	*0.2*	*0.1*	*121%*			
Sustainability-Linked Loans	*1.6*	*1.5*	*4%*			
Green CapEx loans	*0.1*	*–*	*n/a*			

[1] Sustainable Finance Gross Carrying Amount (GCA) volumes classified in line with Eligibility Criteria set out in the Group's Sustainable Finance Framework.
[2] Percentages are based on underlying calculation of amounts, rounded off to one decimal place.

ESRS E1 Climate Change *(Environmental) (continued)*

Measuring and monitoring of climate related impacts

Overview

As signatories to the UNPRB, the Group have conducted an impact assessment to identify both the positive and negative impacts of the Group's products and services on society and the environment, in its primary geographies of Ireland and the UK, covering consumer banking and corporate and commercial banking.

Scope

In 2025, the Group refreshed its impact assessment using version 3 of the UNEP FI Portfolio Impact Analysis Tool for Banks. The scope of the Group's impact analysis covered its €83 billion loan portfolio, as of December 2024.

Results

The assessment showed that positive impact areas associated with the business and corporate banking activities include 'Availability, accessibility, affordability, quality of resources & services' and 'Healthy economies'. Negative impact areas include 'Circularity' and 'Climate Stability'.

In the areas of consumer banking activities, the assessment showed that the Group has positive impacts in the areas of 'Availability, accessibility, affordability, quality of resources and services', 'Housing', and 'Finance'. Negative impacts were noted in the areas of 'Circularity', 'Climate Stability' and 'Resource Intensity'.

'Climate Stability' and 'Finance' continue to be identified as the Group's most significant areas of impact. These significant impact areas correlate to the Group's 'Supporting the Green Transition' and its 'Enhancing Financial Wellbeing' strategic pillar.

The results of this assessment were consistent to the results of the Group's DMA. The Group plans to refresh its impact assessment in early 2026 based on 31 December 2025 data. See page 121 for more details on the approach used in the DMA to identify and assess impact of Climate change on the Group's operations.

Policies related to climate change *E1-2*

Please see page 131 for a table of the policies adopted to manage material sustainability matters.

ESG factors, including climate change (Physical and Transition risk), represent a common risk driver across the Group's Principal Risks and Sub Risks. The Group ESG RMF sets out the Group's approach to ESG risk management. See page 124 for further details.

Our climate strategy supplements the ESG RMF by setting targets and initiatives to align our portfolio and operations with a net-zero trajectory and reduce GHG emissions.

The requirements of the key mitigants set out in the risk policies are tracked using internal risk limits or KRIs such as sector concentration in case of transition risks. See page 150 for more details.

The Group has also committed to aligning with a number of mandatory and voluntary frameworks specifically related to sustainability acknowledging that participation in governmental, intergovernmental climate change programmes, initiatives can potentially lead to enhanced public trust, reputation and competitiveness for the Group. (E1-Opportunity 4).

Metrics & Reporting Principals	External standards		Internal / Group policies and frameworks
	Mandatory	Voluntary	
Overarching Sustainability Strategy	n/a	• UN Principles for Responsible Banking (UNPRB) • UN Principles for Responsible Investing • UNPRB Commitment to Financial Health and Inclusion • Business in the Community Ireland's Elevate Pledge	• Investing in Tomorrow Sustainability Strategy 2023 to 2025
Science based targets	n/a	• Science Based Targets Initiative (SBTi) Framework • Partnership for Carbon Accounting Financials (PCAF)	• Climate Transition plan
Sustainable finance	n/a	• Loan Market Association • Green Loan Principles • Social Loan Principles • Sustainability-Linked Loan Principles • International Capital Markets Association • Green Bond Principles	• Sustainable Finance Framework • Green Bond Framework
Own operations	n/a	• ISO 50001 Energy Management System • ISO 14001 Environmental Management System	• Group Environmental policy • Group Energy policy • Code of Supplier Responsibility • Group Own Operations Carbon Offsetting policy

ESRS E1 Climate Change *(Environmental) (continued)*

Metrics & Reporting Principals	External standards		Internal / Group policies and frameworks
	Mandatory	Voluntary	
ESG risk management	• ECB Climate and Environmental Risk Guidelines	n/a	**ESG risk** • ESG RMF **Regulatory compliance** • Group Regulatory Compliance Framework **Credit risk** • Group Credit Risk policy • Responsible and Sustainable Business (RSB) Sector statement • Group Property Collateral Valuation policy **Business & strategic risk** • Group Business and Strategic Risk policy **Operational risk** • Group Operational Resilience policy • Group Third Party Risk Management and Outsourcing policy • Group Financial and Regulatory Reporting Risk policy • Group Operational Risk Information Technology Risk policy • Group Data Risk policy • Group Operational Risk Information Security and Cyber Risk policy **Conduct risk** • Group Customer Protection Risk policy **Regulatory risk** • Group Regulatory Risk policy **Reputation risk** • Group Reputation Risk Management Framework
Climate reporting	• CSRD • EU Taxonomy • Pillar 3 ESG Disclosures	• CDP • UNPRB • TCFD • UN Principles for Responsible Investing	n/a

Actions and resources in relation to climate change *E1-3*

The actions taken by the Group with respect to the climate change mitigation are driven by the twin targets underpinning the Group's Climate Transition Plan:

- the decarbonisation of the Group's lending portfolio and its own operations (see page 142 for more information); and
- the provision of Sustainable Finance to support the transition of the broader economy (see page 156 for more information).

The Group has planned future actions and CapEx required to implement the actions, including consideration of the capability and availability of resources to implement the planned actions, as part of the Group's Transition Plan. See page 140 for further details.

In addition to these actions, the Group has taken several actions to mitigate identified material risks in its portfolio and its own operations across its established risk types. See page 147 for details around climate risk mitigation measures adopted by the Group across the different risk types.

The Group's climate change adaptation actions primarily relate to the assets and activities the Group finances through loans to its customers. For example, within its credit management processes the Group assesses at both a portfolio and a customer level the transition risks associated with changes in legislation, market conditions, technology and investment requirements as well as the exposure to the physical risks of climate change.

Climate challenges may potentially impact the earnings capacity and creditworthiness of a business or on asset values. Therefore the Group assesses the potential impact of climate change adaptation in its customer engagements and in its own assessments of the resilience of its balance sheet and operations. Its adaptation actions include:

- provision of sustainable financing products (including Sustainability Linked Loans) and of general insurance products to our customers to support the adaptation of business models and assets to changing conditions;
- flood insurance is a requirement for property lending and collateral valuation policy requires assessment of physical risks;
- physical and transition risks related to climate change are also an element of the Group's credit policy for assessing credit risk, both in relation to the individual customer, but also at portfolio level;

ESRS E1 Climate Change *(Environmental) (continued)*

- physical risks associated with climate change are considered in commercial credit risk assessment together with other credit factors;
- quarterly reporting to executive and board-level committees of the physical risk exposure metrics in Section 2 to inform risk management actions;
- from an operational perspective the Group has taken adaptation measures by installing flood defence systems on a number of the exposed sites. During 2025, the Group completed a scenario test on adverse weather to understand if the Group's current levels of resilience could continue to support important business services during a severe but plausible adverse weather event; and
- scenario analysis of physical risk impacts across the key risk types to inform capital planning in the ICAAP.

Climate change metrics and targets

Targets related to climate change *E1-4*

In order to manage material climate-related IROs, the Group has set SBTi validated Scope 1, 2 and 3 targets. The base year for reduction targets is 2020. See page 140 for more details on the Group's transition plan.

The progress towards SBTs is regarded as a key metric in providing evidence of the Group's progress in decarbonising its own operations and its business. The baseline used for SBTi target setting covers c.71% of the lending portfolio as of financial year 2020, thus covering the core business of the Group.

In line with the Group's ambitions, the Group has set targets for sustainable financing. See page 141 for details on Group's sustainable finance targets. A key element of the Group's Sustainability Strategy (launched in 2021) was the implementation of SBTs to provide independent verification for the credibility of the Group's decarbonisation targets. The Board approved the Group's SBTs which were subsequently validated by the SBTi in 2022. Progress against individual portfolio paths to targets are assessed quarterly with RAG status measured based on alignment with the linear path to the long term target which is in line with SBTi and industry practice. RAG status is reported to the SDG, GEC, BRC, GSC and Board.

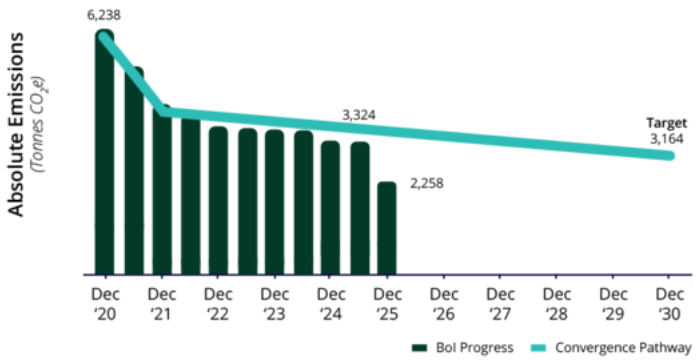
SBT Categories	Actual GHG emissions			SBT vs. baseline	Progress to date from baseline	SBT required progress by 2025	RAG status	Progress to date from 2024	Annual % target reduction[5]
	Baseline 2020	2024	2025						
Own operations									
Absolute GHG emissions	Actual GHG emissions			Target					
Own operations[1] *(covering all of scope 1 and scope 2 emissions)*	6,238 tCO_2	3,324 tCO_2	2,258 tCO_2	49% reduction by 2030	▼64%	▼39%		▼17%	▼5%
Lending portfolios									
Lending portfolios sector decarbonisation approach	Actual GHG emissions intensity			Target					
Residential mortgages[2]	46 $kgCO_2/m^2$	40 $kgCO_2/m^2$	37 $kgCO_2/m^2$	48% reduction by 2030	▼19%	▼24%		▼5%	▼5%
Commercial real estate	73 $kgCO_2/m^2$	53 $kgCO_2/m^2$	49 $kgCO_2/m^2$	56% reduction by 2030	▼34%	▼28%		▼6%	▼6%
Electricity generation - project finance	0.155 $kgCO_2e$ / kWh	0.106 $kgCO_2e$ / kWh	0.09 $kgCO_2e$ /kWh	76% reduction by 2030	▼43%	▼38%		▼11%	▼8%
Portfolio coverage approach	Actual SBT portfolio coverage			Target					
Corporate loans	-	28%	46%	25% coverage by 2025[3]	▲46%	▲25%		▲18%	▲5%
Corporate bonds	-	6%	10%	25% coverage by 2025[4]	▲10%	▲25%		▲4%	▲5%

[1] *Does not include Davy that was acquired by the Group in 2022. At 31 December 2025, all electricity energy supply is renewable.*
[2] *Does not include residential mortgages acquired from KBCI in 2023. Emissions reduction in 2025: Overall Portfolio (down 19% vs pathway of 24%); for RoI Mortgages (down 26%); for UK Mortgages (down 5%).*
[3] *Defined as 25% of Corporate Lending Customers with validated SBTs (weighted by company emissions).*
[4] *Defined as 25% of Corporate Bond Customers with validated SBTs (weighted by investment value).*
[5] *Average annual emission reduction calculated as (1- (emissions in target year / emissions in target base year)) / (target year - base year).*

ESRS E1 Climate Change *(Environmental) (continued)*

Own operations

Convergence pathway SBTi 1.5°C[1]



RAG Status - Target Achieved

- The 2030 SBT emissions reduction target was achieved in 2025 (from a 2020 baseline) with absolute emissions from own operations reduced by 64% (from 6,238 to 2,258 tCO2e). This was due to the significant reduction in emissions of 17% due to actions delivered upon in 2025.
- In addition, Group's annual sourcing of renewable electricity is at 100% at the end of 2025 against target of 100% by 2025.
- This progress supports our broader objective of net zero emissions by 2030 and the Climate Transition Plan sets out the actions planned to achieve the 2030 Net Zero objective.

[1] SBTi pathway designed to facilitate limiting warming to 1.5 degrees Celsius above pre-industrial levels.

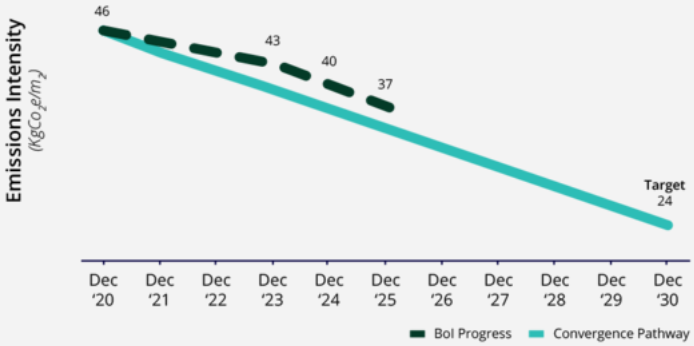
Residential mortgages

RAG Status

- The residential mortgage portfolio continued its steady progress on decarbonisation in 2025 and is down 19% versus the 2020 baseline, with ongoing decarbonisation expected during 2026.
- The amber rating reflects the material delivery on the decarbonisation pathway by RoI mortgages but recognising that the decarbonisation progress on the overall portfolio to date is lagging the convergence pathway.
- The residential mortgage category is seeing the RoI and UK mortgage portfolios decarbonising at different speeds, with the emissions of the RoI portfolio down c.26% since financial year 2020.
- The in-scope RoI mortgage portfolio is reducing in line with the target pathway reflecting the financing of newly built energy efficient properties, improvements in the energy efficiency of the existing property stock due to retrofit activity and greening of the RoI electricity grid during 2025.
- This reduction is partially offset by relatively muted progress in the UK mortgage portfolio (down c.5% since financial year 2020) which is aligned to muted progress reported by other lenders in the UK market.
- However, this lag is being mitigated by increasing the focus on retrofitting of existing property stock in the UK portfolio supported by planned increases in government led incentives in the UK market (Warm Homes Plan).

Convergence pathway ETP B2DS[2]

PCAF score: 3.6



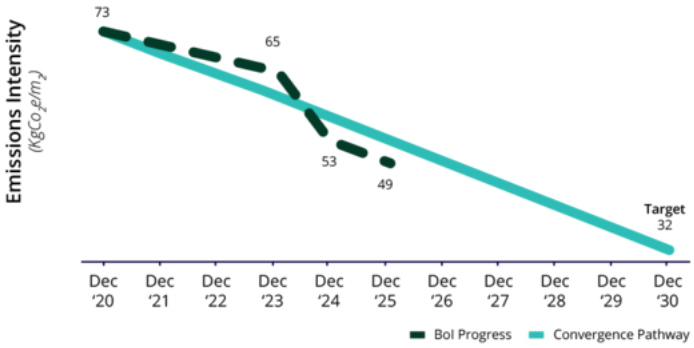
[2] Beyond 2 Degrees Scenario (B2DS) aims to limit with a 50% chance global temperature rise to 1.75 degrees Celsius above pre-industrial levels.

ESRS E1 Climate Change *(Environmental) (continued)*

Commercial real estate

Convergence pathway SBTi 1.5°C[1]

PCAF score: 3.0



RAG Status

- The CRE portfolio is on track to meet the 2030 target at this stage of strategy implementation, reflecting the financing of newly built energy efficient properties, improvements in the energy efficiency of the existing property stock due to retrofit activity and greening of the RoI electricity grid during 2025.
- In line with our CRE lending strategy which prioritises investment in energy efficiency and increasing levels of retrofit activity, it is expected that convergence with the pathway towards the 2030 target will be maintained in 2026.

[1] *Beyond 2 Degrees Scenario (B2DS) aims to limit with a 50% chance global temperature rise to 1.75 degrees Celsius above pre-industrial levels.*

Electricity generation - Project finance

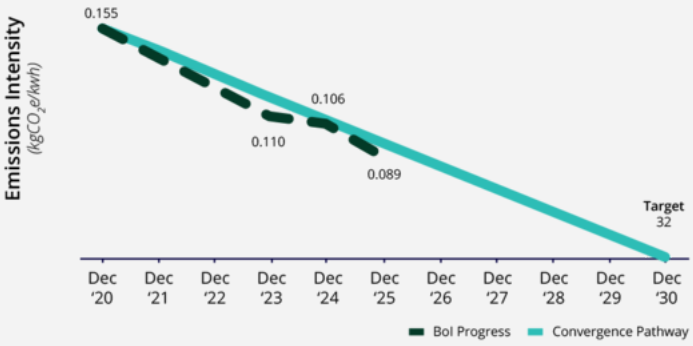
RAG Status

- This portfolio consists of a small number of projects (c.25) and during 2024 an updated baseline and target were validated and approved by the SBTi.
- Green rating reflects progress towards the 2030 target is progressing in line with business planning as the Group expanded its renewables portfolio during 2025 including financing its largest green energy project to date and its first solar power project. This sees decarbonisation of c.43% to date versus the 2020 baseline.
- In line with our project finance lending strategy which prioritises investment in renewable energy and infrastructure projects, it is expected that progress towards the 2030 target will be maintained in 2026 as the portfolio grows in support of investment in the green transition.

[2] *SBTi pathway designed to facilitate limiting warming to 1.5 degrees Celsius above pre-industrial levels*

Convergence pathway SBTi 1.5°C[2]

PCAF score: 3.1



ESRS E1 Climate Change *(Environmental) (continued)*

Long-term corporate lending

Convergence pathway to full SBT coverage by 2025



RAG Status - Target Achieved

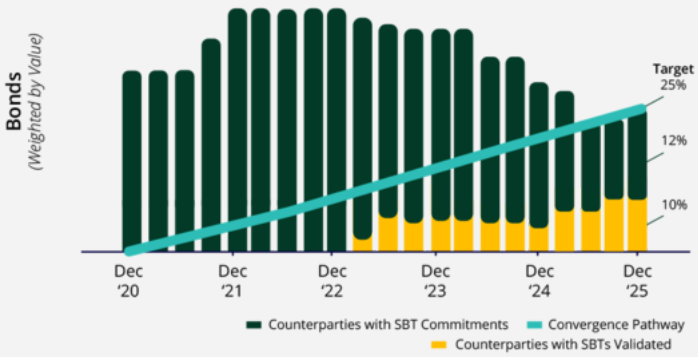
- Green rating reflects achievement in 2024 of the 2025 portfolio coverage target. This was driven by strong adoption of SBTs among the Group's larger corporate customers and has seen progress continue and reach 46% by end of 2025, demonstrating the commitment of the customer base to decarbonisation.
- Validation status of corporate customers based on SBTi reporting, with emissions data for portfolio weightings provided by Intercontinental Exchange Inc (ICE).

Long-term corporate bonds (bank bonds)

RAG Status

- Red rating reflects the non-completion of the target. This is due to two external factors outside of the Group's control that emerged after the target was set:
  - this portfolio comprises of Bank Bonds and Financial institutions have lagged the broader Corporate sector in having SBTs validated due to longer lead times for validation provided by the SBTi since the target was set; and
  - 2024 and 2025 saw a number of financial institutions withdraw their applications for target validation.
- The effect of these two factors on the conversion rate of banks with SBT Commitments in 2020 to those with SBTs validated in 2025 is evident in the graph on the right. This is in direct contrast to the conversion rate for the broader Corporate sector above. This target was a mandatory requirement under the SBTi Guidance Version 1.0, but is now non-mandatory under latest guidance.

Convergence pathway to full SBT coverage by 2025



ESRS E1 Climate Change *(Environmental) (continued)*

GHG emissions for the current financial year *E1-6*

The Group's GHG emissions for the current financial year are shown in the table below:

Group's GHG emissions	2025 tCO_2e	2024 tCO_2e
Gross Scope 1 emissions *(tCO_2e)*	**2,376**	**3,537**
Biogenic emissions Scope 1	**5**	**4**
Gross Scope 2 emissions *(Location-based) (tCO_2e)*	**4,196**	**5,902**
Gross Scope 2 emissions *(Market-based) (tCO_2e)*	**3**	**13**
Gross Scope 3 emissions *(tCO_2e)*	**12,363,107**	**12,502,613**
Business Travel (tCO_2e)	*4,152*	*4,469*
Waste (tCO_2e)	*4*	*7*
Purchased Goods and Services (tCO_2e)	*27*	*29*
Downstream leased assets (market based) (tCO_2e)	*923*	*1,048*
Financed Emissions (tCO_2e)[1]	*12,358,000*	*12,497,060*
% of electricity from renewable sources[2]	**c.100%**	**c.100%**
Total GHG emissions (location-based) *(tCO_2e)*	**12,369,684**	**12,512,056**
Total GHG emissions (market-based) *(tCO_2e)*	**12,365,491**	**12,506,167**

[1] Financed Emissions do not include Davy and New Ireland and were reported for the first time in 2024.
[2] Percentage renewable tied to contractual instruments is 99.93% (2024: 99.75%) with full coverage expected in 2026.

The table above includes the own operations emissions associated with the Davy business for the first time in the 2024 totals. This sees movements for Scope 1 and 2 (Market-based) emissions as follows:

- underlying Scope 1 and 2 (Market-based) emissions for 2024 were 3,324 tCO_2e;
- in line with the Group's Climate Transition Plan and Science Based Target, in 2025 this reduced by 1,066 tCO_2e to 2,258 tCO_2e; and
- the integration of Davy's operational emissions of 126 tCO_2e for 2025 sees a combined total of 2,384 tCO_2e for the year.

GHG emissions intensity per net revenue	2025 GHG emissions tCO_2e	2025 Total emissions as a share of income[1]	2024 GHG emissions tCO_2e	2024 Total emissions as a share of income[1]
Total GHG emissions from own operations – location-based	11,684	2.8	14,995	3.4
Total GHG emissions from own operations – market-based	7,491	1.8	9,106	2.1
Total GHG emissions from own operations and lending activities (location-based)	12,369,684	2,969.9	12,512,056	2,835.3
Total GHG emissions from own operations and lending activities (market-based)	12,365,491	2,968.9	12,506,167	2,833.9

[1] The Group's Total Operating Income is €4,165 million (2024: €4,413 million) for the current financial year. The revenue used here is consistent with the Group's revenue reported under IFRS 8.

The Group continues to progress the development of its emissions reporting capabilities and for this disclosure, GHG financed emissions are provided in line with the PCAF Part A Standards on Financed Emissions. The Group's GHG emissions for financed emissions are shown in the following table.

ESRS E1 Climate Change *(Environmental) (continued)*

2025 Scope 3 financed emissions	Gross carrying amount €bn	Gross carrying amount in PCAF scope for financed emissions €bn	Financed emissions (ktons CO_2e)	*of which;* Scope 1 and 2 (ktons CO_2e)	*of which;* Scope 3 (ktons CO_2e)	Weighted average carbon intensity[1]	PCAF average quality data score[2]
Non-financial corporates	25	25	9,614	1,110	8,504	382	4
Residential mortgages	52	52	685	685	–	13	4
Motor vehicle finance	4	4	290	290	–	73	3
Sovereigns	13	13	1,769	1,769	–	146	2
Other consumer lending	2	–	–	–	–	–	–
Central banks exposure	23	–	–	–	–	–	–
Financial corporations	11	–	–	–	–	–	–
Trading book	1	–	–	–	–	–	–
Derivatives	2	–	–	–	–	–	–
Other assets	6	–	–	–	–	–	–
Total assets	**139**	**94**	**12,358**	**3,854**	**8,504**	**132**	**4**

2024 Scope 3 financed emissions	Gross carrying amount €bn	Gross carrying amount in PCAF scope for financed emissions €bn	Financed emissions (ktons CO_2e)	*of which;* Scope 1 and 2 (ktons CO_2e)	*of which;* Scope 3 (ktons CO_2e)	Weighted average carbon intensity[1]	PCAF average quality data score[2]
Non-financial corporates	27	27	10,914	1,802	9,112	406	4
Residential mortgages	51	51	727	727	–	14	4
Motor vehicle finance	3	3	263	263	–	76	3
Sovereigns	5	5	593	593	–	116	2
Other consumer lending	2	–	–	–	–	–	–
Central banks exposure	33	–	–	–	–	–	–
Financial corporations	7	–	–	–	–	–	–
Trading book	2	–	–	–	–	–	–
Derivatives	1	–	–	–	–	–	–
Other assets	6	–	–	–	–	–	–
Total assets	**137**	**86**	**12,497**	**3,385**	**9,112**	**145**	**4**

[1] *Measured as tonnes CO_2 per €m of gross carrying amount.*
[2] *PCAF has defined data quality scoring per asset class, facilitating data transparency and encouraging improvements to data quality in the medium and long-term. This data quality score ranges from one to five, one being the highest data quality (for example, reported and verified emissions) and five being the poorest (emissions are based on unspecific industry data).*

The financed emission table above, provides an overview of the assets in scope of GHG emission reporting and the associated data quality score. Total assets are defined in this table according to the prudential consolidation of the Group per FINREP and EU Taxonomy reporting standards. Based on chapter 15 of the GHG protocol standard and considering the consolidation parameter of the Group, the Group has not disclosed the financed emissions for Davy and New Ireland. The financed emissions are estimated in accordance with the scope and principles set by PCAF. Please see page 166 for details on the estimation methodology and the asset classes in scope.

Based on this assessment, the majority of the Group's estimated financed emissions are in the Group's Non-Financial Corporate (NFC) portfolio. These emissions relate to Corporate and Business Loans reflecting the Scope 3 emissions within the supply chain of these companies. This proportionality of emissions is in line with ECB system level benchmarking studies however the Group recognises there are limitations that must be considered when presenting the results.

The Group recognises that measurement methodologies and data availability remain at an early stage of development across the industry which means emissions intensity estimates are not necessarily comparable across different financial institutions:

- this is a particular consideration for Scope 3 estimation where limitations are noted in the PCAF Standard: "PCAF acknowledges that, to date, the comparability, coverage, transparency, and reliability of Scope 3 data still varies greatly per sector and data source". To address this limitation we have leveraged the data provider ICE's (Intercontinental Exchange Inc) methodologies that infer Scope 3 estimates that accounts for incomplete coverage in reported emissions by counterparties. This provides us with a comprehensive view of supply chain emissions across our lending customer base.

ESRS E1 Climate Change *(Environmental) (continued)*

- however as financial institutions are aggregators of emissions data for NFC counterparties, the potential for double counting of emissions due to overlaps across company supply chains is a further inherent limitation of the current approach. Therefore it should be noted that the amount of Scope 3 emissions are aggregated up across the lending portfolio and as overlaps in supply chains can't be quantified under the PCAF methodology it is likely that the aggregated totals overestimate the underlying volumes of emissions; and
- additionally, variation in emission metrics over time may not always reflect changes in customers' emissions, but could result from changes in other factors, such as changes in revenue and production for various reasons such as global events, and new data sources and methodologies used to estimate emissions in the absence of externally published customer emissions.

The Group acknowledges these current limitations and will monitor broader industry trends as it continues to develop its methodologies and data coverage. In addition, the level of direct estimates disclosed by counterparties will increase over time in line with the introduction of the CSRD and will reduce current levels of dependence on proxy estimates.

Notwithstanding these current limitations the Group recognises the importance of using this information to inform management action. It is leveraging these financed emissions estimates and monitors a WACI (Weighted Average Carbon Intensity) metric in its internal reporting to inform portfolio strategies to decarbonise the lending portfolio and mitigate climate-driven credit risk.

The following table provides a breakout of the financed emissions associated with the customer lending portfolio. Non-financial corporates are disaggregated by the Nomenclature of Economic Activities (NACE) Sectors classified in ESG Pillar 3 disclosures, with residential mortgages and car finance disaggregated by location (RoI and UK).

It demonstrates a reduction year on year in financed emissions of 11% and weighted average carbon intensity of 12%. These reductions are driven by:

- reduced exposure to the more emission intensive non-financial corporates sector which has reduced in terms of exposure by 7% year on year;
- an increase in exposure to the less emissions intensive mortgage and motor vehicle categories which together has increased in terms of exposure by 4% year on year; and
- year on year reductions in weighted average carbon intensity across the three categories reflecting ongoing shifts toward emission reduction assets and business practices across our customer base and supported by our sustainable finance interventions.

2025 **Scope 3 financed emissions** **Customer Lending**	**Gross carrying amount €bn**	**Financed emissions (ktons CO_2e)**	***of which;* Scope 1 and 2 (ktons CO_2e)**	***of which;* Scope 3 (ktons CO_2e)**	**Weighted average carbon intensity**	**PCAF average quality data score**
Non-Financial Corporates	**25**	**9,614**	**1,110**	**8,504**	**382**	**4**
A - Agriculture, forestry and fishing	2	1,443	167	1,276	834	5
B - Mining and quarrying	–	164	126	38	4,173	4
of which; Fossil Fuel Extraction	–	–	–	–	–	–
of which; Other Mining & Quarrying activities	–	164	126	38	4,173	4
C - Manufacturing	4	5,352	330	5,022	1,413	4
of which; Food Production	1	1,443	86	1,357	1,204	4
of which; Other Manufacturing	3	3,909	244	3,665	1,509	4
D - Electricity, gas, steam and air conditioning supply	1	146	126	20	209	4
E - Water supply; sewerage, waste management	–	26	16	10	290	4
F - Construction	–	105	12	93	328	5
G - Wholesale and retail	2	1,113	36	1,077	496	4
H - Transportation and storage	1	123	48	75	158	5
L - Real estate activities	8	242	99	143	32	4
Exposures towards other less sensitive sectors	7	900	150	750	114	4
Residential Mortgages	**52**	**685**	**685**	**–**	**13**	**4**
RoI mortgages	37	481	481	–	13	4
UK mortgages	15	204	204	–	14	3
Motor Vehicle Finance	**4**	**290**	**290**	**–**	**73**	**3**
RoI motor finance	1	57	57	–	64	4
UK motor finance	3	233	233	–	76	3
Total Customer Lending	**81**	**10,589**	**2,085**	**8,504**	**130**	**4**

ESRS E1 Climate Change *(Environmental) (continued)*

2024 Scope 3 financed emissions Customer Lending	Gross carrying amount €bn	Financed emissions (ktons CO_2e)	*of which;* Scope 1 and 2 (ktons CO_2e)	*of which;* Scope 3 (ktons CO_2e)	Weighted average carbon intensity	PCAF average quality data score
Non-Financial Corporates	**27**	**10,914**	**1,802**	**9,112**	**406**	**4**
A - Agriculture, forestry and fishing	2	920	186	734	511	5
B - Mining and quarrying	–	346	275	71	3,201	4
of which; Fossil Fuel Extraction	–	–	–	–	–	–
of which; Other Mining & Quarrying activities	–	346	275	71	3,201	4
C - Manufacturing	4	6,469	508	5,961	1,547	4
of which; Food Production	1	1,255	183	1,072	1,215	4
of which; Other Manufacturing	3	5,214	325	4,889	1,656	4
D - Electricity, gas, steam and air conditioning supply	1	446	374	72	838	4
E - Water supply; sewerage, waste management	–	11	5	6	115	4
F - Construction	–	53	11	42	154	5
G - Wholesale and retail	2	1,215	59	1,156	523	4
H - Transportation and storage	1	195	111	84	232	4
L - Real estate activities	8	295	127	168	37	4
Exposures towards other less sensitive sectors[1]	9	964	146	818	109	4
Residential Mortgages	**51**	**727**	**727**	–	**14**	**4**
RoI mortgages	35	501	501	–	14	4
UK mortgages	16	226	226	–	14	3
Motor Vehicle Finance	**3**	**263**	**263**	–	**76**	**3**
RoI motor finance	1	46	46	–	53	4
UK motor finance	2	217	217	–	83	3
Total Customer Lending	**81**	**11,904**	**2,792**	**9,112**	**147**	**4**

[1] *As a result of regulatory Pillar 3 updates in 2025, NACE code I Accommodation and food services activities, is no longer considered a 'High climate impact sector', and has been re-classified under 'Exposures towards other less sensitive sectors.' The 2024 comparatives have been updated to reflect this change of classification.*

Reporting principles

- The Group uses the operational GHG accounting approach i.e. it accounts for all emissions from operations over which it or one of its subsidiaries has operational control.
- The Group considers the GHG protocol guidance, a Corporate Accounting and Reporting Standard, Revised Edition (the GHG Protocol) for its Scope 1, 2 and 3 emissions calculations and guidance from PCAF, when calculating its financed emissions.
- The UK Department for Environment, Food and Rural Affairs (DEFRA), and the Commission for Regulation of Utilities Ireland (CRU) emission conversion factors are used for calculation purposes where relevant. Where tCO_2e factors were not available, the Group has converted tCO_2 to tCO_2e, using relevant CRU factor.
- The Group's Scope 1, 2 and 3 emissions are calculated on a gross-basis.
- The most recent Global Warming Potential (GWP) values published by the IPCC based on a 100-year time horizon has been used to calculate the Carbon Dioxide equivalent emissions (CO_2eq) of non-CO_2 gases.
- The Group has not been involved /applied any Emissions Trading Scheme (ETS) to-date.
- Due to limited level of sophistication involved, a number of assumptions are applied to calculate the GHG emissions.

The methodology and assumptions are summarised below:

Scope 1

- Direct (Scope 1) GHG emissions are from sources that are owned or controlled by the Group.
- In line with the GHG Protocol, the Group's emissions are presented in tonnes of carbon dioxide equivalent units (tCO_2e) and include carbon dioxide (CO_2), methane (CH4), nitrous oxide (N_2O) and hydrofluorocarbons (HFC).
- Bio-based CO_2 emission are disclosed separately under Scope 1 biogenic emissions.
- The Group's Direct (Scope 1) emissions include fuels combustion, fleet and fugitive emissions.

The factors used for calculation of the different components of Scope 1 are listed below:

- **Natural gas:** DEFRA 2025 GHG conversion factors were used to quantify emissions from natural gas. Emissions were quantified by multiplying natural gas consumption in kWh by DEFRA natural gas 2025 conversion factor;

ESRS E1 Climate Change *(Environmental) (continued)*

- **Kerosene:** DEFRA 2025 GHG conversion factor for burning oil was used for emissions calculation from burning kerosene. Emissions were quantified by multiplying kerosene consumption in litres by DEFRA burning oil 2025 conversion factor;
- **Gas oil:** DEFRA 2025 GHG conversion factor for gas oil was used for emissions calculation from burning gas oil. Emissions were quantified by multiplying gas oil consumption in litres by DEFRA Gas Oil 2025 conversion factor;
- **Fleet:** DEFRA 2025 conversion factors for medium-sized cars (kg CO_2e/km) were used for emissions quantification according to fuel type (diesel, petrol, hybrid, plug-in hybrid and electric). The total estimated distance travelled is calculated using available mileage data. Calculations involve determining average daily distances and projecting them over a year while adjusting for maximum mileage expectations. These approaches aim to provide reasonable mileage estimates based on data availability and vehicle usage duration. Emissions were quantified by multiplying total estimated distance travelled by fuel type in kms by the relevant DEFRA 2025 conversion factor; and
- **Refrigerants:** DEFRA 2025 conversion factors were used for the quantification of emissions from refrigerants leakage.



In May 2025, our new 480 kW electric heat pump went live in the Group IT Centre. This will remove the dependence on natural gas boilers, resulting in up to 120 tCO2e carbon emission reductions annually.

Scope 2

- The Group's Scope 2 emissions represent consumption of purchased electricity. The Group does not consume purchased or acquired steam, heating and cooling.
- In line with the GHG Protocol, the Group's emissions are presented in tonnes of carbon dioxide equivalent units (tCO_2e) and include carbon dioxide (CO_2), methane (CH4), nitrous oxide (N_2O) and hydrofluorocarbons (HFC).
- Bio-based CO_2 emission are not considered significant for the Group's Scope 2 emissions.

The factors used for calculation of the different components of Scope 2 are listed below:

- **Location rate:**
  - RoI: Conversion factors for electricity are sourced from the CRU. The consumption of electricity is multiplied by the CRU factor and by the CO_2 to CO_2e conversion factor.
  - UK: Conversion factors for electricity consumed in the UK are sourced from DEFRA 2025.
- **Market rate:**
  - As of 31 December 2025, all electricity consumption in offices in RoI and Northern Ireland (NI) are sourced from renewables.
  - DEFRA 2025 UK electricity conversion factor was used to calculate the market rate Scope 2 emissions for GB non- renewable electricity.

Scope 3

- The Group screens its total Scope 3 GHG emission based on the 15 Scope 3 categories identified by GHG protocol. Financed emissions is considered as the only significant Scope 3 category for the Group.
- The Group updates its Scope 3 significant categories every year and Scope 3 inventory at least every three years.
- In line with the GHG Protocol, the Group's emissions are presented in tonnes of carbon dioxide equivalent units (tCO_2e) and include carbon dioxide (CO_2), methane (CH4), nitrous oxide (N_2O) and hydrofluorocarbons (HFC).
- Bio-based CO_2 emission are not considered significant for the Group's Scope 3 emissions.

The factors used for calculation of Scope 3 categories relevant for the Group are highlighted below:

Category 1: Purchased goods and services
Water: The Group uses supplier data to calculate its total water consumption. Water supply in cubic metres multiplied by the appropriate DEFRA 2025 emission factor.

Category 5: Waste
The Group uses supplier data to calculate its total waste by category. Waste emissions are calculated using DEFRA 2025 emissions factors. A comprehensive breakdown of the Group's waste is obtained from its supplier.

ESRS E1 Climate Change *(Environmental) (continued)*

Category 6: Business travel
The Group uses supplier data and expense data from its ERP system. This data is combined and divided into appropriate categories. Travel emissions are calculated using the appropriate DEFRA 2025 emissions factors.

Category 13: Downstream leased
Leased building – natural gas: The DEFRA natural gas conversion factor was used to quantify emissions from natural gas consumption.

Leased building – electricity: Conversion factors for electricity are sourced from the CRU and DEFRA.

Category 15: Financed Emissions
Most of the Group's impacts from GHG emissions stem from upstream and downstream activities, i.e. Scope 3 emissions.

The Corporate Value Chain (Scope 3) Accounting and Reporting Standard (CVC Scope 3) of the GHG Protocol further defines and classifies Scope 3 emissions into 15 different categories. 'Category 15: Investments' covers emissions associated with operation of investments (including equity and debt investments and project finance) in the reporting year. This is considered the most material category for the Group and relates to its lending activities. This means that 'Scope 3 category 15' includes its lending customers Scope 1, 2 and 3 emissions. The accounting and reporting of 'category 15' emissions associated with lending is further described in PCAF Part A Standards on financed emissions from lending and investment activities.

The estimation of financed emissions covers lending customers assets and companies' Scope 1, Scope 2 and Scope 3 emissions. The PCAF Standard defines these as follows:

- **Scope 1 of the lending customer:** Direct GHG emissions that occur from sources owned or controlled by the customer, i.e. emissions from combustion in owned or controlled boilers, furnaces, vehicles, etc.
- **Scope 2 of the lending customer:** Indirect GHG emissions from the generation of purchased or acquired electricity, steam, heating or cooling consumed by the customer. Scope 2 emissions physically occur at the facility where the electricity, steam, heating or cooling is generated.
- **Scope 3 of the lending customer:** All other indirect GHG emissions (not included in Scope 2) that occur in the value chain of the customer. Scope 3 can be broken down into upstream emissions and downstream emissions. Upstream emissions include all emissions that occur in the lifecycle of a material / product / service up to the point of sale by the producer, such as from the production or extraction of purchased materials. Downstream emissions include all emissions that occur because of the distribution, storage, use and end-of-life treatment of the organisation's products or services.

The PCAF Standard applies the same general attribution principles across all lending asset classes:

- financed emissions are always calculated by multiplying an attribution factor (specific to that asset class) by the emissions of the borrower or asset;
- the attribution factor is defined as the share of total annual GHG emissions of the borrower or asset that is allocated to the loan(s) or asset(s);
- the attribution factor is calculated by determining the share of the outstanding amount of loans of a financial institution over:
  - the company value (total equity and debt of the company, project, etc.) to which the financial institution has lent money to; or
  - the asset value in the case of asset finance (such as for properties, motor vehicles etc).

The PCAF Standard general approach to calculating financed emissions

$$\text{Financed Emissions} = \sum_i \text{Attribution Factor}_i \times \text{Customer Emissions}_i$$
(with 'i' denoting customers or assets)

Where the attribution factor is calculated:

$$\text{For companies as: Attribution factor} = \frac{\text{Outstanding amount}_i}{\text{Total equity+debt}_i}$$

$$\text{For assets as: Attribution factor} = \frac{\text{Outstanding amount}_i}{\text{Total equity+debt}_i}$$

Asset classes in scope for financed emissions

In line with the PCAF Standard the following asset and lending categories are included in the scope of the Financed Emissions calculation where there is a dedicated PCAF methodology for Financed Emissions per the table below. These categories largely correspond to the Scope covered by the Group's Science Based Targets and Sustainable Finance Framework.

The PCAF standard provides detailed methodological guidance to measure and disclose GHG emissions associated with six asset classes: listed equity and corporate bonds, business loans and unlisted equity, project finance, commercial real estate, mortgages, and motor vehicle loans.

Asset class	PCAF financed emissions asset categories	PCAF Approach Aligned to the Group's SBT Measurement Approach	In Scope of the Group's Sustainable Finance Framework
Non-financial corporates	General corporate and business loans	No – Portfolio Coverage Approach applied for SBT Target	Yes
	Project finance	Yes – Sector Decarbonisation Approach	Yes
	Commercial real estate	Yes – Sector Decarbonisation Approach	Yes
Household lending	Residential mortgages	Yes – Sector Decarbonisation Approach	Yes
	Car finance	Not in Scope of SBTs	Yes
Sovereign	Sovereign	Not in Scope of SBTs	No

ESRS E1 Climate Change *(Environmental) (continued)*

Due to unavailability of methodologies under PCAF we have excluded certain asset classes from the Financed Emissions estimates in line with market practices. Asset classes not covered under PCAF include consumer lending (personal lending, credit cards), cash and bank balances, trading book assets, derivatives and other assets. In terms of sovereign debt central bank exposure is not within scope of the PCAF accounting standard. Financed emissions relating to financial corporations in the liquid asset portfolio is not considered in the analysis due to the short term and volatile nature of the liquid assets and the implicit duplication by including financed emissions from other financial institutions within the Group's financed emissions numbers.

The reporting principles that apply to each category across these topics will be covered in the following sections.

General corporate and business loans

Corporate and Business loans portfolio financed emissions (tCO_2e) are calculated using the formula from the PCAF standard (Chapter 5.2 Business Loans and Unlisted Equity). The PCAF methodology provides three options for estimating financed emissions for Corporate and Business loans depending on the emissions data used. The following options are applied by the Group:

- **Option 1:** Reported emissions using emissions disclosures by customers in their annual reporting; and
- **Option 3:** Economic activity-based emissions based on industry sector averages of emissions per euro of revenue is estimated. It is then applied to customer accounts based on financial data collected from the customer and allocated to the lending exposure using the attribution factor.

$$\text{Financed Emissions} = \sum_i \text{Attribution Factor}_i \times \text{Customer Emissions}_i$$

(with 'i' customer companies)

Where the attribution factor is calculated:

$$\text{Attribution factor} = \frac{\text{Outstanding amount}_i}{\text{Company Value}_i}$$

For the execution of these calculations the Group has engaged the data provider ICE Data Services who provide data to financial institutions and regulators on company emissions. ICE have assembled emissions data for 30K+ companies which they use to provide inferred emissions data based on the sector and size of companies.

The Group sources from ICE (i) actual reported company emissions data for the execution of Option 1 and (ii) estimated emissions data for the execution of Option 2.

Data inputs

- **Outstanding balance:** This is the gross carrying amount (GCA) at end December 2025 from the Group FINREP reporting system.
- **Company value:** Total Assets (the sum of total equity and liabilities) is used as the measure of company value for Corporate and Business Loans and is sourced from customer financial information recorded on the Group's commercial credit rating system. The Group notes the PCAF guidance is to use Enterprise Value including Cash (EVIC) for listed companies but given the limited number of listed companies in scope within the Group's lending portfolio and for the purposes of centralised data access and control, total assets is used as the primary measure of company value for Corporate and Business Loans.
- **Company revenue:** This is an input factor required for inferring company emissions and is sourced from customer financial information recorded on the Group's commercial credit rating system.
- **NACE sector:** This is an input factor required for inferring company emissions. It is the NACE Sectors classification of the company for ESG Pillar 3 disclosures from the Group FINREP reporting system.
- **Country:** This is an input factor required for inferring company emissions. It is the Country classification of the company for ESG Pillar 3 disclosures from the Group FINREP reporting system.
- **Company emissions:** ICE provides tiered information to the Group for the purposes of the Financed Emissions estimation as follows:
  - **Tier 1 LEI Companies (Options 1 and 3):** Reported emissions are provided where available in the ICE database for companies in the Group's portfolio identified by Legal Entity Identifiers (LEI) codes (Option 1). Where there are gaps in emission reporting (typically for Scope 3 emissions) ICE infer proxy emissions estimates for these companies based on their proprietary estimation approach using NACE Sector, Revenue and Country (Option 3).
  - **Tier 2 Company Level Emissions Estimates (Option 3):** This cohort of companies are not covered by actual emissions reporting and ICE provide inferred estimates of company emissions based on company specific details on NACE Sector, Revenue and Country.

The Tier 2 information provided by ICE is used to inform emission estimates for the remaining exposure in the Corporate and Business Loan category. This estimate is calculated at an aggregate sectoral level based on average values of revenue, assets and emissions for cohorts split by NACE Sector and Country.

The perimeter of the in scope portfolio for SBT metric is defined by (i) long-term corporate debt (with maturities of greater than one year) and (ii) lending managed in our RoI, UK and European businesses. Corporate loans to companies classed as indirect exposures to fossil fuels are also included.

SBT target metric: 25% of its long-term corporate lending (weighted by financed emissions) setting SBTi validated targets by 2025.

Corporate loans portfolio coverage rate

Where the attribution factor is calculated:

$$\text{Coverage Rate} = \frac{\text{Total Company Emissions for Customers with validated Science Based Targets}}{\text{Total Company Emissions for Customers in the in-scope portfolio}}$$

ESRS E1 Climate Change *(Environmental) (continued)*

SBT target metric: The Group commits to 25% of its corporate bond customers (weighted by investment value) setting SBTi validated targets by 2025.

Corporate bonds portfolio coverage rate

Where the attribution factor is calculated:

$$\text{Coverage Rate} = \frac{\text{Total Invested Value for Banks with validated Science Based Targets}}{\text{Total Invested Value for Banks in the in-scope Bank Bond portfolio}}$$

Project finance

Project Finance portfolio financed emissions (tCO_2e) are calculated using the formula from the PCAF standard (Chapter 5.3 Project Finance). This calculation covers the totality of the Group's Project Finance portfolios. For Project Finance towards electricity generation that is in scope for Science Based Targets the following calculation is applied. For other project finance lending that is predominantly in the operational stage and the data required for this calculation is not available in the Group systems, the Corporate and Business Loan calculation is applied.

$\text{Financed Emissions} = \sum_i \text{Attribution Factor}_p \times \text{Project Emissions}_p$
(with 'p' denoting projects)

Where the attribution factor is calculated:

$$\text{Attribution factor} = \frac{\text{Outstanding amount}_p}{\text{Total equity+debt}_p}$$

Project emissions are estimated based on primary physical activity data collected from the project (e.g. verified emissions, megawatt-hours of electricity produced), with the emission factors expressed per physical activity (e.g. tCO_2e/MWh).

Data Inputs

- **Outstanding balance:** This is the GCA at end December 2025 from the Group FINREP reporting system.
- **Total debt and equity:** This is collected from the project sponsors through annual engagements.
- **Physical activity-based emissions:** This is collected from the project sponsors through annual engagements including megawatt-hours of electricity produced and verified emissions. In the main this portfolio comprises of renewable energy projects which produce negligible levels of carbon emissions per Megawatt hour (MWh) of operation.

SBT target metric: Project Emission Intensity - weight of carbon dioxide equivalent (CO_2e kg) emitted per Kilowatt hour (KWh) .

The target is based on intensities and calculated as CO_2e emissions per KWh per year. All data used in the calculation is aligned with the data used in the Financed Emissions calculation above.

$\text{SBT target metric} = \sum_i \text{Attribution Factor}_p \times \text{Project Emissions Intensity}_p$
(with 'p' denoting projects)

Where the attribution factor is calculated:

$$\text{Attribution factor} = \frac{\text{Outstanding amount}_p}{\text{Total equity+debt}_p}$$

Project Emissions Intensity = $\text{Project Emissions}_p \times \text{Project Activity (Electricity Generated)}_p$

The target applies to Project Finance – Electricity Generation, at the time the target was set other types of project finance was out of the SBT scope.

Commercial Real Estate

CRE portfolio financed emissions (tCO_2e) are calculated using the formula from the PCAF standard (Chapter 5.4 Commercial Real Estate). For property already built, the estimates cover the absolute Scope 1 and 2 emissions related to the energy use of financed buildings during their operation. This calculation covers the totality of the Group's CRE portfolios across RoI and the UK (with EU and US exposures outside these locations excluded due to low materiality). The calculation also includes properties in the development stage with emissions estimated in line with the approach taken for constructed CRE to reflect expected annual emissions on completion. When calculating financed emissions for CRE, a building's annual emissions are attributed to the finance provider using a loan-to-value (LTV) approach. Thus, the attribution is equal to the ratio of the outstanding amount at the time of GHG accounting to the property value at the time of loan origination.

The emissions of buildings are calculated as the product of a building's energy consumption and specific emission factors for each source of energy consumed. The equation below is the result.

$\text{Financed Emissions} = \sum_i \text{Attribution Factor}_p \times \text{Property Emissions}_p$
(with 'p' denoting commercial properties)

Where the attribution factor is calculated:

$$\text{Attribution factor} = \frac{\text{Outstanding amount}_p}{\text{Original property value}}$$

$\text{Property Emissions} = \text{Energy Consumption}_p \times \text{Emission Factors}_e$
(with 'p' denoting commercial properties and 'e' denoting energy sources)

Data inputs

- **Outstanding balance:** This is the GCA at end December 2025 from the Group FINREP reporting system.
- **Original property value:** This is the earliest available valuation of the property obtained from the Group's Commercial credit rating systems.
- **Property emissions for CRE properties:** Estimated energy consumption based on the floor size of the property and its EPC Rating which is captured for c.31% of the portfolio at 2025.

ESRS E1 Climate Change *(Environmental) (continued)*

- **Energy consumption:**
  - **Property floor size:** This metric is obtained from the Group's credit rating system. In cases where it is not captured portfolio average values are applied based on property type (residential, office, industrial etc.); and
  - **EPC Rating:** This metric is obtained from the Group's credit rating system. In cases where it is not captured the rating is estimated. For RoI properties a national database maintained by the Sustainable Energy Authority of Ireland (SEAI) on commercial properties with recorded energy ratings has been used to provide an estimated view on the energy rating profile of RoI CRE lending, based on key explanatory factors (namely year of build, property type and location).
- **Emission factors calculation:** Emission factors are sourced from SEAI for RoI properties and DEFRA for UK properties and updated annually to reflect the latest reported decarbonisation of the electricity grid in the emission calculations.

SBT target metric: Property Emission Intensity - weight of carbon dioxide equivalent (CO_2e kg) emitted per square meter. The target is based on intensities and calculated as CO_2e emissions per square metre per year. Both carbon emissions and square metres are LTV-adjusted similar to the financed emissions calculation above. All data used in the calculation is aligned with the data used in the Financed Emissions calculation above.

SBT target metric = $\sum_i$Attribution Factor$_p$×Property Emissions Intensity$_p$
(with 'p' denoting commercial properties)

Where the attribution factor is calculated:

$$\text{Attribution factor} = \frac{\text{Outstanding amount}_p}{\text{Original property value}}$$

Property emissions intensity = Property Emissions$_p$×Property size (square metres)$_p$

The target applies to CRE lending classed as Corporate Lending, with business lending out of scope.

Residential mortgages

Residential mortgage portfolio financed emissions (tCO2e) are calculated using the formula from the PCAF standard (Chapter 5.5 Mortgages). This calculation covers the absolute Scope 1 and 2 emissions related to the energy use of the property financed through the mortgage. This calculation covers the totality of the Group's mortgage portfolios across RoI and the UK. When calculating financed emissions for residential mortgages, a building's annual emissions are attributed to the mortgage provider using a loan-to-value (LTV) approach. Thus, the attribution is equal to the ratio of the outstanding amount at the time of GHG accounting to the property value at the time of loan origination.

Financed Emissions = $\sum_i$Attribution Factor$_p$×Property Emissions$_p$
(with 'p' denoting residential properties)

Where the attribution factor is calculated:

$$\text{Attribution factor} = \frac{\text{Outstanding amount}_i}{\text{Original property value}}$$

The emissions of buildings are calculated as the product of a building's energy consumption and specific emission factors for each source of energy consumed. The equation below is the result.

Property Emissions = Energy Consumption$_p$×Emission Factors$_e$
(with 'p' denoting residential properties and 'e' denoting energy sources)

Where the attribution factor is calculated:

$$\text{Attribution factor} = \frac{\text{Outstanding amount}_i}{\text{Original property value}}$$

Data inputs

- **Outstanding balance:** This is the GCA at end December 2025 from the Group FINREP reporting system.
- **Original property value:** This is value of the property at the point of loan origination and is obtained from the Group's RoI and UK mortgage source systems.
- **Property emissions for RoI residential mortgages:** Estimated energy consumption based on the floor size of the property and its BER Rating.
  - **Energy consumption:**
    - ***Property floor size:*** is obtained from the Group's RoI mortgage source system. In exceptions where it is not captured a portfolio average value is applied.
    - ***BER rating:*** BER data capture was systemised in the Group's RoI mortgage source system in 2025 and the BER data captured is used in the calculation. Properties where a BER is not currently captured by the Group in source systems represent c.66% of the RoI mortgage portfolio for FY25. A national database maintained by the Sustainable Energy Authority of Ireland (SEAI) on domestic properties with recorded energy ratings has been used to provide an estimated view on the energy rating profile of RoI lending collateralised by residential property, based on key explanatory factors (namely year of build, property type and location).
  - **Emission factors calculation:** Emission factors are sourced from SEAI and DEFRA and updated annually to reflect the latest reported decarbonisation of the electricity grid in the emission calculations.
- **Property emissions for UK residential mortgages:** Estimated energy consumption based on the floor size of the property and its EPC Rating.
  - **Energy consumption:**
    - ***Property floor Size:*** is obtained from the Group's UK mortgage source system. In exceptions where it is not captured a portfolio average value is applied.
    - ***EPC rating:*** The main source of emissions data is from EPCs available through the UK government EPC registers. EPC data from the registers are matched at a property level and used in the calculation of aggregated portfolio emissions. Properties where an EPC cannot be sourced from UK government or our own systems make up c.13% per cent of the UK mortgage portfolio for FY25. For these properties, EPC ratings and emissions are estimated based on key explanatory factors (namely year of build, property type and location).

ESRS E1 Climate Change *(Environmental) (continued)*

- **Emissions factors calculation:** Emission factors are sourced from DEFRA and updated annually to reflect the latest reported decarbonisation of the electricity grid in the emission calculations.

SBT Target Metric: Property Emission Intensity - weight of carbon dioxide equivalent (CO_2e kg) emitted per square meter.

The target is based on intensities and calculated as CO_2e emissions per square metre per year. Both carbon emissions and square metres are LTV-adjusted similar to the financed emissions calculation above. All data used in the calculation is aligned with the data used in the Financed Emissions calculation above.

SBT target metric = $\sum_i$Attribution Factor$_p$×Property Emissions Intensity$_p$
(with 'p' denoting residential properties)

Where the attribution factor is calculated:

$$\text{Attribution factor} = \frac{\text{Outstanding amount}_p}{\text{Original property value}}$$

$$\text{Property emissions intensity} = \text{Property Emissions}_p \times \text{Property size (square metres)}_p$$

Car finance

Car finance portfolio financed emissions (tCO2e) are calculated using the formula from the PCAF standard (Chapter 5.6 Motor Vehicle Loans). The annual Scope 1 and Scope 2 emissions of the vehicles being financed are estimated:

- **Scope 1:** Direct emissions from fuel combustion in vehicles.
- **Scope 2:** Indirect emissions from electricity generation consumed in EVs (hybrid and fully EVs).

This calculation covers the large majority of the Group's Car Finance portfolios, with full coverage across non-material commercial vehicles coming into future reporting scope.

In line with the observed industry practice of other financial institutions who provide car finance through operating lease assets we are including the emissions from these vehicles in the scope of Finance Emissions.

Financed Emissions = $\sum_i$Attribution Factor$_v$×Vehicle Emissions$_v$
(with 'v' denoting vehicles)

Where the attribution factor is calculated:

$$\text{Attribution factor} = \frac{\text{Outstanding amount}_v}{\text{Original asset value}_v}$$

Vehicle emissions are estimated based on the distance travelled and type of fuel used per the following formulas

Vehicle Emissions = $\sum_i$Attribution Factor$_v$×Vehicle Emissions$_v$
(with 'v' denoting vehicles)

Where the attribution factor is calculated:

$$\text{Attribution factor} = \frac{\text{Outstanding amount}_v}{\text{Original asset value}_v}$$

Data inputs

- **Outstanding balance:** This is the GCA at end December 2025 from the Group FINREP reporting system.
- **Original asset value:** This is collected from the Group's loan origination systems.
- **Vehicle emissions:** Emissions estimates based on vehicle type, contractual mileage and WLTP factors where available from BoI systems. WLTP factors are specific to the car make and model, as opposed to the UK Government emission factors which are generic by car size and fuel type. This specific data is supplemented by the latest national statistics on mileage from the Central Statistics Office (RoI) and the Dept of Transport (UK) and 2025 emission factors from DEFRA.

Sovereign debt

Sovereign debt portfolio financed emissions (tCO2e) are calculated using the formula from the PCAF standard (Chapter 5.7 Sovereign Debt). Financial institutions shall report sovereign borrowers' scope emissions as follows:

- **Scope 1:** Domestic emissions from sources located within the country territory.
- **Scope 2:** Emissions attributable to energy imports as a result of activities taking place within the country territory.
- **Scope 3:** Emissions attributable to non-energy imports as a result of activities taking place within the country territory.

Financed Emissions = $\sum_i$Attribution Factor$_s$× Sovereign Emissions$_s$
(with 's' denoting sovereigns

Where the attribution factor is calculated:

$$\text{Attribution factor} = \frac{\text{Exposure to Sovereign Bond}_s}{\text{GDP adjusted for purchasing power parity}_s}$$

Data inputs

- **Outstanding balance:** This is the GCA at end December 2025 from the Group FINREP reporting system for Central governments and Supranational issuers.
- **Purchasing power parity adjusted GDP:** Sourced from the Organisation for Economic Co-operation and Development (OECD) per PCAF Standard guidance.
- **Sovereign emissions**: Domestic and imported emissions sourced from the OECD for countries the Group has provided Sovereign debt. Imported emissions assigned to Scope 2 (assumed all imported emissions are energy related).

Scope 3 categories that are not significant for the Group include:

- **Capital goods:** Capital goods used by the Group are long-lived assets such as buildings, which have a materially insignificant impact on global Scope 3 emissions;
- **Fuel and energy related activities:** The Group does not have any materially significant fuel and energy-related activities that were not captured in our scope 1 and scope 2 emissions;
- **Employee commuting:** The emissions associated with this travel are insignificant relative to our overall emissions;
- **Upstream leased assets:** The Group does not have any materially significant upstream leased assets;

ESRS E1 Climate Change *(Environmental) (continued)*

- **Downstream transportation and distribution:** The Group does not have any materially significant downstream transportation and distribution;
- **Processing of sold products:** The Group does not sell physical products;
- **End of life treatment of sold products:** The Group does not sell physical products;
- **Franchises:** The Group does not operate any franchises; and
- **Other downstream:** The Group does not have any materially significant downstream emissions.

Energy consumption and mix for the current financial year *E1-5*

The Group's objective is to deliver products and services in a sustainable manner, and make its own operations net zero by 2030. For further detail on some of the key initiatives to drive energy efficiency and carbon reductions please see page 144:

The following table shows the Group's Energy consumption and mix for the current financial year.

Energy consumption and mix	2025	2024
Total fossil energy consumption (MWh)	9,658	13,577
Share of fossil sources in total energy consumption (%)	27%	33%
Total energy consumption from nuclear sources (MWh)	–	–
Share of consumption from nuclear sources in total energy consumption (%)	–	–
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	1,345	1,065
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	25,202	26,378
The consumption of self-generated non-fuel renewable energy (MWh)	138	76
Total renewable energy consumption (MWh)	26,685	27,520
Share of renewable sources in total energy consumption (%)	73%	67%
Total energy consumption (MWh)	36,344	41,097

Reporting principles

- The Group has reported all quantitative energy-related information as final energy consumption, referring to the amount of energy the undertaking actually consumes.
- The Group does not include double counting of fuel consumption when disclosing self-generated energy consumption.
- The Group has disclosed all metrics in MWh and has reflected conversion factor.
- The Group does not offset energy consumption even if on site generated energy is sold to and used by a third party when disclosing self-generated energy consumption.
- The Group does not count energy that is sourced from within the organisational boundary under 'purchased or acquired' energy when disclosing self-generated energy consumption.
- The Group has adopted a conservative approach when splitting the electricity, steam, heat or cooling between renewable and non-renewable sources based on the approach applied to calculate market-based Scope 2 GHG emissions.

GHG removals and GHG mitigation projects

E1-7

In 2024 the Group developed a carbon offsetting policy to neutralise 5-10% of residual GHG emissions in its own operations. This policy applies to the Group and its subsidiaries, aligning with frameworks like the Oxford Principles, UNEP FI Guidelines, ICROA Code, WWF's Blueprint, SBTi and EU criteria. The Group aims to use carbon offsets from nature or technology to gain additional benefits like biodiversity repair, just transition, or community dividends.

The procurement strategy aligns with the Group's Climate Transition policy and Net Zero Targets with oversight by the Sustainable Finance Working Group (SFWG). SFWG will ensure transparent standards of measurement, accounting and reporting, aligned with legislative obligations and best practices. A defined framework will guide the acquisition of carbon offsets, with policy reviews every three years or as needed. This oversight ensures the quality and provenance of carbon offsets.

Offsets will only come from accredited standards (e.g. Verra, Gold Standard, Plan Vivo, ACR, CAR) and preferably align with EU Taxonomy. Transactions will occur via OTC, recognised exchanges or schemes like the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). The Group encourages clients to use credible standards and prefers providers aligned with ICROA and Integrity Council principles.

The SFWG will manage the Group's Carbon Offset Inventory and provides annual reports to the Sustainability Decision Group. The Group commits to purchasing at least 75% of its carbon offsets from Ireland, with the remainder from the UK, Spain, France, Germany, and the US. Implementation will follow EFRAG guidance.

EU Taxonomy compliance statement *(Environmental)*



The preparation of the EU Taxonomy reporting is based on prudential consolidation of the Group, excluding New Ireland. The consolidation is in accordance with the supervisory reporting of financial institutions as defined in Regulation (EU) No 575/2013 of the European Parliament and of the Council, and the Commission Implementing Regulation (EU) 2021/451 (FINREP). The EU Taxonomy is a classification system of economic activities that make a substantial contribution to environmental sustainability under Taxonomy Regulation (EU) 2020/852. In addition, the preparation of reporting is based on the Delegated Act supplementing Article 8 of the Taxonomy Regulation (Disclosures Delegated Act 2021/2178). Article 3 of the EU Taxonomy Regulation sets out the criteria that an economic activity must meet to qualify as environmentally sustainable. This includes economic activity that is carried out in compliance with the minimum safeguards and contributes substantially to one or more of the environmental objectives.

The EU Taxonomy has six environmental objectives namely:

- climate change mitigation (CCM);
- climate change adaptation (CCA);
- sustainable use and protection of water and marine resources (WTR);
- transition to a circular economy (CE);
- pollution prevention and control (PPC); and
- protection and restoration of biodiversity and ecosystems (BIO).

Targeted Amendments by the EU Commission

Whilst the Group notes the EU Taxonomy amendments, effective January 2026, (EU 2021/2178, EU 2021/2139 and EU 2023/2486), the Group has elected to apply the reporting rules of the Disclosure Delegated Act as applicable until 31 December 2025.

Minimum safeguards

As part of the assessment of environmentally sustainable economic activities, it is required that economic activity is carried out in compliance with minimum safeguards as part of Article 18 of the EU Taxonomy Regulation. The purpose of the minimum safeguards is to ensure compliance with minimum human and labour rights standards, preventing activities that breach key social principles by aligning with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation (ILO) on Fundamental Principles and Rights at Work and the International Bill of Human Rights. In the Taxonomy reporting, compliance with minimum safeguards is an integral part of the non-financial undertakings' Taxonomy KPIs that the Group applies to exposures.

Contribution to the EU environmental objectives

Through its financing of large undertakings subject to the CSRD, the Group supports a variety of economic activities that contribute to the EU environmental objectives. In addition, the Group's sustainable finance products including green mortgages, green home improvement loans, green motor loans and motor financing for EVs contributes to the EU environmental objective of climate change mitigation.

EU Taxonomy compliance statement *(Environmental) (continued)*

Taxonomy KPIs

The Group is reporting on Taxonomy KPIs and Green Asset Ratios (GAR). Reporting includes input on turnover and CapEx from Taxonomy KPIs.

At 31 December 2025, the Group's total GAR based on turnover amounted to 5.5% of total covered assets (2024: 3.9%), with the total GAR based on CapEx equivalent to c.5.5% of total covered assets (2024: c.3.9%). The Taxonomy-aligned activities amounted to €5.7 billion at 31 December 2025 (2024: €3.8 billion). GCA of total covered assets amounted to €102.6 billion at 31 December 2025 (2024: €97.3 billion).

Total GAR: Taxonomy-aligned activities as a proportion of total covered assets.

Total covered assets: Total assets excluding sovereign and trading book exposures. Total assets are defined according to the prudential consolidation of the Group as prescribed by FINREP requirements.

Climate delegated act 2022/1214

The Complementary Climate Delegated Act 2022 / 1214 including specific nuclear and gas energy activities published in July 2022, requires the Group to assess and disclose taxonomy-eligibility and non-eligibility of nuclear and fossil gas-related activities at 31 December 2025.

Whilst the Group has no direct exposure through lending to customers that have economic activities related to the production of electricity or heating using nuclear installations or electricity generation facilities that produce electricity from nuclear processes, it has exposure to nuclear activities through its AUM. The Group also has exposure to customers involved in the operation of electricity generation facilities that produce electricity using fossil gaseous fuels. See supplementary information on page 462 for template related to nuclear and fossil gas activities which are reported under Annex XII of the Delegated Act.

Sustainable finance and product design

The Group defines its Sustainable Finance as all financial products and services that it provides that support positive environmental and/ or social purposes. The Group's Sustainable Finance eligibility criteria takes into account the EU Taxonomy (EUT) Regulation and the EU Taxonomy Climate Delegated Act – Annex I ('EU Taxonomy Criteria'), acknowledged principles and standards, as well as other best market practice criteria. Based on our definition of Sustainable Finance, we include commitments in our eligibility criteria of that fulfil social purposes or go beyond the existing ecological criteria of the EU taxonomy. As the EU taxonomy evolves, we will continuously review our criteria and, if necessary, adapt them to EU regulation.

Summary of KPIs

The following table is a summary of KPIs to be disclosed by credit institutions under Article 8 of the EU Taxonomy Regulation. See supplementary information on page 440 for additional EU Taxonomy tables reported under Annex VI of the Disclosures Delegated Act and taxonomy aligned activities. The EU Taxonomy disclosure tables on pages 440 to 470 are an integral part of the Sustainability Statement.

2025		Total environmentally sustainable assets[1] €m	KPI turnover[1] %	KPI CapEx[2] %	% coverage (over total assets)[1,3]	% of assets excluded from the numerator of the GAR[4]	% of assets excluded from denominator of the GAR[5]
Main KPI	**GAR stock**	**5,659**	**5.52%**	**5.52%**	**4.06%**	**27.43%**	**26.47%**
Additional KPIs	*GAR (flow)*	*2,063*	*11.31%*	*11.29%*	*8.32%*	*25.98%*	*26.45%*
	Trading book[6]	*n/a*	*n/a*	*n/a*			
	Financial guarantees	*4*	*0.01%*	*0.01%*			
	Assets under management[7]	–	–	–			
	Fee and commission income[6]	*n/a*	*n/a*	*n/a*			

[1] Based on the Turnover KPI of the counterparty.
[2] Based on the CapEx KPI of the counterparty, except for lending activities where for general lending Turnover KPI is used.
[3] Percentage of assets covered by the KPI over banks' total assets.
[4] Article 7 (2) and (3) and Section 1.1.2 of Annex V.
[5] Article 7 (1) and Section 1.2.4 of Annex V.
[6] The Group has taken the transitional option, under the third subparagraph of Article 4, (for the reporting undertaking to apply the reporting rules that were applicable until 31 December 2025). This means that the Trading Book and Fees and Commissions KPIs are only applicable starting from 1st January 2028.
[7] The AUM KPI is not material for the year ended 2025. The Group's Wealth and Insurance division offers clients access to a number of investment portfolios and funds that promote environmental and social characteristics but these investments are not considered sustainable investments within the context of the EU taxonomy regulation.

EU Taxonomy compliance statement *(Environmental) (continued)*

2024		Total environmentally sustainable assets[1] €m	KPI turnover[1] %	KPI CapEx[2] %	% coverage (over total assets)[13]	% of assets excluded from the numerator of the GAR[4]	% of assets excluded from denominator of the GAR[5]
Main KPI	**GAR stock**	**3,787**	**3.89%**	**3.89%**	**2.76%**	**26.60%**	**29.11%**
Additional KPIs	*GAR (flow)*	*1,152*	*7.03%*	*7.03%*	*6.83%*	*36.60%*	*2.75%*
	Trading book[6]	*n/a*	*n/a*	*n/a*			
	Financial guarantees	*3*	*0.40%*	*0.42%*			
	Assets under management[7]	*–*	*–*	*–*			
	Fee and commission income[6]	*n/a*	*n/a*	*n/a*			

[1] Based on the Turnover KPI of the counterparty.
[2] Based on the CapEx KPI of the counterparty, except for lending activities where for general lending Turnover KPI is used.
[3] Percentage of assets covered by the KPI over banks' total assets.
[4] Article 7 (2) and (3) and Section 1.1.2 of Annex V.
[5] Article 7 (1) and Section 1.2.4 of Annex V.
[6] Trading Book and Fees and Commissions KPIs not applicable for 2024.
[7] The AUM KPI is not material for the year ended 2024. The Group's Wealth and Insurance division offers clients access to a number of investment portfolios and funds that promote environmental and social characteristics but these investments are not considered sustainable investments within the context of the EU taxonomy regulation.

Limitations in data

Reporting on Taxonomy-aligned activities for 2025 has continued to be constrained due to current limitations on the availability of relevant information across key categories:

- When assessing Taxonomy-eligible and Taxonomy-aligned activities for financial and non-financial counterparties, actual information published by counterparties is required:
  - financial and non-financial undertakings have not yet published data for 2025; consequently, the Taxonomy reporting of eligibility and alignment for financial and non-financial undertakings is based on published data from 2024; and
  - exposure to non-financial counterparties in the Group's corporate lending portfolio currently considered taxonomy eligible is limited at c.€10 million (2024: c. €78 million) due to the eligibility criteria requiring counterparties to be large companies publicly listed in the EU. The alignment of this exposure is €1 million based on the data reported by the eligible counterparties at 2024.
- One renewable energy project finance exposure has been included as aligned in the GAR as it meets Local Government Financing eligibility criteria. Further cases will be under future consideration as reporting criteria regarding public-private joint ventures becomes more established.
- When assessing Taxonomy-eligible and Taxonomy-aligned activities for lending to households, other data limitations impact reporting:
  - Residential mortgage exposures have been included in the GAR only where they are not subject to high physical risk of flood and can be aligned to the following criteria:
    - RoI properties built before the end of 2020 belonging to the top 15% low carbon buildings in Ireland (a BER of B2 or better);
    - RoI properties built since 2021 with primary energy demand 10% lower than the Nearly Zero-Energy Buildings (NZEB) standard; or
    - UK properties built before the end of 2020 belonging to the top 15% low carbon buildings in the UK (an EPC Rating of A or B).
  - New data collection processes for residential mortgages implemented during 2024 have had a positive impact on data availability and is reflected in increased recognition of taxonomy aligned assets across stock and flow measures; and
  - EV lending exposures originated since the beginning of 2023 of c.€367 million are considered eligible per taxonomy criteria. However they are not classified as aligned due to the lack of available information in the industry to assess the vehicles against the Taxonomy DNSH (Do No Significant Harm) criteria.

Green asset ratio

The table below provides a breakdown of the Taxonomy-aligned exposure within the GAR. The Group continues to apply the same conservative interpretation of the GAR eligibility rules as it did in 2024, using only the guidance and data currently available. Because data across the industry is still limited, future changes in the GAR will largely depend on improvements in data availability.

The GAR has increased from 3.89% to 5.52% year on year on both a turnover and CapEx basis. Similar to 2024, the increase in the GAR year on year is primarily attributable to residential mortgages which remains the primary contributor to Taxonomy-aligned activities. The GAR for residential mortgages increased from 3.79% in 2024 to 5.36% in 2025.

EU Taxonomy compliance statement *(Environmental) (continued)*



2025	Taxonomy-aligned exposures based on turnover €m	GAR based on turnover %	Taxonomy-aligned exposures based on CapEx €m	GAR based on CapEx %
GAR on financial undertakings[1]	118	0.12%	125	0.12%
GAR on non-financial undertakings[1]	1	0.00%	1	0.00%
GAR for residential mortgages *(CCM)*	5,502	5.36%	5,502	5.36%
GAR for electric vehicle loans *(CCM)*	–	–	–	–
GAR for loans to local governments for house financing and other specialised lending	38	0.04%	38	0.04%
Total	**5,659**	**5.52%**	**5,666**	**5.52%**

[1] *In 2025, GAR on financial and non-financial undertakings reflects the total of all EU Taxonomy environmental objectives.*

2024	Taxonomy-aligned exposures based on turnover €m	GAR based on turnover %	Taxonomy-aligned exposures based on CapEx €m	GAR based on CapEx %
GAR on financial undertakings[2]	61	0.06%	61	0.06%
GAR on non-financial undertakings[2]	–	–	–	–
GAR for residential mortgages *(CCM)*	3,685	3.79%	3,685	3.79%
GAR for electric vehicle loans *(CCM)*	–	–	–	–
GAR for loans to local governments for house financing and other specialised lending	41	0.04%	41	0.04%
Total	**3,787**	**3.89%**	**3,787**	**3.89%**

[2] *In 2024, GAR on financial and non-financial undertakings reflected the total of CCM and CCA.*

Social



ESRS S1 Own Workforce *(Social)*



Honouring the legacy of our late colleague Gerry Ellis, a passionate advocate for accessibility and inclusion, with the unveiling of a memorial plaque.

Interests and views of stakeholders *S1.SBM-2, S1.SBM-3*

The strategy across the Group recognises the importance of employees to its success. The Group's people strategy prioritises building a future ready workforce, creating a differentiated colleague experience and simplifying ways of working.

In 2025, 82% (2024: 85%) of eligible Group employees participated in the Group's annual 'Open View' employee engagement survey, implemented by the People Services team and overseen by the Chief People Officer (CPO). Open View 2025 results show strong culture embedding across the Group with a continued focus required on drivers of engagement including career and performance, wellbeing, and confidence in the future of the organisation. The Group's 2026 Culture Action Plan will respond to Open View insights. Insights from the Open View 2025 all colleague survey are shared with business owners, and inform decision making on areas such as culture, performance development, wellbeing, recognition, and I&D, to identify specific opportunities and resultant action planning at Group and local levels.

For further information on how the interests and views of the Group's workforce have informed its business model, see page 69 for details.

As part of the DMA, the Group identified employees as one of the key stakeholder groups. The Group's workforce consists of workers defined as:

- permanent and fixed-term contract employees employed directly by the Group; and
- those not directly employed by the Group (non-employees) who are undertaking activity on the Group's behalf (including agency workers, NEDs and secondees from a third party irrespective of their location, function and grade).

Material impacts, risks and opportunities and their interaction with strategy and business model *S1.SBM-3*

The IROs related to own workforce have been identified through the DMA and are listed on page 126. During the DMA process, which is described on page 121, no material negative impacts or material risks in respect of the Group's own workforce were identified. The material opportunities identified are applicable across all of the Group's workforce.

ESRS S1 Own Workforce *(Social) (continued)*



The Black Irish Experience Summit, with the Lord Mayor of Dublin Councillor Ray McAdam, BoI Head of I&D and representatives from the APNI and the Black & Irish organisation

Equal treatment and opportunities for all

(S1-Opportunity 1, S1-Opportuity 2)

Policies aimed at the elimination of discrimination, promoting equal opportunities and other ways to advance diversity and inclusion S1-1

Policies adopted to manage material sustainability matters are detailed in ESRS 2, see page 131.

The Group's policies aimed at the elimination of discrimination, including harassment, promoting equal opportunities and advancing diversity and inclusion are detailed below:

I&D policy

The Group's I&D policy highlights the Group's commitment to promoting equal opportunities. The policy includes the Group's stance against discrimination and available avenues for raising complaints in instances where breaches of this policy occur. The policy notes that the Group does not tolerate any form of discrimination against any job applicant, colleague, or customer based on any protected characteristics including race, gender, gender identification, gender reassignment, sexual orientation, disability, age, religion or belief, political beliefs, and membership of the traveller community. To promote equal opportunity, the Group has developed inclusive hiring practices, policies to promote a more inclusive workplace and I&D employee network groups. The policy is reviewed annually considering employee feedback from the Open View engagement survey and feedback received via a dedicated I&D mailbox.

Respect at Work policy and procedures

The Respect at Work policy outlines the Group's commitment to providing all colleagues with a safe working environment, which is free from all forms of bullying, discrimination and harassment or any inappropriate behaviour that may infringe on its colleagues' right to dignity at work. It is intended to promote respect and dignity in the workplace and build awareness of what is expected of all workers and the behaviours that are not acceptable. The Respect at Work procedures, available on the Group's intranet along with the Respect at Work policy, outline how grievances under this policy are dealt with along with definitions of what constitutes a Respect at Work case.

The policy and accompanying Respect at Work procedures apply to all workers, customers, suppliers and visitors in the workplace. They outline both informal and formal avenues for raising a complaint, including the process employees should follow to remediate any situations where they do not feel respected at work. Complaints can be raised by contacting local management or People Services. Mediation is also available throughout any complaint.

The policy outlines the roles and responsibilities of employees, including the role of a designated support colleague responsible for providing support to victims of workplace bullying or harassment. The policy and procedures outline support for employees who feel they have experienced bullying or harassment in the workplace.

Employee Relations monitors the effectiveness of the Respect at Work policy and reviews its design and implementation on an annual basis.

Recruitment policy

The Group's recruitment policy requires all interviewers and recruiters to complete inclusive hiring training prior to interviewing and promotes diverse interview panels. Hiring statistics are reviewed by the recruitment team to test whether the Group is hiring a workforce reflective of society aligned to the Central Statistics Office data.

In addition, the Group uses software to review job adverts for potential age or gender bias and ableist language, and to provide suggestions on improving content to be more inclusive before posting.

ESRS S1 Own Workforce *(Social) (continued)*

Actions to advance equal treatment and opportunities for all *S1-4*

Inclusion and Diversity - Actions

(S1-Opportunity 1)

2025 Highlights

The Group understands the importance of fostering inclusion and diversity to create and promote equal opportunities and attract key talent:

- **Fostering Ethnic Diversity and Inclusion Report** - research commissioned by Bank of Ireland and produced by Morgan McKinley to provide insights into ethnic minority experiences in the employment market and make actionable and research-driven recommendations for employers.
- **Accreditations and Recognition** - achieved Investors in Diversity Gold accreditation and secured Top 10 Employer status.
- **Neuroinclusion Toolkit** - In partnership with auticon, the Group published 'Celebrating Neurodivergent Talent at Work' - a toolkit for employers to create inclusive environments for neurodivergent talent.

Ongoing I&D support

Training

The Group offers colleagues training on various I&D topics including:

- **Inclusion, Diversity and Respect at Work** - Introduced as biennial training for all colleagues;
- **Inclusive Hiring** - Required for all hiring managers to address bias across diversity characteristics; and
- **Neuroinclusion Training** - Dedicated training and information sessions for colleagues and people managers.

Emerging careers programmes

The Group provides access to work for individuals from diverse backgrounds focusing on five key areas: ethnicity, accessibility, gender, socio-economic background and future skills.

Strategic partnerships

In 2025, the Group partnered with external bodies such as DCU Access to the Workplace Programme, African Professional Network of Ireland (APNI) and Trinity Centre for People with Intellectual Disabilities (TCPID). We continue to strengthen our commitment to inclusive talent development through key internship partnerships. In 2025, as part of the APNI program, the Group supported 5 (2024: 4) interns. Through our partnership with the DCU Access to the Workplace Programme, we hosted 5 interns in 2024 and expanded to 8 in 2025. Since 2013, our TCPID partnership has welcomed 31 interns, with 3 successfully transitioning into permanent roles within the Group. These initiatives reinforce our focus on creating pathways for emerging talent and promoting diversity.

Early career support initiatives

As part of the commitment to fostering inclusive growth, the Group offers a range of career entry points designed to support early talent:

- Entry-level roles;
- Internship placements through partnerships;
- Graduate programme participation;
- Vacancy monitoring for ethnic minority and gender representation;
- Recruitment charter commitments:
  - diverse interview panels;
  - role flexibility;
  - fair pay;
  - diverse candidate pools; and
  - bias-free job adverts.

Inclusion passport

The Inclusion Passport records agreed individual workplace accommodations between employees and managers. This helps remove barriers employees may face in the workplace due to their personal circumstances, including health conditions, disabilities and caring responsibilities, among others.

Talent development programmes

The Group continues to support its ambition to attract, promote and retain a diverse workforce through talent programmes:

- accelerate and RISE - Development of women in middle and senior management roles; and
- post-programme support networks - and a dedicated career platform provide mentoring, stretch assignments, and career connectors.

Ongoing partnerships and reporting

- Continued collaboration with 30% Club, Family Carers Ireland, and Ahead.
- Annual Gender Pay Gap Reports published in RoI and the UK.

Governance and oversight

The Group's I&D team provides regular updates to GEC and the Board. Additional structures include:

- In-house recruitment team;
- Neuroinclusion working group;
- I&D networks;
- People manager development programme; and
- Fair pay principles.

Training and skills development - Actions

(S1-Opportunity 2)

The Group recognises the importance of fostering a future-ready workforce by encouraging continuous learning, career mobility, leadership capability and ongoing career development within the workplace. By investing in employees' personal and professional growth, the Group enhances individual career trajectories, future-readiness and contributes to the resilience of the organisation.

The Group utilises a learning management system to offer all employees, including a subset of non-employees, a suite of on-demand learning options.

The Required Learning Programme is also accessed through this platform and completed annually by all employees across a range of areas such as Conduct, Risk and Compliance.

In response to a Group-wide skills assessment to understand the roles and capabilities required for the future, the Group has a multi-year skills programme to enable employees to develop these new capabilities alongside core banking skills. The resulting future skills pathways are specifically curated, self-directed learning journeys, which can be followed by relevant industry certifications, through the Group's partners including University College Dublin.

ESRS S1 Own Workforce *(Social) (continued)*

By the end of 2025, 47% (2024: 43%) of applicable employees had invested in building future ready capabilities through the future skills pathways. In addition, in 2025 the Group introduced an AI Academy, with 1,198 colleagues registered.

As part of the Group's Thrive performance development process, it is encouraged that all employees have quarterly check-in conversations with their people manager, focusing on wellbeing, development and performance. These conversations allow employees to track their progress against organisational and individual priorities, as well as development.

Through its Careers Academy platform, which is available to all employees, the Group provides opportunities for employees to develop the skills needed for their roles today and empower them to upskill or re-skill for roles they aspire to hold in the future. In addition, the platform gives employees the opportunity to connect with mentors, career connectors, stretch opportunities and map out potential career paths using Career Journeys which are driven by skills required by the Group and underpinned by the Job Architecture launched this year.

In 2025, a career coaching series 'My Career Coach' was launched to give all colleagues the opportunity to take some time to reflect, engage and plan the next step in their careers. To date, over 600 colleagues signed up to this series, with positive engagement and feedback.

The Group also provides opportunities for further education support to employees (permanent and temporary) who have successfully completed their probationary period.

The Group measures the effectiveness of its training programmes using a combination of qualitative and quantitative methods. This includes participant feedback, assessment to gauge knowledge retention, on the job application and business impact. Training is aligned to strategic priorities and key business objectives and requirements. The depth of measurement depends on the scale and strategic importance of the training. For high impact programmes the Group applies a more detailed evaluation approach. For smaller routine training the Group focuses on participant feedback, knowledge retention and application in the workplace.

Equal treatment and opportunities for all - Targets *S1-5*

Inclusion and Diversity - Targets

(S1-Opportunity 1)

The Group strives to have a workforce that is representative of the society in which it operates.

Target	Metric
Achieve 50:50 gender balance across all senior manager appointments: 45%-55% by end 2025.	47% (2024: 48%) female senior management appointments in 2025.

Senior management appointments are permanent new entrants to the Group and internal promotions (upward band movement) at Bands 4-7 level. The calculation is based on the % of appointments for females as a % of total Band 4+ appointments from the HR payroll system at 31 December 2025.

The gender appointments target was set in March 2018 and remains relevant against Irish Central Statistics Office data. This target is tracked regularly with details sent to each Division monthly to review their appointments. This metric currently excludes the Davy workforce.

Training and skills development - Targets

(S1-Opportunity 2)

The Group acknowledges the importance of building a future ready workforce, and has a target relating to engagement with the All-Colleague Future Skills Pathways.

Target	Metric
40% of employees engaged with All-Colleague Future Skills Pathways by the end of 2025.	47% (2024: 43%) of employees had engaged with All-Colleague Future Skills Pathways by the end of 2025.

This metric is calculated by extracting the number of unique registrations[1] from the Group Learning Management System divided by the active[2] users at 31 December 2025 and multiplied by 100 to give the % figure of active employees (permanent and temporary) who have engaged with a pathway.

The metric is cumulative and captures anyone who has registered for a pathway since inception in 2021. This target was set in 2022 and remains relevant. The Group assesses the effectiveness of employee programmes that support employee development and attraction of key talent. The effectiveness of pathways is tracked by the ongoing monitoring of registrations and the extent to which future skills roles are capable of being filled by existing employees. This metric currently excludes the Davy workforce.

The Group have not consulted its workforce or workers representatives when setting targets.

[1]Calculated by removing duplicate User IDs from the list so that each user is listed only once.
[2]Snapshot of the number of permanent and fixed term employees active on the Learning Management system at 31 December 2025.

ESRS S1 Own Workforce *(Social) (continued)*



Panel discussion at the launch of the 'Fostering Ethnic Diversity and Inclusion in the Workplace' research

Working conditions

(S1-Impact 1, S1-Impact 2, S1-Impact 3)

Policies related to working conditions *S1-1, G1-1*

Policies adopted to manage material sustainability matters are detailed in ESRS 2, see page 131 for details.

While the Group has not adopted a policy with reference to collective bargaining and social dialogue, it has formal written agreements with employee representative bodies, such as the Change Management framework and the Career and Reward framework.

Speak Up policy

The Group Speak Up policy is promoted on the Group's internal website and included in internal Group-wide email communications. The Group Speak Up policy is also published on the Group's external website. Under the policy, workers who have a reasonable belief of wrongdoing occurring are protected against any form of penalisation as a result of the disclosure.

This policy supports current regulatory, legislative and compliance requirements across RoI[1], UK[2] and US[3].

Health and Safety policy

While health and safety has not been identified as a material sub-sub-topic in the DMA, the below information is included to reflect the Group's recognition of the importance of ensuring its locations are safe and healthy workplaces for employees, non-employees, customers, communities, visitors and suppliers. The Group Health and Safety policy is aligned with the requirements of internationally recognised health and safety management system standard ISO 45001. The policy is owned by the Group Health and Safety department and endorsed by the Group CEO.

Actions related to working conditions *S1-4, S1.SBM-3*

The Group's ethos is to reward employees fairly and competitively for their contribution to the Group. To enable employees to fully understand the value of working with the Group, employees have access to details of their pay and benefits, as well as their Total Reward Statement via a digital interactive platform 'My Reward'. The career paths and salary levels outlined in the Career and Reward framework facilitate transparency and equity for employees.

The Group also has variable pay schemes (BoI Group Performance Scheme, Davy Bonus awards) to improve the links between remuneration, personal performance, delivery for customers and the achievement of long term strategic and commercial goals. The Group currently does not have an employee stock option plan and did not operate a stock incentive plan in 2025. Please see page 103 for more details.

[1] RoI Protected Disclosures Acts 2014 and 2022, the Central Bank (Supervision and Enforcement) Act 2013, the Criminal Justice (Anti Money Laundering and Terrorist Financing Act) 2010 and the Criminal Justice Act 2011.

[2] The Public Interest Disclosure Act 1998 (which amended the Employment Rights Act 1996) and the Financial Conduct Authority (FCA) Senior Management Arrangements, Systems and Controls Sourcebook (SYSC).

[3] The Sarbanes Oxley Act of 2002, and the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, which protect workers from retaliation for raising any issues in good faith related to a reasonable belief that a violation of any of the following has or is likely to occur: (i) Federal criminal law provisions prohibiting mail, wire, bank or securities fraud; (ii) any rule or regulation of the Securities and Exchange Commission; or any provision of federal law relating to fraud against shareholders.

ESRS S1 Own Workforce *(Social) (continued)*

The Group's wellbeing ethos focuses on finding and maintaining a healthy balance with work and life. A vast range of wellbeing supports include an Employee Assistance Programme, a Private Health Insurance contribution, a Wellbeing App, a digital Wellbeing Hub, peer support from trained mental health first aid colleagues and an emergency financial care grant.

Employee insights on current topics, including those on working conditions, are gathered through the annual Open View survey and overlaid in the Culture Action Plan. Results are shared with divisions, business units and teams to inform local action planning.

The Group has dedicated teams (e.g. Speak Up, Employee Relations, Wellbeing) who use the insights to develop actions which enhance overall working conditions and welfare, making the Group a better place to work. In addition, as well as measuring employee engagement through targeted questions in the Open View survey, more broadly, the Open View survey asks employees for their feedback around the hybrid working model, wellbeing, inclusion and broader development measures. Initiatives in 2025 which were driven by employee feedback in the 2024 Open View survey include the introduction of hub ambassadors and 'Space to Work' representatives to support the Hybrid Working policy, and the launch of Career Journeys to support colleagues in exploring personalised career paths.

The Group has a range of family friendly supports as outlined in the Family Matters Handbook, which summarises all of the supports available to colleagues in one place. Supports cover maternity, paternity, parental, adoptive, foster care, force majeure, medical care, and carer's leave as well as fertility, surrogacy and early pregnancy loss supports. All family matters offerings are a day-one entitlement with no minimum service requirement.

The Group continues to invest and strengthen the hybrid working hub network as a result of employee input. In November, a new Sligo hub opened to support colleagues in the northwest of Ireland. Four new hubs in Letterkenny, Tralee, Tullamore and Wexford are being added in 2026 bringing the total number of locations in the hub network to 20. Capacity is also being increased in Limerick, Mullingar and Dundalk. The Group's hybrid working model focuses on an intentional balance of in-person and remote working and is aligned to Bank of Ireland's purpose and values.

The Group is committed to ensuring adherence with applicable laws to ensure favourable working conditions for employees.

The Group engages in annual consultations with employee representatives to ensure adherence and commitment to established collective bargaining agreements and provides assurance that it will continue to treat all employees fairly. The Group has a dedicated Industrial Relations team in place to support this.

Targets related to working conditions *S1-5, S1-10*

The Group is committed to helping employees to thrive by creating an environment where employees can enhance their career, have a differentiated colleague experience and benefit from flexible and simplified ways of working. It also seeks to reward all employees fairly, equitably and transparently, through operating a consistent approach to remuneration.

The Group has not set a target related to working conditions, rather its preferred approach to ensure the effectiveness of its policies and actions in relation to the material positive impacts includes the following processes:

- The Group's total reward proposition comprises financial and non-financial benefits, providing flexibility at an individual level to promote employee welfare and attract talent. The Group regularly reviews key reward components and their level of uptake. Recognised external benchmarks are used to understand the remuneration levels of industry peers and other industries who compete with the Group for talent in each of the Group's geographical locations. All employees receive a fair and adequate wage and are paid above the minimum wage in each relevant jurisdiction.
- The Group monitors a range of metrics on employee sentiment / engagement through asking focused questions in the annual Open View survey. The employee engagement survey and quarterly in-person forums seek employees' insights on working conditions, such as hybrid working and actions to create favourable working conditions, including promotion of work-life balance. The Group also tracks the trends of employees recommending it as a place to work through the Open View survey.

Processes for engaging with own workforce and workers' representatives about impacts *S1-1. S1-2*

The Group recognises the importance of actively engaging with its workforce and employee representative bodies to understand their sentiment about actual and potential impacts. The People Services team seek feedback via surveys and in person forums from new colleagues during their first year with the Group, as well as issuing exit surveys to departing employees. Insights from the Open View survey are shared with business owners and are used to inform decision making on areas such as culture and I&D to identify specific opportunities and resultant action planning at the Group and local levels.

'Open-door' listening sessions are hosted with the WED and colleagues at all levels from across the Group. WED provides a regular update to the Board of Directors, summarising colleague feedback. These updates include discussions on key topics linked to material impacts e.g. resourcing, flexible working, technology, customers and strategy.

There is no formal mechanism in place to gather feedback and perspectives for non-employees (aside from the subset of non-employees who can request to complete the annual Open View survey).

ESRS S1 Own Workforce *(Social) (continued)*

The Group respects all employees' right to freedom of assembly and association. The Group's employees at Bands 1-3[1] in the Republic of Ireland and United Kingdom are currently covered by collective bargaining and social dialogue, with Bands 4-6[2] in the United Kingdom currently covered by social dialogue through the operation of the Partner's Council.

[1] *Includes all Group employees in the UK and RoI (excluding Davy); Bands 1-3 defined as entry level to middle management.*
[2] *Includes all Group employees in the UK (excluding Davy); Bands 4-6 defined as senior management.*

Channels for own workers to raise concerns *S1-3, G1-1*

The Group has mechanisms in place to ensure its workforce has the ability to raise concerns and report issues. Under the Group's Speak Up policy, there are a number of avenues available to raise concerns about potential wrongdoing across its operations or ask for advice. Concerns can be raised via the Speak Up portal, through email or post, via the Group Speak up sponsor or the Group Speak Up voicemail numbers. All issues raised with the dedicated Group Speak Up team are treated promptly and with the highest confidentiality. The Group Speak Up policy sets out the communication timeline requirements for providing feedback and the outcome of investigations to colleagues who raise concerns.

The team undertakes annual Speak Up sessions with business units to continually enhance employee awareness.

This Speak Up process forms part of annual Group Code of Conduct training. A dedicated Speak Up hub on the Group's intranet site provides employees with further information.

The Speak Up & Investigation unit (SUI) record incident details and high level themes / areas to which concerns relate and the number of substantiated concerns are also reported on at least a semi-annual basis to the GAC.

Employees have the opportunity to disclose if they trust the Speak Up and Speak Out (colleagues speaking out to their people managers) processes via targeted questions in the Open View survey.

Employees can also raise concerns on topics including working conditions through the Group's Grievance procedure. Owned by Group Employee Relations and approved by the Group's CPO, the procedure outlines the process, appeals avenue and associated timeframe in raising a concern.

Training for people managers was provided in 2025, enabling managers to signpost the supports and processes should a concern be raised, and the Group has a dedicated Group Employee Relations team to progress complaints as raised.

Colleagues can also raise their concerns externally through the applicable external body, including via the Central Bank of Ireland, the Financial Conduct Authority and the Office of Protected Disclosures Commissioner. Colleagues can also receive advice externally from Transparency International Ireland (Group), and Protect (Davy and UK).

Human rights commitments *S1.SBM-3, S1-1, S3-1, S3-4, S4-1*

While other work-related rights was not identified in the DMA as material, the Group is committed to respecting human rights in all of its operations, including its own workforce, affected communities, and consumers and end-users. The below information is disclosed in that context.

The Group is committed to identifying, preventing, and mitigating adverse human rights impacts across our operations and supply chain. Our due diligence process continues to develop to ensure compliance with international human rights standards and to provide transparency and accountability. It includes the following provisions:

- continuing to embed human rights into Group policies and procedures and strengthen the internal capability for managing human rights through training and processes;
- identify and assess potential adverse human rights impacts and measures to address them;
- cease, prevent, or mitigate impacts to ensure due diligence in respecting human rights, to avoid causing, contributing or being directly linked to adverse impacts on human rights;
- communicate to key stakeholders, including affected communities, and seek their input to continuously develop the effectiveness of our due diligence processes; and
- provide remedy for any impacts when required by ensuring fair processes of inquiry and complaint processes by maintaining accessible and confidential grievance mechanisms for employees, suppliers, and affected stakeholders.

The Group operates in an industry where regulation protects workers against severe human rights violations and therefore does not have material risks associated with human rights in the context of own workforce. It does not operate within any countries or geographic areas that are at significant risk of incidents of forced labour, compulsory labour or child labour. Details of regulations the Group must adhere to, along with processes and mechanisms to monitor compliance with these regulations, are available in the Human Rights policy which is publicly available on the Group's website.

Information about the Group's commitments and efforts to respect human rights in all its business activities and relationships is included in the Human Rights policy. This policy is reviewed by the Group Sustainability team annually to ensure alignment with international instruments and to manage adverse impacts identified in the due diligence process. The Group regularly reviews its business practices to ensure adherence to the policy. Compliance is monitored through ongoing assessments of risks and corrective measures will be implemented where necessary.

ESRS S1 Own Workforce *(Social) (continued)*

The Human Rights policy draws on the Group's commitment to respecting and promoting human rights in accordance with the highest international standards, including the United Nations (UN) Guiding Principles on Business and Human Rights and the OECD guidelines for Multinational Enterprises on Responsible Business Conduct. The policy also aligns with the Group's commitments under the UNPRB, United Nations Principles for Responsible Investment (UNPRI) and UNPRB Commitment to Financial Health and Inclusion. The policy describes the governance structure and related policies supporting the commitments.

Annual mandatory training for all employees ensures employees have a full understanding of the Group's commitment to human rights along with their role and responsibility to uphold the Group's Human Rights policy.

In addition to this annual mandatory training, employees are required to undertake training on the following topics which are directly or indirectly related to human rights - Speak Up, Respect at Work, Health and Safety, Inclusion and Diversity, the Group Code of Conduct, Financial Crime, Modern Slavery and Human Trafficking, and Privacy and Data Protection.

The Human Rights policy outlines the Group's commitment to strictly prohibit all forms of forced labour, including modern slavery and human trafficking. The Group is committed to the elimination of child labour and will not engage with suppliers or contractors that employ underage workers in violation of local or international regulations. Prior to the introduction of this policy, the Modern Slavery and Human Trafficking (MSHT) Statement for the Group formalised commitments to explicitly address human trafficking and forced or compulsory labour. The MSHT Statement outlines the Group's actions to prevent human rights abuses, and this is reflected in its commitments under the UNPRB and the UNPRI. It communicates the Group's commitment to improving practices to combat modern slavery, human trafficking and forced or compulsory labour, as defined in the Modern Slavery Act 2015. The statement also outlines the Group's commitment and approach, including steps to identify, assess and mitigate risks in the supply chain or in any of its business operations. Under the Group's Request For Proposal process, it expects suppliers that are a 'qualifying organisation' to publish an annual Modern Slavery and Human Trafficking Statement pursuant to section 54(1) of the Act.

Finally, to further support transparency in this area, the Group will continue to publish the annual MSHT Statement on the Group website and the UK Government Modern Slavery Registry while further enhancing existing partnerships with Stop the Traffik, Traffik Analysis Hub and Infinitech, as part of ongoing efforts to prevent the risk of modern slavery and human trafficking in the supply chain or in any of its business operations.

Metrics

Characteristics of the undertaking's employees *S1-6, SBM-1*

At 31 December 2025 the Group's total employee headcount was 11,577 (2024: 11,488) and is calculated based on the total number of active[1] permanent and fixed-term employees at the end of the reporting period.

In 2025, a total number of 962 (2024: 899) employees left voluntarily or due to dismissal, retirement, temporary contract expiration or death in service. The Group's rate of employee turnover in 2025 amounted to 8.3% (2024: 7.8%). The employee turnover rate is calculated by dividing total leavers in the year by average headcount over the 12 months.

The number of staff reported on an FTE basis is 11,287 (2024: 11,188) (see page 331).

The following table provides a breakdown of total employee headcount, categorised by country.

Country	2025 Number of employees (head count)	2024 Number of employees (head count)
Republic of Ireland[2]	9,562	9,443
United Kingdom[2]	1,954	1,978
United States	37	38
France	12	13
Germany	7	10
Spain	5	6

[1] *This reflects employees in receipt of salary at 31 December 2025.*
[2] *Countries where the Group has 50 or more employees, representing at least 10% of its headcount.*

ESRS S1 Own Workforce *(Social) (continued)*

The following tables provide a breakdown of total employee headcount, categorised by gender and categories of employees.

The Group collects voluntary self-declared gender data, which offers employees the opportunity to identify as female, male, non-binary, other or prefer not to say. However, this data collection cannot be integrated with the current HR reporting system and the Group does not have adequate data to satisfy reporting requirements on gender using this alternative system. As part of a continuing HR system transformation, further development is in progress to expand reporting functionality and incorporate additional gender-related attributes over time.

The Group's employees can have a fixed-term contract (a temporary contract) or a permanent contract, which does not require renewal. The Group does not employ non-guaranteed hours employees (individuals with an employment relationship with the company without guarantee of a minimum or fixed number of working hours).

2025	Female	Male	Other	Not disclosed	Total
Number of employees (headcount)	6,301	5,276	n/a	n/a	**11,577**
Number of permanent employees (headcount)	6,143	5,157	n/a	n/a	**11,300**
Number of temporary employees (headcount)	158	119	n/a	n/a	**277**
Number of non-guaranteed hours employees (headcount)	n/a	n/a	n/a	n/a	**n/a**

2024	Female	Male	Other	Not disclosed	Total
Number of employees (headcount)	6,240	5,248	n/a	n/a	**11,488**
Number of permanent employees (headcount)	6,103	5,143	n/a	n/a	**11,246**
Number of temporary employees (headcount)	137	105	n/a	n/a	**242**
Number of non-guaranteed hours employees (headcount)	n/a	n/a	n/a	n/a	**–**

Collective bargaining coverage and social dialogue *S1-8*

Based on headcount data at 31 December 2025:

- 72.0% (2024: 72.2%) of employees are at grades covered by collective bargaining agreements;
- 71.9% (2024 restated[1]: 72.2%) of employees are at grades covered by collective bargaining agreements in countries within the European Economic Area (EEA) with significant employment (the only applicable country is Ireland);
- 71.9% (2024 restated[1]: 72.2%) of employees are at grades covered by social dialogue in EEA countries with significant employment (the only applicable country is Ireland); and
- 75.2% (2024 restated[2]: 74.7%) of employees are at grades covered by collective bargaining outside the EEA (the only applicable country is the UK).

The Group has collective bargaining agreements in place within the EEA. The Group does not have representation agreements with any European Works Council (EWC), Societas Europaea (SE) Works Council, or Societas Cooperativa Europaea (SCE) Works Council in place.

The coverage percentage of collective bargaining is calculated by the total number (headcount) of active[3] band one to three employees in RoI and the UK in 2025 and divided by the total number (headcount) of active employees in the Group.

For countries with significant employment within the EEA (Ireland only), social dialogue and collective bargaining coverage percentages are calculated by the number (headcount) of active band one to three employees in the RoI in 2025 divided by the number (headcount) of active employees in the RoI.

Outside the EEA (UK only), collective bargaining coverage percentage is calculated by the number (headcount) of active band one to three employees in the UK in 2025 divided by the number (headcount) of active employees in the UK.

[1] Comparative figures have been restated. The restatement corrects a prior-period error in the calculation performed in the 2024 Sustainability Statement. As a result, there is an increase in the coverage rate from 59.3% to 72.2%.
[2] Comparative figures have been restated. The restatement corrects a prior-period error in the calculation performed in the 2024 Sustainability Statement. As a result, there is an increase in the coverage rate from 12.9% to 74.7%.
[3] This reflects employees in receipt of salary at 31 December 2025.

ESRS S1 Own Workforce *(Social) (continued)*

Coverage rate	Collective bargaining coverage		Social dialogue
	Employees - EEA *(for countries with >50 employees representing >10% total employees)*	**Employees - Non-EEA** *(estimate for regions with >50 employees representing >10% total employees)*	**Workplace representation** *(EEA only) (for countries with >50 employees representing >10% total employees)*
0-19%	–	–	–
20-39%	–	–	–
40-59%	–	–	–
60-79%	Ireland	UK	Ireland
80-100%	–	–	–

Diversity metrics *S1-9*

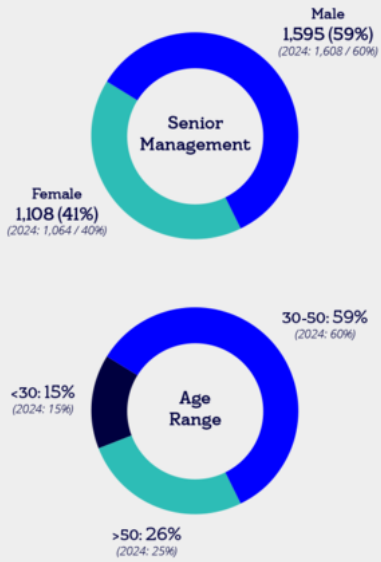
The Group believes that appropriate diversity delivers better business outcomes and seeks to have a workplace reflective of society.

The senior management[1] of the Group is composed of 59% males and 41% females. Senior management is defined as employees from bands 4-7 inclusive[2].

The Group's gender distribution at senior management is the total headcount of active male or female senior management employees[3] divided by the combined total (male and female) in senior management expressed as a percentage.

The Group's distribution of employees by age group shown in the chart to the right is the total headcount of active permanent and fixed-term employees within each of the age categories at 31 December 2025 shown as a percentage of the Group's total headcount.

[1] Senior Management is classed as 'top management' in the Group per ESRS requirements.
[2] Note subsidiary definition used in Davy - senior management defined as Associate Director and above.
[3] Relates to permanent and fixed-term employees who fall within the definition of senior management at the end of the reporting period (31 December 2025).



Remuneration metrics (pay gap and total remuneration) *S1-16*

The Group's gender pay gap has been calculated based on a combination of data points extracted from payroll at 30 June 2025 with the exception of the UK which is at April 2025, aligning to the Irish Gender Pay Gap Information Act 2021 / UK Equality Act 2010 (Gender pay gap Information) Regulations 2017[4] as applicable.

Although the data extracted does not align to the 2025 financial year, there were no material differences between the periods in headcount, number of promotions and out of course salary increases and therefore the data is deemed representative of the 2025 reporting period.

The Group's gender pay gap stands at 24% (2024: 26%).

The same dataset was used for total remuneration ratio.

The Group's annual remuneration ratio of the highest paid individual to the median annual total remuneration for all employees (excluding the highest-paid individual) stands at 27:1 (2024 restated[5]: 20:1).

[4] Davy are not required to report under this UK legislation as they do not meet the headcount.
[5] The comparative ratio has been restated to include Fixed Share Allowances which were not included in the ratio in the 2024 Sustainability Statement. The restatement resulted in an increase in the total remuneration ratio from 18:1 to 20:1.

ESRS S1 Own Workforce *(Social) (continued)*

Incidents, complaints and human rights impacts

S1-17, S3-1, S3-4, S4-1, S4-4

Incidents and complaints related to own workforce

In 2025, a total of 5 (2024: 2) incidents of discrimination, including harassment, were reported through the Group's channels for its workforce to raise concerns. Matters relate to employee grievances or allegations made under the Respect at Work, Grievance or Speak Up policies. In addition, a total of 2 (2024: 10) other matters related to various issues including working conditions, equal treatment and opportunities, or other work-related matters were reported. Numbers quoted reflect all such incidents and complaints reported whether upheld or not.

In 2025, there were no (2024: nil) complaints relating to the Group filed to the National Contact Points for OECD Multinational Enterprise.

In 2025, the Group faced no (2024: €nil) fines, penalties or compensation for damages as a result of the incidents and complaints in the period.



Human rights impacts connected to the Group

In 2025, the Group had no (2024: nil) severe human rights incidents connected to the Group (own workforce, affected communities, and consumers and end-users), in relation to cases of non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises. The Group faced no (2024: nil) fines, penalties or compensation as a result of severe human rights incidents. Severe human rights incidents are defined as cases of modern slavery, human trafficking or child labour.

The Group is committed to continuously improving human rights due diligence to align with the UN Guiding Principles on Business and Human Rights. This includes identifying and assessing potential adverse human rights impacts and measures to address them.

The Group tracks human rights issues affecting communities, consumers, and end-users. This process monitors cases related to the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. This enables the Group to identify and report severe human rights issues connected to affected communities and consumers as part of our broader approach to measuring and managing human rights risks.

ESRS S3 Affected Communities *(Social)*



Bank of Ireland financing supports the construction of 176 homes in first phase of new housing development in Skerries.

Material impacts, risks and opportunities and their interaction with strategy and business model *S3.SBM-3*

The IROs related to affected communities[1] have been identified through a DMA and are listed on page 126. No material negative impacts related to affected communities were identified during the DMA process, which is described on page 121.

All affected communities who are likely to be materially impacted by the Group are included in the scope of this disclosure. This includes those who are affected by the Group's own operations and value chain, through the Group's products and services, and through the Group's business relationships.

As described on page 123, the entity specific topic of Housing is reported under ESRS S3 Affected Communities for 2025. Access to housing remains a pressing economic and social issue for Irish society and the communities the Group operates in, with increased supply required to meet demand. The Group acknowledges its role in helping solve this issue by providing development finance and supporting homebuyers.

The communities positively impacted by investment in sustainable infrastructure (S3-Impact 1) are:

a. communities where the Group provides finance for projects relating to sustainable energy facilities which deliver more reliable power sources for industrial and commercial sectors;
b. communities in areas with fossil fuel or large industrial power plants who indirectly benefit from the introduction of sustainable energy facilities, through a reduced reliance on pollution-heavy sources;
c. communities served by the completion of large infrastructure projects who benefit from greater mobility and accessibility. This includes urban communities who enjoy more efficient public transport systems; rural communities who will have greater access to services and facilities; suburban communities who have improved commuter experiences; and underserved communities who may now have access to more opportunities and see economic benefits; and
d. communities and populations served by infrastructure projects such as schools, community centres, hospitals, universities and nursing homes which directly and indirectly contribute to a thriving society, through the primary benefit of having these facilities in place, and the secondary benefits of improved travel, transport and mobility that inevitably accompany such developments.

These communities exist both along the Group's value chain ((a), (c) and (d) above), and at the downstream endpoint of the value chain ((b), (c) and (d) above).

The communities positively impacted by the Group's housing initiatives (S3-Impact 2) include:

- communities from disadvantaged areas who can be supported to obtain adequate housing by the Group's support of social and affordable housing; and
- communities throughout Ireland, where home buyers are faced with a shortage of homes available to purchase. As housing supply grows and availability of housing increases, communities have greater access to buy homes in the areas they want to live in, in turn investing in their local areas, allowing communities, both urban and rural to thrive.

These communities exist at the downstream endpoint of the value chain.

[1] *Affected communities is defined in the ESRS regulations as 'People or group(s) living or working in the same area that have been or may be affected by a reporting undertaking's operations or through its upstream and downstream value chain'. Affected communities can range from those living adjacent to the undertaking's operations (local communities) to those living at a distance. Affected communities include actual and potentially affected indigenous peoples.*

ESRS S3 Affected Communities *(Social) (continued)*

Material risks and opportunities arising from impacts and dependencies on groups of affected communities

- The material risks, S3-Risk 1 (Own operations) and S3-Risk 2 (Own operations) and opportunities, S3-Opportunity 2 and S3-Opportunity 3 relate to all communities that may be affected rather than to any specific group.
- The material opportunity, S3-Opportunity 1 relates to communities who are more likely to have difficulty accessing financial products and services, or who are more likely to be less financially resilient.

Communities' economic, social and cultural rights

(S3-Impact 1, S3-Impact 2, S3-Risk 1, S3-Risk 2, S3-Risk 3, S3-Opportunity 1, S3-Opportunity 2, S3-Opportunity 3)

Policies related to affected communities' economic, social and cultural rights *S3-1*

Policies adopted to manage material sustainability matters are detailed in ESRS 2, see page 131. These policies cover all affected communities.

Taking action on material impacts, approaches to managing material risks and pursuing material opportunities *S3.SBM-3, S3-4*

The Group takes action on material impacts, manages material risks and pursues material opportunities through various means, including investment in sustainable infrastructure, supporting financial wellbeing of affected communities, supporting local businesses and supporting home ownership.

Investing in sustainable infrastructure

(S3-Impact 1 and S3-Opportunity 2)

Investing in sustainable infrastructure is aligned with the Group's ambition to Support the Green Transition through the provision of sustainable finance, as defined by the Group's Sustainable Finance Framework. This includes sustainable financing of renewable energy, and social finance including funding to improve access to healthcare, education and affordable basic infrastructure.

The Group's Corporate and Commercial division drive sustainable infrastructure financing, therefore these resources are responsible for managing the material impact.

Sustainable financing of renewable energy

The Group's Sustainable Energy and Infrastructure portfolio which supports Public Private Partnership (PPP) transactions, arranges debt facilities and participates in Sustainable Energy and Infrastructure transactions across sectors, focuses on green energy projects.

The Group has financed a number of wind energy projects across the Irish and British Isles, including the below projects in 2025:

- Partnering with a total of 23 other major banking institutions, alongside the Export and Investment Fund of Denmark (EIFO), in order to finance the delivery of East Anglia 3, which will become the world's second largest wind farm. When it comes into operation in 2026, it will have a capacity to generate approximately 1.4 gigawatts of electricity, which is the equivalent of supplying over 1.3 million homes with clean renewable power;
- Acted as joint Mandated Lead Arranger (MLA) with an international lending syndicate on Inch Cape, a 1.1 gigawatt wind farm joint venture between Red Rock Renewables and Ireland's ESB; and
- Provided €55 million in financing for the Derrinlough Wind Farm project in Co. Offaly by climate solutions company, BnM. Comprising 21 wind turbines and the project will generate up to 105 megawatts of renewable energy per annum, powering the equivalent of more than 74,000 Irish households.

The Group is committed to expanding support across onshore wind, offshore wind, solar and other renewable energy technologies. In 2025, the Group was one of three financial organisations to support Power Capital Renewable Energy's plans to build seven utility-scale solar farms across Ireland. The solar farms will have a total capacity of 300-megawatts and will be completed in 2026.

Social finance

The Group remains committed to supporting PPP transactions as and when they arise and has a strong track record when it comes to committing finance to the Irish infrastructure market.

In July 2025, the Group announced it is part of a lending consortium financing a PPP for the construction of five new state-of-the-art facilities at higher education campuses. The new facilities will be primarily focused on science, technology, engineering and mathematics (STEM) with a combined total floor area of almost 35,000 square metres.

Future growth

Aligned to the Group's ambition to Support the Green Transition through the Sustainable Finance Framework, the Group plans to grow the Sustainable Energy and Infrastructure business through increasing the Group's presence in the UK and Europe. This will allow the Group to further build experience and relationships in the renewable energy sector and strengthen their capacity to support the Irish market.

ESRS S3 Affected Communities *(Social) (continued)*



Members of the Young Social Innovators (YSI) Youth Panel pictured at the announcement of the Bank of Ireland Community Fund grants

Supporting the Financial Wellbeing of affected communities and supporting local businesses
(S3-Risk 1, S3-Opportunity 1 and S3-Opportunity 2)

Supporting the Financial Wellbeing of affected communities

The Group's Financial Wellbeing ambition is driven by the following three focus areas: fostering financial inclusion, improving financial literacy and capability, and building a more financially resilient and confident Ireland. This focus is informed by ongoing research, in particular the Group's annual Financial Wellbeing Index and Financial Literacy surveys. The Financial Wellbeing Index survey provides an insight into the financial wellbeing of the nation and is a key input to the Group's understanding of the impact the changing economic environment is having on peoples' financial lives. Ireland's Financial Wellbeing Index score[1] for 2025 remains steady at 60, unchanged from 2024. The nation continues in the 'managing' category (live within means, manage to pay bills and better ability to provide for future). While showing stability, the score indicates limited improvement over recent years. These results inform the future strategic focus of the Group in relation to the financial wellbeing of the communities it operates in.

Fostering financial inclusion

The Group continues to work with industry bodies such as the Banking and Payments Federation of Ireland (BPFI) and the Irish Banking Culture Board (IBCB) to ensure everyone has equal and effective access to financial products.

Improving financial literacy and capability

In 2025, more than 26,000 (2024: 28,000) adults[2] engaged with our financial education initiatives through a combination of talks, podcasts and other outreach activities. Topics included saving, budgeting, borrowing, mortgages, pensions, cost of living, and fraud awareness. In addition, in the 2024 / 25 school year more than 8,600 (2024: 13,000) primary and over 129,500 (2024: 92,000) secondary school students participated in Bank of Ireland's financial literacy programmes.

Building a more financially resilient and confident Ireland

The Group delivered a pilot financial resilience programme with two charity partners through Community Foundation Ireland, helping marginalised women build financial confidence, with future opportunities for expansion being explored for 2026.

Supporting local businesses

The Group supports local businesses through the following products and initiatives:

- the Group is part of the €500 million **Growth and Sustainability government loan scheme offered by the SBCI** which provides competitively priced loans between €25,000 and €3 million from seven to ten years to eligible SMEs, including farmers, fishers and small mid-caps;
- the Group's **Enviroflex product** is a sustainability-linked loan which supports and enables farmers to improve the environmental footprint of their farms and is now available to all dairy farmers in the Republic of Ireland. Enviroflex was also expanded to the tillage sector in 2025 via a partnership with Irish Distillers;

[1] *Source: Bank of Ireland Financial Wellbeing and Financial Literacy Survey, September 2025, with RED C among a nationally representative sample of adults aged 18+, living in the Republic of Ireland.*
[2] *Customers, colleagues and the wider community.*

ESRS S3 Affected Communities *(Social) (continued)*

- the Group's **Green Capex Loan** offers competitive loan terms where loan proceeds are used to finance EU Taxonomy compliant activities and / or are in line with the Sustainable Finance Framework green lending criteria; and
- the Group's **Green Business Loan** offers discounted finance to businesses and farms who want to implement energy-saving initiatives in order to reduce their carbon footprint and their costs. In 2025 the Green Business Loan upper limit was trebled from €300,000 to €1 million.

In addition, initiatives the Group implemented to support SMEs in 2025 include:

- hosting three in-house SME workshops in H125 to assist business customers in their sustainability strategies;
- the launch of Sustainable Business Coach, an easy-to-use digital platform designed to help Irish businesses understand sustainability. This free-to-use online tool guides and supports SMEs by providing simple tips and a practical plan; and
- the Group also partnered with SSE and ESB for the second year of the Business in the Community All-Ireland Climate Literacy pilot, where 60 individuals from 29 SMEs took part in a Carbon Literacy training initiative. The positive feedback and continued demand from SMEs, will see further sustainability training offered in 2026, meaning more SMEs will be supported to take action on climate.

Providing financing to support home ownership and development, as well as funding for social and affordable housing

(S3-Impact 2, S3-Risk 3, S3-Risk 2, S3-Opportunity 3)

Banks have a significant role to play in driving housing supply, which is a key societal and economic priority for the country. The Group has announced a range of initiatives to support new housing supply. These actions were informed by the deliberations of a group of private sector representatives that the Group convened – drawn from home builders, equity investors, representative bodies, and select professional services – to consider actionable ways in which the sector can accelerate housing supply in a responsible manner. The focus of these discussions – in respect of debt and equity funding and product innovation – was published in November 2025.

The Group has taken action to fund social and affordable housing, fund development of housing units and support the green transition. Supporting housing development and ownership is aligned with the Irish Government's housing plan 'Delivering Homes, Building Communities: An Action Plan on Housing Supply and Targeting homelessness, 2025-2030'.

The Group has captured value in a growing mortgage market, supporting customers to buy a home, providing finance for the purchase of c.16,000 (2024: 14,000) homes in 2025 and achieving a 42% (2024: 40%) share of the Irish mortgage market. The Group's new lending in Ireland continued to be strong in 2025 underpinned by €6.1 billion (2024: €5.1 billion) of new lending in mortgages, +21% vs 2024.

Funding social and affordable housing

(S3-Impact 2 & S3-Risk 3)

The Group's Housing Support strategy announced in 2024 is focused on enhanced support for the delivery of new homes in the private, affordable and social sectors. The Group has a €1 billion fund to support up to 10,000 social and affordable homes. At FY December 2025, the Group is providing more than €550 million of debt and equity funding to support c.12,700 social and affordable homes. This includes development financing provided to house builders, funding of social housing provided by approved housing bodies and PPP Social Housing bundles.

To effectively implement this strategy the Group leverages a number of key enablers:

- the National Housing and SME Property teams work very closely together to ensure a consistent approach in supporting house builders across Ireland in their development of housing across all tenures, including social and affordable housing;
- a dedicated Social and Affordable Housing team has been set up to engage with key players in the Approved Housing Body and social and affordable housing sector, along with its stakeholders including Government and Government agencies; and
- furthermore, the Sustainable Energy and Infrastructure team is a funder of PPP Social Housing bundles in Ireland.

The Group also participates, by providing mortgage products, in a number of schemes and initiatives which aim to facilitate the availability of home ownership to customers in Ireland. This involvement aligns with the social foundational topics that underpin the Group's Sustainability Strategy, which is itself a component part of the Sustainable Company pillar of the Group's overall strategy. Several of the schemes and initiatives also meet the eligibility criteria of the Social and Affordable Housing category of the Group's Sustainable Finance Framework. The schemes and initiatives the Group participates in include:

- **First Home Scheme:** The FHS is an initiative set up to help First-Time Buyers as part of the Irish Government's 'Housing for All' strategy. The scheme aims to bridge the affordability gap between the price of a new home and a customer's deposit and mortgage, and is a joint venture between the State, Bank of Ireland, and other Irish retail banks. The Group is a leading participant in the scheme, and as of December 2025 had accounted for c.47% (2024: c.45%) drawdowns since the scheme's inception in July 2022. The total capacity of the scheme was extended in 2025 to €740 million, which included a further capital investment by the Group. This additional capacity will allow the scheme to support thousands of additional First-Time Buyers;
- **Vacant Property Scheme:** This government scheme provides funding to individuals to refurbish vacant and derelict houses and aims to incentivise the purchase of existing housing stock in towns, villages and rural locations across the country;

ESRS S3 Affected Communities *(Social) (continued)*

- **Ready to Build:** Under this scheme, local authorities will make serviced sites in towns and villages available to potential individual purchasers and local authorities for the construction of clusters of homes in and close to towns;
- **Help to Buy:** This scheme provides first time property purchasers a tax incentive to help with the deposit to purchase or self-build a new house or apartment to live in as their home;
- **Local Authority Affordable Purchase Scheme:** The Group supports this scheme which makes homes available, through the local authorities, at a reduced price for First-Time Buyers whose mortgage and deposit will not cover the market price of the home and who are seeking to purchase a newly-built home; and
- **Croí Cónaithe (Cities) Scheme**: This initiative, under Housing for All, provides funding to make apartment developments in Ireland's major cities financially viable. It bridges the 'viability gap' — the difference between the high cost of building apartments and their market sale price (where the cost of building is greater) — so that these homes can be delivered for owner-occupiers at market prices and the national policy objective to build more homes within cities can be supported.

Finally, recognising the challenges for homeowners who wish to move to a home better suited to their needs, the Group recently rolled out a new lending product supporting homeowners trading down. This product is available to all homeowners whether they are existing Bank of Ireland customers or not.

Funding development of housing units

(S3-Opportunity 3)

The Group's Housing Support strategy is focused on enhanced support for the delivery of new homes in the private, affordable and social sectors, for rental or owner occupation.

Debt funding

The Group has a dedicated property lending team that can provide advice and guidance to developers who are preparing to submit an application for funding which can include guidance on the lending criteria for quality, sustainable and long-term housing solutions.

Equity funding

Equity financing has become an important part of the funding landscape for home construction in the past decade. Most home building projects use a blend of both debt and equity financing as a way to manage risk. Equity financing is also important for developers that wish to progress activity on multiple sites at the same time or to move quicker between sites. Recognising the expanding role for equity financing, the Group supports the Pearl Residential Equity Fund and Irish Homebuilding Equity Fund. In December 2025, the Group announced a commitment to invest €100 million of equity, increasing our support for housing delivery.

In addition to the actions noted above, the Group was also a key sponsor of the 'Ireland Real Estate Investment Pavillion' at MIPIM, an annual global real estate conference with c.23,000 international attendees, primarily international PE, institutional investors, sovereign wealth, developers and local authorities. The Pavillion, 'Ireland at MIPIM', was the first co-ordinated Irish initiative in MIPIM, with the primary objective of promoting capital investment and development into Ireland, including supporting housing delivery. The Group supported the event alongside other sponsors and the Irish Strategic Investment Fund (ISIF).

Supporting the Green transition

(S3-Opportunity 3)

The Group offers sustainable home finance options including the below products:

- **EcoSaver mortgage:** Launched in 2024, the 'EcoSaver Mortgage', redesigned the pricing structure of the Group's fixed rate mortgages to align with energy ratings. EcoSaver rewards customers with tiered discounted fixed rates available for all properties with a BER, from A to G. A and B BER rated properties account for c.53% (2024: c.50%) of new Irish mortgage lending in 2025. Alongside the EcoSaver Mortgage, the Group's online hub is designed to help customers to better understand their BER ratings and the steps to improve the energy efficiency of their home. An online retrofitting calculator also shows the cost of retrofitting, grants available and the potential savings due to lower energy costs. Recognising there are challenges in the market with regard to availability of suppliers and retrofit specialists, Bank of Ireland has partnered with SSE Airtricity to provide BER assessments to its customers, as well as assessments of works, quotes and home retrofitting services via their one-stop-shop.
- **Green home improvement loans:** Customers undertaking work to improve the energy efficiency of their home may be able to avail of the Home Energy Upgrade Loan Scheme, which is the Group's lowest available variable rate home improvement loan. The scheme offers a low variable rate green loan of 3% APR to people who are making energy efficiency and renewable energy upgrades to their homes and also receiving a grant from the SEAI. Alternatively, customers may avail of the Green Home Improvement Loan which is a low rate loan offered to anyone planning to undertake works to improve the energy efficiency of their home.

Additional approaches to managing material risks

(S3-RIsk 2)

The Group takes action to manage the material risks related to affected communities' economic, social and cultural rights through processes related to the Code of Conduct, Group Customer Protection policy and Compliance monitoring.

The Group Code of Conduct outlines several behaviours that enable colleagues to help affected communities to thrive. These include:

- helping society to thrive through enhancing financial wellbeing by empowering people with the knowledge and skills needed to make the most of their finances so they can be in control of their everyday spending, have a plan for the future and the resilience to withstand the financial impact of an unexpected expense or a major life event;
- helping customers to thrive through designing products that are simple to use, useful and inclusive, charge for them in a fair and transparent way; and only provide professional advice to customers when staff have the appropriate knowledge of products and services and have the required qualifications to do so; and
- protecting and providing extra help to customers with additional support needs who may require it.

ESRS S3 Affected Communities *(Social) (continued)*

The Group Customer Protection policy outlines a number of relevant mitigation requirements related to the delivery of the Group's products and services. These include:

- all new initiatives, products, services, and business activities (including changes / expansions and withdrawals) in scope of the policy must go through Product and Service Approval and Governance (PSAG);
- business proposals must adhere to the minimum standards expected of product distributors and manufacturers; and
- business proposals must be reviewed and challenged to ensure product design risk is appropriately mitigated.

Compliance monitoring, as outlined in the Group Compliance Strategy, comprises a combination of structured and unstructured engagement with the business wherein Group Compliance engages with the business on an ongoing basis to ensure continued adherence to policy requirements and associated regulatory requirements.

Examples of structured monitoring include:

- the provision of formal 2LOD opinion papers alongside 1LOD papers travelling through risk governance (ERC and BRC); and
- the formal review by 2LOD of higher impacting (per the Group Risk Assessment matrix) risk issues and risk events (wherein 2LOD input is required before issues are logged and again before issues are closed); and the provision of formal review and input by 2LOD principal risk owners (including conduct, operational, capital, liquidity, business and strategic, etc.) to 1LOD product proposals prior to consideration of same by the relevant product governance forum, PSAG. The PSAG forum is chaired by the Head of Central Compliance, and wherein Group Risk reserves the right to veto any proposition. Examples of unstructured monitoring include active participation in 1LOD governance forums, programme steerings, etc. and the provision of ongoing advice, challenge and guidance as part of day-to-day actions and via dedicated support mailboxes.

In addition, in March 2025, the Group Board approved a new Group Regulatory Compliance Framework which has been implemented across the Group and is designed to support and drive regulatory compliance across all risk types (including Conduct Risk).

Actions focused on avoiding material negative impacts *S3-4*

The Group has taken action to avoid causing or contributing to material negative impacts for affected communities, supported by the implementation of its Human Rights policy and MSHT Statement (see page 186) and sustainable finance targets, initiatives and products (see page 141):

- the Group has controls in place to ensure that no individual is prevented from accessing the financial system solely due to their inability to produce Group Standard AML identification documentation. Where an individual, for genuine and justifiable reasons cannot, and in all likelihood will not be in a position to provide standard evidence of identity or address, alternative documentation or verifiable information may be provided and used to verify the individual's identity; and
- for Sustainable Energy and Infrastructure, an internal due diligence process is carried out before any credit application process for a given project is undertaken. This involves the input of legal and technical advisors and ensuring compliance with local laws and regulations, including any applicable regulatory environmental and social requirements since all potential eligible assets need to comply with local laws and regulations.

Metrics and targets related to advancing positive impacts, and managing material risks and opportunities *S3-4, S3-5*

Investing in Sustainable Infrastructure

The Sustainable Energy and Infrastructure portfolio is tracked and monitored through the SFWG which monitors the Green Eligible Asset Portfolio, and provides reporting updates of the Group's progress against achieving the strategic targets set out in the Climate Transition Plan within the Group's Sustainability Strategy. The Group also monitors SBT related to Project Finance Electricity Generation (see page 162).

As part of the Group's Green Bond Framework, an associated Impact Report is produced annually which contains data on selected environmental impacts of the Group's Green Eligible Asset Portfolio and includes metrics on impacts made by renewable energy projects, including estimates of attributed carbon emissions, and annual attributed avoided carbon emissions.

Supporting the financial wellbeing of affected communities and supporting local businesses

Supporting the financial wellbeing of affected communities

To support the financial wellbeing of the communities in which it operates, the Group set a target to establish two partnerships (RoI only) by December 2025 from a base value of zero partnerships as of April 2023. This target aligns to the Group's wider UNPRB Commitment to Financial Health and Inclusion, and its outcome will be used to inform the Group's short to medium term plans to continue with the progression towards meeting the UNPRB targets (see page 200).

The target of two partnerships was set as a test and learn concept. The Group has achieved the target through establishing partnerships with two charities, facilitated by the Community Foundation Ireland. The progress against and maintenance of this target is monitored and reported to the GSC on a quarterly basis.

ESRS S3 Affected Communities *(Social) (continued)*

Supporting local businesses

The Group supports local businesses through targeted sustainable products such as Enviroflex and Green Business Loans, which contribute to the attainment of the Group's sustainable finance targets of €15 billion by 2025 and €30 billion by 2030 (see page 141).

Providing financing to support home ownership and development, as well as funding for social and affordable housing

The Group's primary target relating to supporting greater access to home ownership is to increase the 3-year residential pipeline from 25,000 to 30,000 new homes by 2028, which includes 10,000 social and affordable housing units (S3 – Impact 2). This target is aligned with the social foundational topics which underpin the three pillars of the Group's Sustainability Strategy, and applies to RoI only.

In 2023, when the Group's target was being set, market commentators were suggesting a housing completion need of c.50,000 homes per annum over the coming years, beyond the government-led Housing for All delivery target at that time of c.33,000 homes per annum. The revised Group target, aligned with the Group's Housing strategy, seeks to support a portion of the expected increased national total in the coming years as part of the Irish Government' s revised-housing plan. Social and affordable housing will continue to make up a significant element of homes being delivered.

At 31 December 2025, the Group was funding c.26,000 (2024: c.21,000) residential units in the Republic of Ireland across c.220 (2024: c.220) sites, including the development of c.11,000 (2024: c.9,500) units for social and affordable housing, and this progress is tracked by the Corporate and Commercial specialist banking teams on a quarterly basis.

To calculate the number of units being supported, each business unit initially amalgamates their unit numbers and exposures. These figures are each subject to a separate business unit level review and sign-off, prior to final review and approval by the Head of Residential and Development Finance. Residential units being supported only include units that are currently approved for development finance by the Group.

Limitations of the metric relate to manual compilation of unit numbers, data segmentation, unit volume definition and timing of data availability. However, there are mitigants in place to address the risks associated with these limitations.

The Group's Strategy includes a targeted outcome of providing more customers funding to purchase their home and expanding the green mortgages proposition suite. The Group tracks its performance against its targeted outcomes through the divisional Strategic Business Review which forms the basis for engagement with the Group CEO and CFO to review and challenge divisional performance. RoI Mortgage lending targets are set as part of the annual planning process, with reference to the macro-economic environment and competitive landscape.

Supporting the Green transition

The EcoSaver Mortgage and Green home improvement loans support the Group's Housing strategy, and they also contribute to the broader sustainability related finance targets. KPIs related to these are tracked internally at a divisional level (S3 – Opportunity 3).

The Group have not engaged directly with affected communities in the setting, tracking or evaluation of the above targets.

Additional metrics to manage material risks

In addition to the above metrics and targets, the Group has processes and controls in place, as well as risk metrics, to ensure the effectiveness of its policies and actions related to business and strategic risk (S3-Risk1, S3-Risk 3) and conduct risk (S3-Risk 2) related to affected communities. For example, the Group has internal KRIs in relation to all Level 3 conduct risks (per the Group's risk taxonomy – e.g. KRIs relating to complaints resolution, product lifecycle management and sales quality assurance) which consider factors - including social considerations - associated with the delivery of the Group's products and services. The Group monitors these KRIs on a monthly basis and has a very low risk appetite for such breaches.

Processes for engaging with affected communities about the material impact

S3-2, S3-3

The Group has not adopted a specific process to engage with affected communities in order to inform how the Group manages the material impact, S3-Impact 1, nor does it have any specific channel for affected communities to raise concerns given that there are a number of other processes in place which indirectly or tangentially incorporate the perspectives of affected communities in the context of managing S3-Impact 1. These include:

- all assets within the Sustainable Finance Asset Portfolio go through the standard credit process, which is governed by the Group Credit Risk policy, and which requires consideration of climate, environmental and social factors, taking into account all relevant laws and legislation as well as adherence to other Group policies and standards in this respect. Borrowers also need to comply with planning permissions for any projects seeking finance, which intrinsically include considerations for stakeholders such as affected communities; and
- the Group's RSB Sector Statement aims to manage risk effectively for customers, communities and shareholders by clearly setting out the risk appetite for lending to potentially sensitive sectors which the Group believes cause environmental and/or social harm to society and the Group's communities. It outlines a list of excluded business activities which the Group will not provide financing to such as nuclear power plants, coal power stations, fossil fuel extraction and mining activities.

ESRS S4 Consumers and end users *(Social)*



Material impacts, risks and opportunities and their interaction with strategy and business model *S4.SBM-3*

The actual and potential IROs related to consumers and end-users[1] have been identified through the DMA and are listed on page 126.

No material negative impacts for consumers and end-users were identified during the DMA process, which is described on page 121.

The material risk and opportunities relate to all consumers and / or end-users rather than to any specific groups.

All consumers and / or end-users who are likely to be materially impacted by the Group are within the scope of this disclosure, including those materially impacted by the Group's own operations and value chain, products or services, and business relationships.

The types of consumers and end-users subject to the material impact include retail customers, business customers, digital and online customers, excluded populations and customers in vulnerable circumstances. These can be divided into the categories detailed in the table below.

[1] *In the ESRS regulations, consumers are defined as 'Individuals who acquire, consume or use goods and services for personal use, either for themselves or for others, and not for resale, commercial or trade, business, craft or profession purposes.' End-users are defined as 'Individuals who ultimately use or are intended to ultimately use a particular product or service'.*

Category of consumer and / or end-user	Group applicability
Consumers and / or end-users of services that potentially negatively impact their rights to privacy, to have their personal data protected, to freedom of expression and to non-discrimination.	All types of Group consumers and end-users.
Consumers and / or end-users who are dependent on accurate and accessible product- or service-related information, to avoid potentially damaging use of a product or service.	All types of Group consumers and end-users.
Consumers and / or end-users who are particularly vulnerable to health or privacy impacts or impacts from marketing and sales strategies, such as children or financially vulnerable individuals.	Excluded populations and customers in vulnerable circumstances.

ESRS S4 Consumers and end users *(Social) (continued)*

Personal safety of consumers and / or end-users

(S4-Impact 1, S4-Opportunity 1, S4-Opportunity 3)

Policies aimed at the personal safety of consumers and / or end-users *S4-1*

While there is not an explicit policy in place, the Group Strategy 2023-2025, the Group's Sustainability Strategy 2023 to 2025 'Investing in Tomorrow' and the Group's Financial Wellbeing Ambition 2023-2025 assist the Group in its management of the material impact and opportunities.

Actions focused on the personal safety of consumers and / or end-users *S4-4*

Aligned to the Group's strategic pillar to build stronger relationships, customers are at the core of everything the Group does. The Group is deepening customer relationships through the Group's market leading financial wellbeing supports, enhancing customer experiences through digital, data, and investment in best-in-class technology platforms. See page 115 for further detail on the Group's strategy.

For the Group's retail and business customers, the Group is meeting more of their financial needs throughout their lifecycle, by developing new propositions (e.g. Sustainable Business Coach, 'Coming to Ireland' current account offerings), enhancing digital functionality and increased fraud protection (e.g. SEPA and Verification of Payee), simplifying customer experiences and delivering greater service capabilities in our contact centres and branches.

Customers are empowered to manage their day-to-day finances through an in-app money management tool (Mi365) delivering personalised insights and tailored nudges to enable customers to understand and manage day-to-day spending, stay in control of their finances, and enhance their financial wellbeing.

The Group's Customer Engagement Engine delivers personalised, analytics-driven prompts that support Next Best Actions - predictive recommendations identifying the most relevant action for each customer at a given point in time. In 2025 the platform generated 2.4 billion (2024: 2.3 billion) impressions[1] and 3.3 million (2024: 3.1 million) customer engagements,[2] supporting customers' in managing their day-to-day banking needs.

[1] *An impression is the presentation of a message to a customer via a particular channel, e.g. mobile app, SMS etc. These could be sales, service, nurture or other type of message and can be personalised or generic.*
[2] *An engagement is when a customer engages with (clicks on) a message presented.*

Financial Wellbeing Ambition

The Financial Wellbeing Ambition 2023-2025 details the goals and key actions which assist the Group in building stronger relationships with customers by supporting their financial stability and wellbeing, and relates to RoI-based consumers and end-users only. The Group manages this material impact through the following initiatives:

Financial literacy

The Group conducted a number of financial education initiatives in 2025 in order to support financial literacy for consumers and / or end users. See page 193 for further details.

Financial resilience

The Group took steps to increase the number of customers and colleagues who have the capacity to withstand or absorb a financial shock which can be the result of an unexpected day-to-day expense or a major life event such as job loss, relationship breakdown or long–term illness. In 2025 the Group provided and communicated with customers and colleagues about the tools, educational content and savings and protection products that can improve their financial resilience, for example the 'She Counts' financial education series for colleagues focused on improving the gender gap in financial resilience, alongside the complete redesign of the financial wellbeing online centre Financial Wellbeing - Bank of Ireland and Extra Help - Bank of Ireland.

Digital financial wellbeing

The Group enables customers to manage their day-to-day finances through digital tools such as Mi365. Mi365 is an in-app tool which enables personal customers to easily track money inflows and outflows, including unexpected payments or refunds and review cash flow spend data on their account for up to six months. In May 2025, the Group launched a borrowing tool to help customers identify the most suitable borrowing products for their needs, while providing educational support to build confidence in making informed financial decisions.

Financial planning

Across the Group, accredited financial advisors and extensive specialist teams support customers with everyday banking requests and making more complex banking decisions. With the support of advisors and specialists, customers can create their own financial plans to achieve their financial goals.

Protecting customers' financial wellbeing

- The Group continues to invest in customer fraud prevention and detection, expanding detection capabilities and leveraging AI and machine learning models, with fraud enhancements introduced in October coinciding with the launch of Instant Payments. We held over 104 fraud awareness events and ran several high impacting media campaigns and press releases raising awareness on increasing fraud threats. There are over 225 Bank of Ireland colleagues dedicated to fighting fraud and financial crime, including our colleague availability 24/7 which continues to support customers who are targeted by fraudsters.
- The pension, protection and investment solutions products offered by New Ireland are by their nature designed to protect customers' future financial wellbeing. The Group's Davy Wealth Management business supports customers with financial planning, investments and inheritance planning.

ESRS S4 Consumers and end users *(Social) (continued)*

- In addition to a dedicated Financial Wellbeing team, this Impact is managed by colleagues across the wider Group Customer Office, Retail Ireland, as well as teams across the Wealth Management businesses in Davy and New Ireland. See page 38 for further detail on Group divisions and business model.
- The actions relating to the financial wellbeing programme are reported on quarterly to the GSC while the Group's UNPRB commitment is also tracked as outlined in the Targets section below.

Metrics and targets related to the personal safety of consumers and / or end-users *S4-4, S4-5*

Improving financial resilience

The Group's targets in the areas of financial resilience under the UNPRB Commitment to Financial Health and Inclusion are relevant to this Impact and are a key component of the Group's Financial Wellbeing Ambition. The Group has committed to the following targets, which apply to all personal customers in RoI:

- increase from 62% (April 2023) to 70% the percentage of customers who are confident (strongly or somewhat) that they have funds available to cover an unexpected day-to-day expense by 2030;
- at the end of 2025 this figure was 64% (+2% vs April 2023 baseline) among people who identified Bank of Ireland as their main day-to-day bank (2024: 60%);
- increase from 44% (April 2023) to 50% the percentage of customers who are confident (strongly or somewhat) that they have funds (savings or insurance) available to cover a major unexpected event by 2030; and
- at the end of 2025 this figure was 45% (+1% vs April 2023 baseline) among people who identified Bank of Ireland as their main day-to-day bank. (2024: 47%).

The Group conducted a national context analysis as part of the UNPRB target setting and identified financial resilience as the focus area. Targets were defined based on the knowledge and experience of the team, UNEP FI guidance on target design, combined with global competitor analysis of what targets other banks have in the area of financial resilience. The targets allow for existing and planned capabilities, and incorporate anticipated incremental growth. Progress against these targets is monitored and reported to the GSC on a quarterly basis.

These metrics are sourced from the Bank of Ireland Financial Resilience Survey with RED C among a nationally representative sample of adults aged 18+ living in the Republic of Ireland who claim Bank of Ireland as their main day-to-day bank. They are not validated by an external body. There may be unexpected macroeconomic events which may limit the ability to achieve published targets.

Consumers and / or end-users were not engaged with directly in the setting, tracking or evaluation of these targets.

Customer sentiment and engagement

The Group uses a number of customer-related metrics to monitor customer sentiment and engagement. These include the Customer Engagement Engine metric, the CES and the RNPS metrics which are tracked at a Group OKR level[1]. They are not validated by any external body.

The Customer Engagement Engine uses real time analytics and decisioning to determine the most relevant action or message for each customer. It evaluates a wide range of data, including customer behaviours, eligibility rules, predictive model scores, and business priorities to select the next best action for every customer. Once a decision is made, the platform delivers the appropriate message through the correct active channel, such as mobile app, email or SMS. The engine also tracks which messages were shown, how customers responded, and how each interaction contributed to overall engagement. These outcomes are then fed back into the decisioning process, continually improving future customer interactions.

The CES is a customer experience metric which measures the level of effort customers need to use when interacting with the Group across high volume channels (mobile app, website, contact centre and branch) and during high value interactions of 10 or more journeys. It is tracked on the island of Ireland, covering personal and business customers. It is survey-based and happens either in real-time or within hours of a customer's banking experience. The survey questions are measured on an 11-point scale from 0 to 10, where 0 is difficult and 10 is easy. The scores are then categorised into three groups: Easy (a rating of 9 or 10); Neutral (a rating of 7 or 8); Difficult (rating <7). The CES is calculated by subtracting the percentage who find the Group difficult from the percentage who find the Group easy to bank with. A positive CES means customers find that interaction more easy than difficult, and vice versa. CES is reported within a range of -100 to +100.

The RNPS is a customer loyalty metric which measures a persons' likelihood to recommend the bank based on everything they see, hear or experience. The survey is tracked on the island of Ireland, covering personal and business customers. It is survey based and is always asked as a question on an 11 point scale from 0 to 10, where 0 is highly unlikely and 10 is highly likely to recommend a company or a brand.

The scores are then categorised into three groups: Promoters (rating of 9 or 10); Passives (rating of 7 or 8); Detractors (rating <7). The NPS score is calculated by subtracting the percentage of Detractors from Promoters. A positive NPS means there are more promoters than detractors, a negative NPS means there are more detractors than promoters, and a 0 NPS means equal numbers of both. NPS is reported within a range of -100 to +100.

In 2025 customer advocacy increased and customer experience with the Group's channels held largely stable, with Group Personal RNPS and All Channel CES performing at an all-time high.

[1] *For the OKRs, six-month and three-month rolling averages at the end of 2024 were used as the baselines for Group Personal RNPS and All Channel CES, respectively. An ambition for 2025 was then set, and performance was measured against these baselines to assess whether results were below, at or above ambition.*

Processes for engaging with consumers and end-users about the material impact *S4-1, S4-2*

There are processes in place within the Group for engaging with consumers and / or end-users in relation to the material impact. With regards specifically to material positive impact S4-Impact 1, bespoke surveys and tracking of trends over time are carried out by the Financial Wellbeing team regularly.

Regular engagement with advocacy bodies is undertaken to gain the perspective of consumers and end users who may be in vulnerable circumstances.

ESRS S4 Consumers and end users *(Social) (continued)*

All Bank of Ireland Group colleagues completed Financial Inclusion and Support training in H1 2025, which was developed with input from Inclusion Ireland and the National Advocacy Service. In addition, to ensure that consumers and end-users who may be particularly at risk of harm or marginalised have effective access to banking services, the Group has the following initiatives in place:

- in partnership with the Irish Alzheimer's Society of Ireland, dementia awareness training launched in November 2025, helping all colleagues become 'Dementia Inclusive';
- engagement with industry bodies such as the BPFI and the IBCB to ensure prioritised and marginalised groups have equal and effective access to financial products;
- in line with requirements under the European Accessibility Act, improvements have been made to the digital accessibility of the Group's websites and apps, as well as simplification of customer communications and the introduction of new services across the Group (SignVideo and the Irish Text Relay Service);
- voluntary gambling blocks on debit and credit cards for those who may be experiencing problem gambling;
- the perspectives of consumers and end-users that may be particular risk of harm or marginalised, are obtained through the Extra Help Team which provided enhanced support to colleagues dealing with over 7,300 (2024: 7,000) customers in 2025.

As outlined above, engagement occurs both with consumers and end-users directly and with legitimate reps / proxies, such as advocacy groups.

The function and the most senior role within the undertaking that has operational responsibility for ensuring that Financial Wellbeing engagement takes place and that the results inform the undertaking's approach is the Chief Customer Officer and GEC sponsor for Financial Wellbeing.

Customer engagement also occurs as part of the PSAG process. This engagement is business dependent and happens across the life cycle where relevant engagement follows Markets in Financial Instruments Directive (MiFID) / EBA guidance. When the business is a manufacturer of a new product or service, or is making changes to existing products and services, its proposals must include appropriate research of elements such as the market segments involved, and how the product or service has been designed to address the target market's needs. This research includes customer interviews, customer immersion, customer surveys, customer external research and customer journey mapping and walkthroughs. When the business is a distributor, customer engagement also occurs to aid with the collection of management information which is shared with the product or service manufacturer. New or amended products also go through a post implementation review, and the ongoing product lifecycle review process, both of which involve and require varying levels of customer engagement, and which evaluate how well or otherwise the new or changed product or service is operating.

A quarterly paper on customer sentiment, including a customer and brand metric dashboard, is prepared by the Group Insights team and reviewed by the GEC. This paper may contain, as needed, request for approval of any relevant decisions / activities aimed at managing S4-Impact 1- the perspectives of consumers and end-users are incorporated in any such decisions / activities as and when they are deemed beneficial. For the PSAG process, the responsibility is with business senior management depending on the product involved.

Customer Insights issue c.270,000+ automated surveys each month, enabling the Group to listen to the Group's customers' experiences interacting with 20 various channels, services and products Group-wide.

Information-related impacts for consumers and / or end-users

(S4-Opportunity 2)

Policies aimed at information-related impacts for consumers and / or end-users *S4-1*

Policies adopted to manage material sustainability matters are detailed in ESRS 2, see page 131. These policies cover all consumers and / or end-users rather than specific groups.

Actions focused on information-related impacts for consumers and / or end-users *S4-4*

Actions that are in place to manage the material opportunity by mitigating data protection and privacy risks are outlined in the Group Data Privacy policy. The policy outlines the Group's commitment to ensuring that the privacy rights of all data subjects for whom it processes personal data are upheld. It provides the Group with the foundations and organisational structure for ensuring compliance with legislative data protection and privacy obligations. It sets out the Group's approach to protecting personal data, taking account of the data protection and privacy principles and requirements that must be followed, and defines the standards for effective management of data protection and privacy related risks. The policy outlines the following mitigation requirements which serve to facilitate the Group's efforts in pursuit of this opportunity:

- Data protection and privacy is incorporated into the Group's business activities, by design and by default;
- Data subjects can exercise their privacy rights regarding personal data processing;
- Data protection events including personal data breaches are appropriately managed and reported;
- Legal and regulatory requirements are met before personal data is transferred to a third party and / or another jurisdiction; and
- External engagement on matters of data protection and privacy are managed effectively and in an appropriate and timely manner.

In addition to the mitigation requirements in the Group Data Privacy policy noted above, the Group further empowers colleagues through other related initiatives, such as training and awareness. All Group colleagues are required to complete annual mandatory information security training.

ESRS S4 Consumers and end users *(Social) (continued)*

Targets / metrics related to information-related impacts for consumers and / or end-users S4-5

While the Group does not publish a target in relation to the material opportunity, it has a number of metrics that are tracked internally to monitor the effectiveness of data privacy policies and practices. Business units within the Group are required to ensure that all colleagues and in-scope persons are made aware of, and understand, the importance of compliance with the Group Data Risk policy, the Group Data Privacy Policy and the Group Operational Risk Information Security and Cyber Risk policy and completion of all relevant training. This includes a requirement to ensure all colleagues and agents of the Group complete all mandatory data protection and privacy training and maintain records in relation to completion rates and exceptions.

Social inclusion of consumers and / or end-users *(S4-Risk 1, S4-Risk 2)*

Policies aimed at the social inclusion of consumers and / or end-users S4-1

Policies adopted to manage material sustainability matters are detailed in ESRS 2, see page 131. The policies cover all consumers and / or end-users rather than specific groups.

Actions focused on the social inclusion of consumers and / or end-users S4-4

The following actions are planned or underway to mitigate against these material risks.

The Group Customer Protection policy outlines a number of relevant mitigation requirements related to the delivery of the Group's products and services. These include requirements to ensure:

- customers do not receive inadequate advice, misleading information, unsuitable products or unacceptable service;
- the Group identifies customer errors and remediates them in line with regulatory requirements; and
- the Group's response to customer complaints is appropriate and consistent.

See page 195 for further actions relating to the Group Customer Protection policy and for detail on the oversight and monitoring mechanisms of the Group Customer Protection policy.

For actions specifically related to the prevention of digital or IT related customer detriment or customer inconvenience, see page 212.

At 31 December 2025, the Group held a provision for customer redress charges in connection with historical commission arrangements in the Group's UK motor finance business. See page 392 for details.

Targets / Metrics related to the social inclusion of consumers and / or end-users S4-5

The Group maintains robust processes and controls to ensure the effectiveness of its policies and actions. Internal KRIs are in place for both operational risks and all Level 3 conduct risks (as defined in the Group's risk taxonomy). These include KRIs relating to complaints resolution, product lifecycle management, sales quality assurance, and IT service quality, which consider social factors associated with the delivery of the Group's products and services. The Group has a very low risk appetite for breaches that could result in customer detriment or exclusion.

Actions focused on avoiding material negative impacts S4-4

In order to ensure that the Group's own practices do not cause or contribute to material negative impacts on consumers and end-users, the below process is followed to mitigate customer engagement risk - the risk that customers receive inadequate advice, misleading information, unsuitable products or unacceptable service. This forms part of the Group Customer Protection policy.

The Group manages customer engagement risk through the establishment of appropriate mitigating measures at Group and business unit levels, including the establishment and maintenance of a customer communications review and approval process and measures to ensure that, where relevant, customers are correctly categorised in accordance with regulatory requirements.

Regarding Advice Based Sales, in situations where the Group is providing advice and / or making a recommendation to a customer, it must ensure that a robust fact find has been completed and thoroughly documented (including the retention of relevant records) prior to the recommendation being communicated to the customer. This will ensure that the Group has a very clear understanding of the customer's financial situation, risk appetite etc.

When selling products or services to customers by phone or other channels, including online channels, the Group must be in a position to ensure that the required features, benefits, terms and conditions as well as other key regulatory information is provided to the customer at the appropriate time.

Additionally, in order to ensure that customers are provided with, and receive, prompt and fair service of an acceptable standard, the Group continually assesses the quality of service provided. This can include (but is not limited to):

- ongoing monitoring: senior management in the business units determine and review the management information to be monitored and reported for their respective area. Complaints, events and errors data are important sources of management information for assessing customer outcomes and identifying root cause (e.g. thematic complaints or volumes outside of tolerance / expected thresholds); and / or

ESRS S4 Consumers and end users *(Social) (continued)*

- results from thematic inspection audits / compliance assurance or KPIs outside of tolerance / expected thresholds.

Processes to remediate negative impacts and channels for consumers and end-users to raise concerns *S4-3*

While the Group did not identify any material negative impacts on consumers and end-users, the Group nevertheless has specific channels in place for consumers and end-users to raise concerns or needs directly.

Consumers and end-users can get in contact with the Group regarding concerns and needs via: webchat, 'Ask a Question' through 365 online, the online contact form, email, and Facebook messenger / X. Consumers and end-users can make a complaint by visiting one of the Group's branches nationwide, by phone, in writing, and by using the RoI or UK digital forms. Similar channels to raise concerns exist for both Davy and New Ireland consumers and end-users.

All of the above channels are established by the Group itself rather than through a third party. The Group does not explicitly require the availability of such channels by its business relationships; however, it does require that where the business uses third parties (e.g. appointed representatives), that customers be advised that they can raise a complaint against the third party or the Group. The Group's Third Party Policies also outline how the Group expects all suppliers who have contact with the Group's customers to effectively manage conduct risk in support of fair outcomes for customers, including the operation of clear customer engagement procedures which focus on customer needs such as complaint handling and rectification.

The Group has a well-established process for tracking and monitoring any issues raised. Where the Group's review of a customer complaint leads to the identification of an underlying error, the customer error identification and resolution process is followed. This facilitates the timely identification of errors, logging and risk rating of errors, customer communication and resolution of errors (including the effective handling of charging errors / refunds in the event of a mis-sale or incorrectly retaining customer funds).

Root Cause Analyses (RCAs) of all errors are also performed regardless of materiality to ensure repeat errors are appropriately identified as such. At a minimum, the outputs of an error RCA must be reported to the relevant Head of Business and relevant Risk Committees, and it must also be used to inform product evaluation in accordance with the Product Design and Delivery Risk section of the Customer Protection policy.

Business units report regularly to relevant governance fora on new errors identified, progress on remediation of errors, and controls put in place to prevent repeat errors. Business units must also carry out an annual review of the customer errors management process and report on findings and recommendations to their Head of Business and to the Group Non-Financial Risk Committee (GNFRC).

The Group ensures the effectiveness of the channels through periodic reviews of the customer complaints process to ensure that it remains in line with regulatory requirements and is appropriate for the customer base, and through the complaints CES questionnaire which is sent to customers who made a complaint to get feedback on the process.

This asks questions around the ease of making complaints, feedback on the Group's approach to dealing with the complaint, the customer's experience during and after the process, and the customer's impression of the staff that they dealt with. There are also highly skilled teams dedicated to the collection, analysis and response of complaints feedback across all channels and across all jurisdictions. Consumers' and / or end-users' awareness of and trust in the Group's complaints channels is assessed through this complaints CES questionnaire.

Customer complaints received through our online form are investigated and resolved by our suitably qualified teams. These complaints are an important input to the Complaints RCA, a suite of tools for analysing complaints to identify, address or eliminate drivers, simplifying our business, putting the customer first and reducing toil.

The Group's approach to customer engagement and progress against customer metrics, through which the experience of customers when dealing with the Group is assessed, is a key focus for the GEC. The Board's understanding of customers' perspectives is informed by deep dives on customer themes and customer complaints, site visits by Directors to customer call centres and branches, meetings directly with customers, and other customer-focused tools to enable the Board to hear customer voices at first hand.

The Group's Customer Protection policy states that the business must make sure customers are not charged an additional fee for raising a complaint, while it also includes provisions to ensure fair customer outcomes through the complaints management process. Additionally, complaints are anonymised for analysis.

Governance



ESRS G1 Business Conduct *(Governance)*

Disclosure of role and expertise of administrative, management and supervisory bodies related to business conduct G1.GOV-1

The Board retains primary responsibility for providing effective, prudent and ethical oversight of the Group, ensuring that its obligations to shareholders and others are understood and met. The Board sets the 'tone from the top' and leads by example to ensure that good standards of conduct and behaviour are adhered to throughout the Group. The Group Code of Conduct, which is approved by the Board, sets the standard for all employees and Directors of the Group to adhere to in relationships with customers, suppliers, employees, shareholders and regulators. The Board provides entrepreneurial leadership within the boundaries of risk appetite and a framework of prudent and effective controls which enable risk to be identified, assessed, measured and controlled, and sets the Group's strategic aims. In alignment with Irish company law, the Board is a unitary board, meaning that Executive and Non-Executive directors share the same director duties and responsibilities and are subject to the same constraints. Directors owe both fiduciary duties and general duties of reasonable care, skill and diligence to the company as a whole. For information on the role and expertise of Board Directors, see page 54.



Material Impacts, Risks and Opportunities G1.IRO-1

The actual and potential IROs related to business conduct have been identified through the DMA and are listed on page 126.

During the DMA process, which is described on page 121, no material negative impacts related to business conduct were identified.

The DMA was completed at a Group level, and not at a transaction level. Therefore, no granular criteria were applied in the analysis.

Corporate culture

(G1-Impact 2, G1-Risk 1, G1-Risk 3, G1-Risk 4)

Policies related to corporate culture G1-1

Policies adopted to manage material sustainability matters are detailed in ESRS 2, see page 131.

ESRS G1 Business Conduct *(Governance) (continued)*

Actions related to corporate culture *G1-1, G1-3*

Establish, develop, promote and evaluate corporate culture

The establishment, development and promotion of corporate culture is a critical enabler of the Group's successful delivery of its strategy. The following actions were taken in 2025:

- **Purpose and Values:** In order to embed and connect colleagues with the Group's purpose and values, actions undertaken include storytelling our values through the Group's Recognition campaign, policy and training refresh, people manager role modelling (including supporting psychological safety) and leadership visibility. The outcome of these actions are reflected in a strong culture embedding index.
- **Recognition, Learning and Development:** Recognition is a core part of the cultural DNA of the Group focusing on everyday performance and significant achievements. The Recognition Programme and Thrive performance management support delivery in this area. Also, delivery of the Future Skills Pathways (e.g. digital, agile) advances development of future skills. Focus on self-directed learning through Learning Exchange embeds the Group's culture by enabling colleagues to build their careers and fulfil their potential.
- **Wellbeing, Inclusion and Diversity:** The colleague wellbeing proposition includes building wellbeing engagement and connection; mental health supports; helping to connect across hybrid and remote workers; and supporting colleagues in managing wider life-related stress (e.g. cost of living, etc.). The Group is committed to fostering inclusion and diversity, promoting and creating equal opportunities and creating a workforce representative of society. This ambition is supported through inclusive recruitment and hiring manager training, training supports and seven colleague-led I&D networks.

Commitment to investigate business conduct incidents promptly, independently and objectively

The Group is committed to creating an environment where all colleagues are informed of the conduct and behaviours expected, and fully trained and supported to perform effectively in their role.

All colleagues are assigned and required to complete mandatory training so that the Group Code of Conduct principles are embedded in operational activities. The key themes of the Code are covered in Web-based training (WBT) which forms part of the annual Required Learning Programme, and all colleagues are expected to have read and understood the Code, and completed the WBT, on an annual basis.

Should a colleague behave in a manner contrary to the Group Code of Conduct, the Group will follow its disciplinary procedure.

Where it is deemed appropriate to carry out a formal investigation through the Group's disciplinary procedures, a suitably impartial Investigation Manager will be appointed. The Investigation Manager will conduct an investigation into the alleged acts or omissions with a view to gathering the relevant facts and will produce an investigation report. As part of the investigation, the colleague whose conduct or performance is the subject matter of the investigation will be invited to attend an investigation meeting, enabling the colleague to explain their behaviour, clarify issues or provide information to assist the investigation. This invitation will be in writing, outlining the areas to be discussed in the meeting. As part of the investigation, the Investigation Manager may also speak to any appropriate witnesses and collate and review any relevant documentation, review CCTV and any other evidence as appropriate. The Group endeavours to conduct the investigation within 20 working days from the initial investigation meeting.

All documentation and evidence will be stored securely and form part of the Investigation Manager's records. The Investigation Manager will share the completed report with the colleague and the Disciplinary Manager. The Disciplinary Manager will decide whether the colleague has a case to answer and the appropriate next steps.

Where colleagues breach the Group Code of Conduct, they may face personal consequences, such as internal disciplinary action (up to and including dismissal) and / or external regulatory or criminal consequences such as fines or sanctions, exclusion from taking certain regulated roles or, in very serious cases, a prison sentence. Circumstances may arise where the Group determines that external reporting is required to the Group's regulators or law enforcement authorities.

Actions to facilitate whistleblowers, including identifying, reporting and investigating concerns about unlawful behaviour or behaviour in contradiction of the Group's Code of Conduct or similar internal rules is covered on page 186.

Actions focused on mitigating ineffective regulatory change governance risk

Governance risks related to failure to comply with regulations can lead to increased regulatory risk for the Group through increased regulatory scrutiny and / or the implementation of supervisory measures. The Group establishes and maintains 1LOD and 2LOD processes to ensure that regulatory change is appropriately communicated within the Group, including:

- 2LOD Regulatory Horizon Scanning Process;
- 1LOD Leads for Upstream Regulatory monitoring purposes; and
- 1LOD Responsibility for delivery of regulatory change programmes, compliance guidance for delivery of regulatory change programmes, and engagement with regulatory consultation.

Actions focused on mitigating ineffective regulatory engagement risk

Group Regulatory Strategy maintain procedures with respect to regulatory interaction and also issue mandatory supporting guidance for businesses and functions with respect to regulatory interaction.

ESRS G1 Business Conduct *(Governance) (continued)*

Metrics and targets related to corporate culture G1-4

While the Group does not set a target for corporate culture, the effectiveness of the Group's actions are managed through:

- tracking the effectiveness of the actions through the annual Group Open View survey, which provides insights into colleague sentiment and engagement that are overlaid into the Group Culture Action Plan;
- the Group seeks to effectively communicate the purpose, values and standard of behaviour expected from all those in scope of the Group Code of Conduct. There are a range of mechanisms leveraged to support this communication, such as regular policy review, dedicated training, annual surveys and internal communications. As such, one sole target has not been identified to reflect the breadth of this activity;
- additionally, the Group Employee Relations team monitors the effectiveness of the Disciplinary policy and procedure through regular reviews of its design and implementation; and
- the Group has internal KRIs in place to manage the material risks, such as the number of ineffective regulatory change governance open issues, which consider changes in regulation and the risk to the Group's reputation if those changes are not implemented on a timely basis. The Group monitors these KRIs on a monthly basis. The Group has very low risk appetite for such instances.

Management of relationships with suppliers

(G1-Impact 3, G1-Risk 2)

Policies related to the management of relationships with suppliers G1-1

Policies adopted to manage material sustainability matters are detailed in ESRS 2, see page 131.

Actions related to the management of relationships with suppliers G1-2

The Group is dedicated to ensuring that suppliers providing goods or services to or on behalf of the Group operate in an ethical, sustainable, inclusive and accessible manner. In line with this, actions are taken to integrate ESG dimensions in the purchasing processes. The Group applies a risk-based approach to TPRM commensurate with the nature, scale and criticality of the services from the suppliers.

The Group Supplier Criticality Methodology (SCM) is the defined methodology in the Group to enable it to determine the Criticality or Importance of the services from the supplier, and for determining the inherent risk profile of the supplier including initial assessment of ESG risk aligned to regulatory requirements. The methodology supports adherence to regulatory and legislation requirements relating to completion of an ex-ante risk assessment prior to entering a contractual arrangement with a supplier. The SCM also supports the Business in understanding the level of broader onboarding supplier due diligence and ongoing supplier due diligence, monitoring and oversight that is required, and whether the service will require notification to the regulator.

The Group completes supplier due diligence using a risk-based approach and is part of the Financial Supplier Qualification System (FSQS) operated and managed by Hellios. Suppliers are requested to complete the FSQS questionnaire within Hellios and upload supporting documentation and relevant accreditations to support responses provided. FSQS has broad ESG coverage including:

- **Environmental:** Biodiversity and Ecosystems, Climate Change, Energy use and waste, Environmental policy and Management, Pollution and Water and Marine Resources;
- **Social:** Affected Communities, Code of Conduct, Ethical Issues and Whistleblowing, Inclusion and Diversity, Labour Standards and Human Rights, Modern Slavery, Forced Labour and Human Trafficking; and
- **Governance:** Business Conduct, Corporate Social Responsibility and Sustainability, Customer relationships and Supplier relationships.

Targets related to the management of relationships with suppliers G1-4

While the Group does not set targets for the material impact and risk related to the management of relationships with suppliers, it has processes and controls in place to ensure the effectiveness of its policies and standards. It also has a KRI relating to the percentage of critical suppliers that comply with the Code of Supplier responsibility.

ESRS G1 Business Conduct *(Governance) (continued)*

Corruption and bribery

(G1-Impact 4, G1-Opportunity 1)

Policies related to corruption and bribery G1-1

Policies adopted to manage material sustainability matters are detailed in ESRS 2, see page 131.

Actions related to corruption and bribery G1-3

The Group manages financial crime risk, including corruption and bribery, through a Three Lines of Defence approach with the Group's Board responsible for oversight of financial crime risk. The Group's Head of Financial Crime Compliance (FCC) and Money Laundering Reporting Officer (MLRO) leads the team responsible for overseeing the execution of annual enterprise-wide risk assessments. These assessments evaluate Money Laundering and Terrorist Financing Risk, Sanctions Risk and Fraud Risk and identify enhancements to the Financial Crime framework to ensure continued compliance with relevant regulations and legislative duties. The outcomes of these assessments are reported to the Board Risk Committee.

The MLRO monitors and oversees financial crime controls across the Group, working with its assurance teams to regularly report on KRIs to senior management and the Board. The Group's comprehensive Financial Crime framework includes policies and procedures designed to identify, assess, mitigate and manage financial crime risks.

The Group employs minimum RMRs to appropriately prevent B&C risk. These requirements (as outlined in the Financial Crime Risk Policy Part III) include:

- each business must establish clear 1LOD accountability for the management and oversight of B&C Risk in the business;
- business units must conduct a periodic (at least annual) assessment of B&C Risk in the business. The output of the risk assessment must be reviewed and approved by the appointed B&C governance forum;
- business units and functions must establish processes and documented procedures, to ensure compliance with this policy. Procedures must be reviewed and approved at least annually by the B&C Accountability Executive or his / her delegate; and
- the business must have processes and procedures that direct colleagues to this policy, relevant compliance guidance on gifts and entertainment and to relevant systems / tools where any gift and entertainment given or received should be recorded. The procedure should also detail the local supervision of colleagues and business approval.

Allegations or incidents of B&C are addressed in two ways. RADAR is the Group's risk reporting system. When a B&C risk (Risk Issue) is identified it will be logged on RADAR and tagged for B&C which ensures the risk flows to the appropriate 2LOD Risk Officer. All risk issues must be published on RADAR within five business days of identification and rated using the Operational Risk Assessment Matrix. Given the variance in complexity of risk issues and potential remediation, in the case of self identified issues, the owner must agree with 2LOD Risk Officer when a risk issue due date will be provided. Each risk issue must have an accountable executive (minimum GEC-1, with GEC-1 defined as a direct report of a Group Executive Committee member) who has ultimate responsibility for remediating the risk issue prior to the due date. The accountable executive is required to approve the risk issue, action and due date prior to risk issue publication, subject to agreement by the Group Risk 2LOD where required.

Where allegations or incidents of B&C are identified through the Speak Up process, these are addressed directly by the Speak Up and Investigation team under the Group Speak Up policy. The Speak Up & Investigation team is separate and independent from individual business units.

The Group Risk functions and Group Compliance fulfil a 2LOD role for the Group. The GIA is responsible for providing independent reasonable assurance to key stakeholders on the effectiveness of the Group's risk management and internal control framework and fulfil the 3LOD role for the Group. Both of these functions assume the role of investigators or investigating committees and are separate from the individual business functions.

In line with the Financial Crime policy, and mandatory procedures, all colleagues are responsible for completing their mandatory training curriculum to understand their obligations in respect of mitigating financial crime risk. Training requirements (mandatory annual WBT and tailored training) are called out in the Financial Crime policy and cover money laundering risk, sanctions risk and fraud, bribery, corruption and tax evasion risk.

All colleagues are assigned mandatory annual B&C WBT. Objectives for this course include defining what constitutes B&C, describing how the Group aims to prevent, detect and report B&C and how the Group manages B&C risk, and identifying potential indicators which may signal B&C. Employees complete an attestation to certify their understanding of the Anti-Bribery and Corruption Risk Awareness training course, including a point that they are aware of the Financial Crime policy and its requirements. Finally, the course includes Resources including a link to the Group Risk Hub intranet site, where employees can easily navigate to the Financial Crime policy.

FCC provide annual AML / countering the financing of terrorism training to the Group Board whilst subsidiary MLROs are responsible for providing the training to their respective boards. The latest training to the Group Board was provided by FCC in December 2025.

In 2025, the Group conducted a B&C Risk Assessment and identified some variances by division, both in terms of inherent and residual risk exposure. However, as none of the residual risk was assessed to be at a very frequent level with severe or critical impacts, it is considered that the Group-wide B&C training is appropriate / adequate and that they do not have a significant concentration in any one division requiring a different approach.

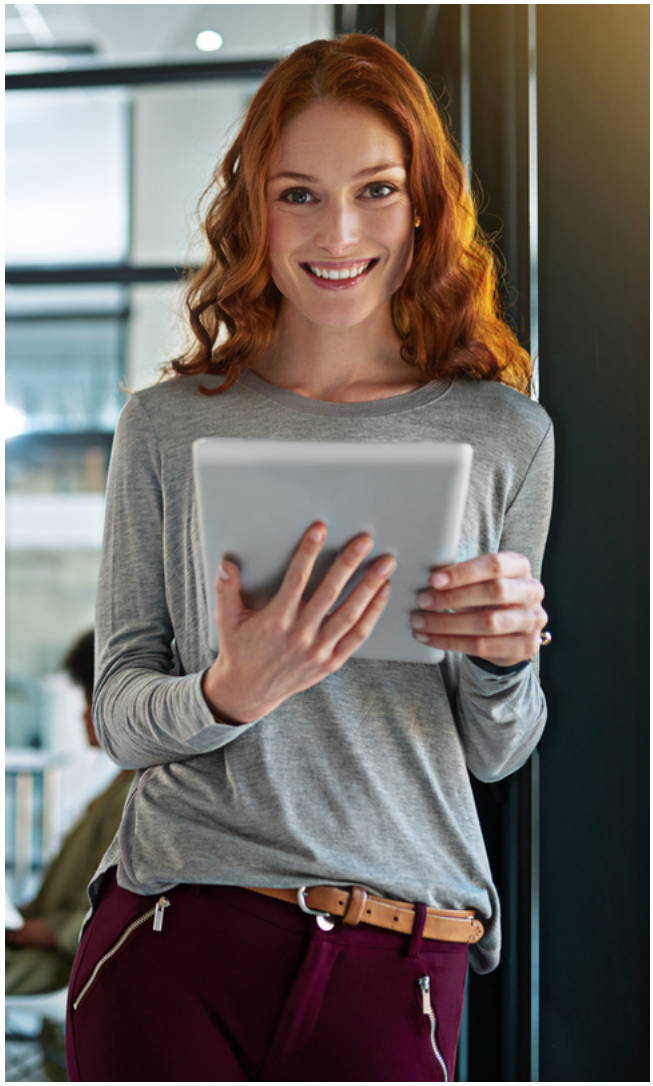
ESRS G1 Business Conduct *(Governance) (continued)*

Targets related to corruption and bribery G1-4

The Group set a target of having zero P0 issues (where P0 is the most severe risk or risk issue based on the residual risk exposure arising from the elevated impact and frequency of occurrence).

In 2025, there have been no convictions (2024: €nil) and no fines (2024: €nil) for violations of anti-corruption and anti-bribery laws for the Group.

The number of convictions and the amount of fines paid for violations of anti-corruption and anti-bribery laws includes all convictions and fines paid as a result of convictions by a court of law as a result of legal proceedings against Group entities in the reporting year.



Protection of whistleblowers

(G1-Impact 1)

Policies related to protection of whistleblowers G1-1

Policies adopted to manage material sustainability matters are detailed in ESRS 2, see page 131.

Actions related to protection of whistleblowers G1-3

Actions to facilitate whistleblowers, such as undertaking annual Speak Up sessions and people manager training, are covered on page 186.

Targets related to protection of whistleblowers G1-4

While the Group does not set a target for this impact, it is tracking the effectiveness of the actions through the annual Group Open View survey, see page 186.

Digital Banking *(Entity Specific)*

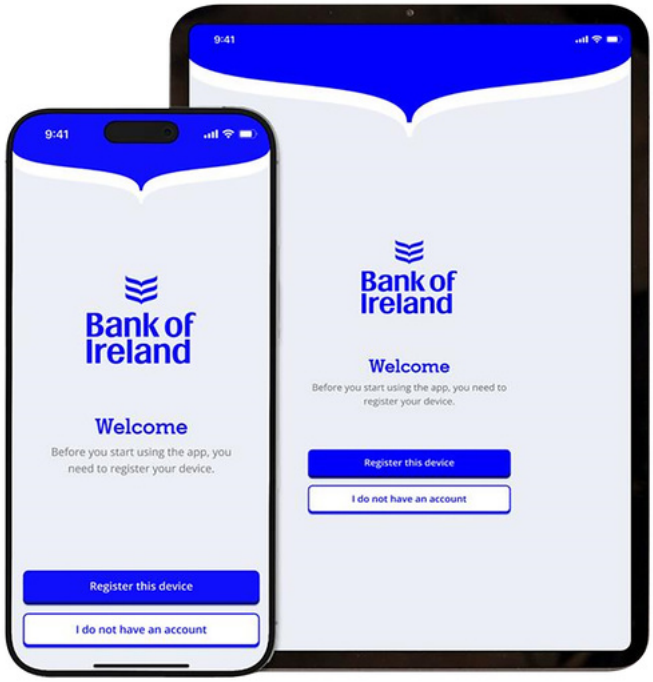
The topic of Digital Banking and its role within Group Strategy

Although not covered by the pre-defined ESRS disclosure requirements, the topic of Digital Banking was identified by the Group as a material topic during the course of the DMA. The DMA defined the topic as 'working to digitalise banking services in order to operate as a digital first relationship bank and provide digital offerings to better serve customers' (see page 121).

The Group's digital banking offering is core to its purpose - 'Helping customers, colleagues, shareholders and society to thrive'. The Group Digital strategy is a strategic framework driving enterprise-wide digital transformation across the Group. The Group Data strategy will enable the Group to become a leading data-driven organisation, enabling new business value and proactively reducing risk. The objectives of these strategies align with the Group Strategic Pillars of Stronger Relationships, Simpler Business and Sustainable Company, recognising the importance of digital transformation to deliver the Group's strategic priorities and support business units, and harnessing data to generate customer and business value.

The Group sees AI as a key part of achieving its strategy for 2030. There has been tangible AI progress to date with a clear plan to scale benefits.

Digital transformation refers to how the Group integrates digital technologies and leverages data to improve the efficiency of how the Group operates, interacts and delivers products and services to customers.



The Group is progressing a range of strategic digital transformation initiatives to pro-actively respond to new customer and market opportunities and enable future digital-first, data-led business models.

Material impacts, risks and opportunities

The IROs related to Digital Banking have been identified through the DMA and are listed on page 126. During the DMA process, which is described on page 121, one material negative impact related to the disruption of services for customers as a result of IT system failures and outages was identified within the topic of Digital Banking.

Digital offerings and platforms

(Digital Banking-Risk 1, Digital Banking-Risk 3, Digital Banking-Risk 4, Digital Banking-Opportunity 1)

Policies and actions focused on digital offerings and platforms

Policies adopted to manage material sustainability matters are detailed in ESRS 2, see page 131.

The Group is transforming how it meets its customers' evolving needs by reimagining how it delivers change.

With increasing expectations for seamless digital and mobile banking experiences, the Group is pivoting towards an agile delivery model. This approach brings business and technology teams together through agile 'Tribes', placing the customer at the heart of everything the Group does. By working together in cross functional 'tribes', the Group can reduce time to market by delivering progress more efficiently. This transformation supports the Group Strategy of becoming a Simpler Business.

The Group's shift to an agile delivery model directly addresses the material regulatory risk (Digital Banking-Risk 1) by enabling faster, more responsive implementation of regulatory changes in a dynamic digital environment. It also mitigates the material business and strategic risk (Digital Banking-Risk 3) by ensuring the Group remains competitive in a fast-paced digital economy, enhancing its ability to deliver innovative digital offerings that meet customer expectations.

Digital Banking *(Entity Specific) (continued)*

In parallel, the Group has integrated its Digital and Data functions, recognising that data is essential to understanding its customers and delivering personalised experiences.

A comprehensive analysis exercise was completed as part of the Group Digital strategy, looking at the current and future customer digital expectations, needs and behavioural trends. This analysis considered the various user personas, understanding their expectations, ensuring the Group delivers inclusive, seamless products and services across all distribution channels.

The Group Digital strategy outlines a set of strategic priorities which were established to provide an enterprise-wide framework, identifying and aligning divisional digital change initiatives. In particular 'Deliver Customer Centric Digital Experiences' and 'Champion Digital First with Strong Human Connections' set the direction for driving digital inclusion for customers.

The Group Digital strategy is reviewed and refreshed on an annual basis to capture any emerging changes in the industry, market analysis or customer expectations.

The integration of the Digital and Data functions and comprehensive analysis exercise support the Group's ambition to use data responsibly and inclusively, helping to mitigate the material conduct risk (Digital Banking-Risk 4) by ensuring that digital transformation does not exclude customers who may be less digitally engaged.

Finally, this transformation aligns with the material opportunity (Digital Banking-Opportunity 1) as we leverage automation, data analytics, and cross-functional collaboration to drive efficiency, reduce operational costs, and enhance customer satisfaction while promoting sustainability and financial inclusion.

In 2025, the Group has seen a considerable increase in initiatives delivered which include:

- **SEPA payments:** delivered outbound SEPA Instant Payments capability alongside the launch of Fraud Payment Interrupts and Verification of Payee, strengthening fraud prevention and payment security.
- **New telephony system:** extended telephony capabilities to key service units including Insurance Services, Extra Help Team, Bereavement Support, and UK Complaints.
- **Digital origination journeys:** launched fully digital lending for SB&A customers leading to faster and easier access to credit.
- **Business On Line resilience:** completed infrastructure upgrade, ensuring Business On Line customers are supported by robust, modern hardware and software.
- **Industry-leading customer experience recognition:** achieved top quartile ranking in the Autonomous Research Global Digital Banking report.
- **Regulatory compliance:** attained substantive compliance with the European Accessibility Act within mandated timelines.

The acceleration of the Group Digital strategy will see additional initiatives deployed in 2026 including:

- the Group's new mobile app, which will deliver a step-change in user experience; and
- Zippay, an instant payment solution between BoI, AIB and PTSB. The Zippay service will be available in the new mobile app in early 2026.

The Group is taking a two-track approach to AI adoption:

- **Strengthening AI Foundations:** establishing the organisational and technical infrastructure needed to use AI safely, securely, and at scale. This also includes developing AI platforms, forming partnerships, building an AI Centre of Excellence, embedding governance and risk processes, and developing the necessary skills and capabilities.
- **Delivering early value through Pathfinder Projects:** running Proofs of Value and pilot programmes in priority business areas to demonstrate tangible benefits. These initiatives act as early steps toward broader process transformation.

Targets / metrics related to digital offerings and platforms

While the Group does not set targets for Digital offerings and platforms, the Group has processes and controls in place to ensure the effectiveness of its policies and actions in relation to the material risks. The Group has internal KRIs, monitored on a monthly basis, in place, such as:

- the number of ineffective regulatory change governance open issues, which includes consideration of non timely identification of changes in regulatory requirements, inclusive of digital related regulatory requirements;
- KRIs related to product lifecycle reviews, which consider several factors including social considerations associated with delivery of the Group's products and services.

Additionally, as part of the annual planning cycle, at Group and business unit level, an assessment of the internal and external environment is carried out for new or increased risks that could impact the delivery of the financial plans or strategy planning and implementation. These assessments would consider factors such as developments in digital banking. See page 243 for details on this process.

Finally, in relation to the material opportunity (Digital Banking-Opportunity 1) the Group IT strategy and Group Digital strategy set out targets, which form the basis of an investment plan over the short and medium term to deliver digital capabilities through technology. The Group IT strategy has set a number of operational KPIs, such as critical customer system availability and number of outages, and target KPIs, such as the migration percentage of applications to the cloud. These KPIs are reported quarterly to the Board. KPIs for the digital strategy have been fully defined and are being reported monthly.

Digital Banking *(Entity Specific) (continued)*

Technology infrastructure

(Digital Banking-Impact 1, Digital Banking-Risk 2)

Policies to manage technology infrastructure

Policies adopted to manage material sustainability matters are detailed in ESRS 2, see page 131. The Group IT strategy outlines how the Group's vision for technology is to create a future-proofed technology estate that is robust, flexible and efficient. The Group Digital strategy, the Group Data strategy and the Group Information Security and Cyber Strategies are enabler strategies to support the Group IT strategy. The Group Operational IT Risk, Group Data Risk, Group Operational Risk, Information Security & Cyber Risk and Transaction Processing Risk policies and standards set out the requirements to mitigate any negative impact on the delivery of these strategies.

Actions focused on technology infrastructure

The Group IT strategy sets the longer term five year direction for the planned evolution of the Group's technology architecture and IT operating model and is underpinned by a System Transformation Roadmap that is updated annually to track the delivery of technology against the strategy.

The Group's approach to the use of Technical Infrastructure for its key services is to ensure it is resilient and therefore able to continue to deliver services during failures. The Group is engaged in an ongoing programme to refresh legacy infrastructure, as well as monitoring key services in place to alert the Group to any changes which may ultimately impact its ability to provide service to customers. Monitoring as well as automation and robust recovery processes also help mitigate outages occurring, or when there is an outage that the service is restored in a timely manner. The Group's processes are aligned to best practice Information Technology Infrastructure library standards to ensure that it is continually adapting and learning from any unforeseen incidents which it experiences. The Group also conducts regular Information Technology Service Continuity Management testing of its critical services to ensure that during instances of IT failure, alternative infrastructure is engaged to maintain processing and a continuity of service.

In the event of an outage, comprehensive incident management response procedures are in place. The Group Crisis Management Framework details how the Group will communicate with stakeholders during incidents or crises. This includes the invocation of an Incident Customer Engagement team as soon as possible to consider appropriate communications for incidents that may arise.

The Group Social Media Framework, which supports the Group Crisis Management Framework, details how the Group engages on social media channels, monitors these channels for risks including misinformation and disinformation, manages any risks which may arise, and guides colleagues on the appropriate use of social media.

The operational risk management framework specifies the activities and tools to be used to ensure operational risks are identified, assessed, mitigated, monitored and reported, including operational risks associated with digital and technology transformation.

Targets / metrics related to technology infrastructure

The Group has processes and controls in place to ensure the effectiveness of its policies and actions in relation to the material impact and risk.

The Group has internal KPIs in place to operationally manage the availability and performance of key IT systems, such as high availability of key systems, which consider several factors associated with the delivery of the Group's products and services and in line with the Group's purpose to help customers thrive.

There are also internal KRIs in place covering areas such as IT service quality or online channel availability, which consider operational failures. The Group continuously monitors these measures and reports on them on a monthly basis. KPIs continue to be measured with a view to demonstrating continuous improvement, and incorporating lessons learned from previous outage incidents.

In relation to social media, the Group Social Media Framework sets out a five-level categorisation model by which potential issues are identified, risk assessed and, if necessary, alerted to the Group.

Appendices

List of disclosure requirements *(Appendices)* BP-2, IRO-2,

Disclosure requirements (DRs) in ESRS covered by the undertaking's Sustainability statement.

Topic	DR	Incorporated by reference	Relevant page number
ESRS 2	BP-1		114
ESRS 2	BP-2		114
ESRS 2	GOV-1	Governance (GOV-1, 21a-21e, 22a, 23a)	54, 118
ESRS 2	GOV-2		118
ESRS 2	GOV-3	Remuneration Report (GOV-3, 29a-29e)	105,108
ESRS 2	GOV-4		217
ESRS 2	GOV-5		120
ESRS 2	SBM-1	Divisional review (SBM-1, 40ai-40aii) Strategic Report (SBM-1, 42b) *(Phase-in applied to SBM-1, 40b and 40c)*	12, 19, 41, 43, 45, 47, 49, 67, 115, 150, 187
ESRS 2	SBM-2	Governance (SBM-2, 45a-45d)	67
ESRS 2	SBM-3	Financial Statements (SBM-3, 48b, 48d)	124, 392
ESRS 2	IRO-1		121, 123
ESRS 2	IRO-2		124
ESRS E1	E1.GOV-3	Remuneration Report (E1.GOV-3, 13)	105
ESRS E1	E1-1		140, 144
ESRS E1	E1.SBM-3		146
ESRS E1	E1.IRO-1		121, 146
ESRS E1	E1-2		158
ESRS E1	E1-3		144, 159
ESRS E1	E1-4		160
ESRS E1	E1-5		174
ESRS E1	E1-6		164
ESRS E1	E1-7		174
ESRS E2[1]	E2.IRO-1		121
ESRS E3[1]	E3.IRO-1		121
ESRS E4[1]	E4.IRO-1		121
ESRS E4[1]	E4.SBM-3		121, 123
ESRS E5[1]	E5.IRO-1		121
ESRS S1	S1.SBM-2	Governance (S1.SBM-2, 12)	69, 180
ESRS S1	S1.SBM-3		124, 180, 184, 186
ESRS S1	S1-1		181, 184, 185, 186
ESRS S1	S1-2		185
ESRS S1	S1-3		186
ESRS S1	S1-4		182, 184
ESRS S1	S1-5		183, 185
ESRS S1	S1-6	Financial Statements (S1-6, 50f)	187, 331
ESRS S1	S1-8		188
ESRS S1	S1-9		189
ESRS S1	S1-10		185
ESRS S1	S1-16		189
ESRS S1	S1-17		190
ESRS S2[1]	S2.SBM-2		121, 123
ESRS S2[1]	S2.SBM-3		121, 123
ESRS S3	S3.SBM-2	Governance (S3.SBM-2, 7)	67
ESRS S3	S3.SBM-3		124, 191, 192

[1] *Non-material topic.*

List of disclosure requirements *(Appendices)* IRO-2 *(continued)*

Topic	DR	Incorporated by reference	Relevant page number
ESRS S3	S3-1		186, 190, 192
ESRS S3	S3-2		197
ESRS S3	S3-3		197
ESRS S3	S3-4	Financial Statements (S3-4, 38)	190, 192, 196, 331
ESRS S3	S3-5		196
ESRS S4	S4. SBM-2	Governance (S4.SBM-2, 8)	68
ESRS S4	S4. SBM-3		124, 126, 198
ESRS S4	S4-1		186, 190, 199, 200, 201, 202
ESRS S4	S4-2		200
ESRS S4	S4-3		203
ESRS S4	S4-4	Financial Statements (S4-4, 28)	190, 199, 200, 201, 202, 392
ESRS S4	S4-5		200, 202
ESRS G1	G1.GOV-1	Governance (G1.GOV-1, 5a-b)	54, 205
ESRS G1	G1.IRO-1		121
ESRS G1	G1-1		184, 186, 205, 206, 207, 208, 209
ESRS G1	G1-2		207
ESRS G1	G1-3		206, 208, 209
ESRS G1	G1-4		207, 209

List of data points deriving from other EU legislation *(Appendices)* IRO-2

List of disclosure requirements and related data points in cross-cutting and topical standards that derive from other EU legislation.

Disclosure requirement and related datapoint	EU Law Reference	Relevant page number
ESRS 2 GOV-1 Board gender diversity paragraph 21 (d)	SFDR, BR	78
ESRS 2 GOV-1 paragraph 21 (e) Percentage of board members who are independent	BR	54
ESRS 2 GOV-4 paragraph 30 Statement on due diligence	SFDR	217
ESRS 2 SBM-1 paragraph 40 (d) i Involvement in activities related to fossil fuel activities	SFDR, P3, BR	n/a - Group has no direct exposure to fossil fuels in energy and extraction
ESRS 2 SBM-1paragraph 40 (d) ii Involvement in activities related to chemical production	SFDR, BR	150
ESRS 2 SBM-1paragraph 40 (d) iii Involvement in activities related to controversial weapons	SFDR, BR	n/a - Group is not active in this sector
ESRS 2 SBM-1paragraph 40 (d) iv Involvement in activities related to cultivation and production of tobacco	BR	n/a - Group is not active in this sector
ESRS E1-1 paragraph 14 Transition plan to reach climate neutrality by 2050	EUCL	140
ESRS E1-1 paragraph 16 (g) Undertakings excluded from Paris-aligned Benchmarks	P3, BR	n/a - Group is not excluded from Paris-aligned benchmarking
ESRS E1-4 paragraph 34 Greenhouse gas (GHG) emission reduction targets	SFDR, P3, BR	160

SFDR: Sustainable Finance Disclosure Regulation I BR: Benchmark Regulation I P3: Pillar 3 Disclosure Regulation I EUCL: EU Climate Law

List of data points deriving from other EU legislation *(Appendices)* IRO-2 *(continued)*

Disclosure requirement and related datapoint	EU Law Reference	Relevant page number
ESRS E1-5 paragraph 38 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	SFDR	n/a - Group is a Financial Institution and does not belong to high climate impact sectors
ESRS E1-5 paragraph 37 Energy consumption and mix	SFDR	174
ESRS E1-5 paragraphs 40 to 43 Energy intensity associated with activities in high climate impact sectors	SFDR	n/a - Group is a Financial Institution and does not belong to high climate impact sectors
ESRS E1-6 paragraph 44 Gross Scope 1, 2, 3 and Total GHG emissions	SFDR, P3, BR	164
ESRS E1-6 paragraphs 53 to 55 Gross GHG emissions intensity	SFDR, P3, BR	164
ESRS E1-7 paragraph 56 GHG removals and carbon credits	EUCL	174
ESRS E1-9 paragraph 66 Exposure of the benchmark portfolio to climate-related physical risks	BR	153
ESRS E1-9 paragraph 66 (c) Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk	P3	153
ESRS E1-9 paragraph 67 (c) Breakdown of the carrying value of its real estate assets by energy-efficiency classes	P3, BR	151
ESRS E2-4 paragraph 28 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	P3	n/a - Not material for the Group
ESRS E3-1 paragraph 9 Water and marine resources	SFDR	n/a - Not material for the Group
ESRS E3-1 paragraph 13 Dedicated policy	SFDR	n/a - Not material for the Group
ESRS E3-1 paragraph 14 Sustainable oceans and seas	SFDR	n/a - Not material for the Group
ESRS E3-4 paragraph 28 (c) Total water recycled and reused	SFDR	n/a - Not material for the Group
ESRS E3-4 paragraph 29 Total water consumption in m3 per net revenue on own operations	SFDR	n/a - Not material for the Group
ESRS 2- SBM 3 - E4 paragraph 16 (a) i	SFDR	n/a - Not material for the Group
ESRS 2- SBM 3 - E4 paragraph 16 (b)	SFDR	n/a - Not material for the Group
ESRS 2- SBM 3 - E4 paragraph 16 (c)	SFDR	n/a - Not material for the Group
ESRS E4-2 paragraph 24 (b) Sustainable land / agriculture practices or policies	SFDR	n/a - Not material for the Group
ESRS E4-2 paragraph 24 (c) Sustainable oceans / seas practices or policies	SFDR	n/a - Not material for the Group
ESRS E4-2 paragraph 24 (d) Policies to address deforestation	SFDR	n/a - Not material for the Group
ESRS E5-5 paragraph 37 (d) Non-recycled waste	SFDR	n/a - Not material for the Group
ESRS E5-5 paragraph 39 Hazardous waste and radioactive waste	SFDR	n/a - Not material for the Group
ESRS 2- SBM3 - S1 paragraph 14 (f) Risk of incidents of forced labour	SFDR	186
ESRS 2- SBM3 - S1paragraph 14 (g) Risk of incidents of child labour	SFDR	186
ESRS S1-1 paragraph 20 Human rights policy commitments	SFDR	186
ESRS S1-1 paragraph 21 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	BR	186

SFDR: Sustainable Finance Disclosure Regulation I BR: Benchmark Regulation I P3: Pillar 3 Disclosure Regulation I EUCL: EU Climate Law

List of data points deriving from other EU legislation *(Appendices)* IRO-2 *(continued)*

Disclosure requirement and related datapoint	EU Law Reference	Relevant page number
ESRS S1-1 paragraph 22 Processes and measures for preventing trafficking in human beings	SFDR	186
ESRS S1-1 paragraph 23 Workplace accident prevention policy or management system	SFDR	186
ESRS S1-3 paragraph 32 (c) Grievance / complaints handling mechanisms	SFDR	186
ESRS S1-14 paragraph 88 (b) and (c) Number of fatalities and number and rate of work-related accidents	SFDR, BR	n/a - Not material for the Group
ESRS S1-14 paragraph 88 (e) Number of days lost to injuries, accidents, fatalities or illness	SFDR	n/a - Not material for the Group
ESRS S1-16 paragraph 97 (a) Unadjusted gender pay gap	SFDR, BR	189
ESRS S1-16 paragraph 97 (b) Excessive CEO pay ratio	SFDR	189
ESRS S1-17 paragraph 103 (a) Incidents of discrimination	SFDR	190
ESRS S1-17 paragraph 104 (a) Non-respect of UNGPs on Business and Human Rights and OECD Guidelines	SFDR, BR	190
ESRS 2- SBM3 – S2 paragraph 11 (b)Significant risk of child labour or forced labour in the value chain	SFDR	n/a - Not material for the Group
ESRS S2-1 paragraph 17 Human rights policy commitments	SFDR	n/a - Not material for the Group
ESRS S2-1 paragraph 18 Policies related to value chain workers	SFDR	n/a - Not material for the Group
ESRS S2-1 paragraph 19 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	SFDR, BR	n/a - Not material for the Group
ESRS S2-1 paragraph 19 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	BR	n/a - Not material for the Group
ESRS S2-4 paragraph 36 Human rights issues and incidents connected to its upstream and downstream value chain	SFDR	n/a - Not material for the Group
ESRS S3-1 paragraph 16 Human rights policy commitments	SFDR	186
ESRS S3-1 paragraph 17 Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines	SFDR, BR	190
ESRS S3-4 paragraph 36 Human rights issues and incidents	SFDR	190
ESRS S4-1 paragraph 16 Policies related to consumers and end-users	SFDR	131
ESRS S4-1 paragraph 17 Non-respect of UNGPs on Business and Human Rights and OECD guidelines	SFDR, BR	190
ESRS S4-4 paragraph 35 Human rights issues and incidents	SFDR	190
ESRS G1-1 paragraph 10 (b) United Nations Convention against Corruption	SFDR	n/a - policy in place
ESRS G1-1 paragraph 10 (d) Protection of whistle- blowers	SFDR	n/a - policy in place
ESRS G1-4 paragraph 24 (a) Fines for violation of anti-corruption and anti-bribery laws	SFDR, BR	209
ESRS G1-4 paragraph 24 (b) Standards of anti- corruption and anti-bribery	SFDR	n/a - no breaches

SFDR: Sustainable Finance Disclosure Regulation I BR: Benchmark Regulation I P3: Pillar 3 Disclosure Regulation I EUCL: EU Climate Law

Statement of due diligence *(Appendices)* Gov-4

The Group has various due diligence processes embedded in the Group's Governance, Strategy and Business Model ensuring that affected stakeholders are engaged to manage the material negative impacts. There were two material negative impacts identified as part of the DMA relating to Climate Change (E1-Impact 4) and Digital Banking (Digital Banking-Impact 1), see page 126 for details. Core elements of due diligence to cater to adverse impacts are highlighted below:

Core elements of due diligence	Relevant European Sustainability Reporting Standards paragraph	Page number
Embedding due diligence in Governance, Strategy and Business Model	ESRS 2 GOV-2, ESRS 2 GOV-3, ESRS 2 SBM-3	103, 118, 124
Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 GOV-2, ESRS 2 SBM-2, ESRS 2 IRO-1	118, 121
Identifying and assessing adverse impacts	ESRS 2 IRO-1, ESRS 2 SBM-3	121, 124
Policies to address those adverse impacts	ESRS E1-2, Entity Specific Topic (Digital Banking)	158, 212
Taking actions to address those adverse impacts	ESRS E1-3, Entity Specific Topic (Digital Banking)	159, 212
Tracking the effectiveness of these efforts	ESRS E1-4, Entity Specific Topic (Digital Banking)	160, 212

Statement of Directors' Responsibilities
for the Sustainability Statement

Responsibilities for the Sustainability Statement

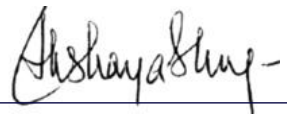
The Directors of the Group are responsible for preparing the Sustainability Statement in accordance with the relevant criteria, contained in the applicable sustainability reporting framework being part 28 of the Companies Act 2014, the ESRS; the Taxonomy Regulations and any additional criteria used by the Group to supplement and / or interpret the sustainability reporting framework criteria; and including the Sustainability Statement in a clearly identifiable dedicated section of the Report of the Directors. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short, medium, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds;
- when relevant, using reasonable assumptions and estimates in preparing the Sustainability Statement. This includes the selection of different but acceptable estimation, approximation or forecasting techniques about forward-looking information;
- disclosing and reporting our double materiality assessment process in the Sustainability Statement in accordance with ESRS;
- ensuring that the Group maintains adequate records in relation to the preparation of the Sustainability Statement;
- disclosing that the scope of consolidation for the Sustainability Statement is the same as for the financial statements and disclosed to what extent the Sustainability Statement covers the Group's upstream and downstream value chain ('the reporting boundary');
- including material value chain information that meets the qualitative characteristics set out in ESRS in the Sustainability Statement when required by ESRS;
- appropriately referring to and describing the applicable criteria used;
- identifying the quantitative metrics and monetary amounts disclosed in the Sustainability Statement that are subject to a high level of measurement uncertainty;
- disclosing established targets, goals and other performance measures, and implementing actions to achieve such targets, goals and performance measures;
- describing the implemented due diligence process in respect to sustainability matters of the Group; and
- reporting and preparing forward-looking information, when applicable, on the basis of disclosed assumptions about events that may occur in the future and possible future accounts by the Group.

The Directors are also responsible for designing, implementing and maintaining such internal controls that they determine are relevant to enable the preparation of the Sustainability Statement in accordance with Part 28 of the Companies Act 2014 that is free from material misstatement, whether due to fraud or error.

Signed on behalf of the Board by

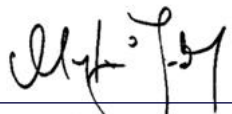
27 February 2026



Akshaya Bhargava
Chairman



Michele Greene
Deputy Chair



Myles O'Grady
Group Chief Executive Officer

Independent Practitioner's Limited Assurance Report

to the Directors of Bank of Ireland Group plc

Limited Assurance Report on the Sustainability statement

Our limited assurance conclusion

We have performed a limited assurance engagement on the sustainability reporting set out in the Sustainability statement (hereafter referred to as the 'Sustainability statement') of Bank of Ireland Group Plc and its consolidated undertakings (the 'Group'), included in section 'Sustainability statement' on pages 113 to 217, which is a dedicated section of the Report of the Directors of the Group for the year ended 31 December 2025, prepared in accordance with Part 28 of the Companies Act 2014.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Group's Sustainability statement for the year ended 31 December 2025 is not prepared, in all material respects, in accordance with Part 28 of the Companies Act 2014, including:

- the compliance of the Sustainability statement with the European Sustainability Reporting Standards (ESRS);
- the process carried out by the Group to identify material sustainability related impacts, risks, and opportunities in accordance with ESRS;
- the compliance with the reporting requirements of Article 8 of Regulation (EU) 2020/852 (the 'Taxonomy Regulations'); and
- compliance with the requirement to mark up the Sustainability statement in accordance with Section 1600 of the Companies Act 2014.

Basis for our conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) (Ireland) 3000, as adopted by the Irish Auditing and Accounting Supervisory Authority (IAASA). Our responsibilities under this standard are further described in the section titled 'Our responsibilities' in this report.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Any internal control structure, no matter how effective, cannot eliminate the possibility that fraud, errors or irregularities may occur and remain undetected and because we use selective testing in our engagement, we cannot guarantee that all errors or irregularities, if present, will be detected.

The Sustainability statement includes prospective information such as ambitions, strategy, plans, expectations and estimates. Prospective information relates to events and actions that have not yet occurred and may never occur. We do not provide any assurance on the assumptions and achievability of this prospective information.

Our responsibilities under this standard are further described in the section titled 'Our responsibilities' in this report.

We have fulfilled our ethical responsibilities under, and we remained independent of the Group in accordance with, ethical requirements applicable in Ireland, including the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), the independence requirements of the Companies Act 2014 and the Code of Ethics issued by Chartered Accountants Ireland that are relevant to our limited assurance engagement of the Sustainability statement in Ireland.

Our firm applies International Standard on Quality Management (ISQM) 1 (Ireland), Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the IAASA. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other matter – Compliance with the requirement to mark-up the Sustainability statement

We note that Section 1613(3)(c) of the Companies Act 2014 requires us to report on the compliance by the Group with the requirement to mark-up the Sustainability statement in accordance with Section 1600 of that Act. Section 1600 of the Companies Act 2014 requires that the Directors' Report is prepared in the electronic reporting format specified in Article 3 of Delegated Regulation (EU) 2019/815 and shall mark-up the Sustainability statement. However, at the time of issuing our limited assurance report, the electronic reporting format has not been specified nor become effective by Delegated Regulation. Consequently, the Group is not required to mark-up the Sustainability statement. Our conclusion is not modified in respect of this matter.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the unassured parts of the Strategic Report on pages 3 to 26, the unassured parts of the Operating and financial review on pages 27 to 50, the unassured parts of the Governance section on pages 51 to 111, the unassured parts of the Sustainability section on page 112 to 222, the Risk Management Report on pages 223 to 277, the unassured parts of the Financial Statements on pages 278 to 435, and the unassured parts of the Other Information on pages 436 to 481.

The Sustainability statement and our Limited Assurance Report thereon do not comprise part of the other information. Our limited assurance conclusion on the Sustainability statement does not cover the other information and we do not express any form of assurance conclusion thereon.

Independent Practitioner's Limited Assurance Report to the Directors of Bank of Ireland Group plc *(continued)*

Responsibilities for the Sustainability statement

As explained more fully in the Statement of Directors' Responsibilities for the Sustainability statement, the Directors of the Group are responsible for:

- preparing, measuring, presenting and reporting the Sustainability statement in accordance with the relevant criteria, contained in the applicable sustainability reporting framework being the ESRS, Part 28 of the Companies Act 2014; the Taxonomy Regulations; the requirement to mark up the Sustainability statement in accordance with Section 1600 of the Companies Act 2014; and any additional criteria used by the Group to supplement and / or interpret the sustainability reporting framework criteria; and
- developing, implementing and reporting its double materiality assessment process to identify the information reported in the Sustainability statement in accordance with ESRS and for disclosing this process in the Sustainability statement. This responsibility includes identifying and engaging with the Group's stakeholders as identified in the Group's double materiality assessment process (stakeholders) to understand their information needs.

Inherent limitations in preparing the Sustainability statement

We obtained limited assurance over the preparation of the Sustainability statement in accordance with the Companies Act 2014. Inherent limitations exist in all assurance engagements.

There are inherent limitations regarding the measurement or evaluation of the Sustainability statement subject to limited assurance, which have been set out below:

- estimates, approximations and/ or forecasts used by the Group in preparing and presenting their Sustainability statement are subject to significant inherent uncertainty. The extent to which the Sustainability statement contains, qualitative, quantitative, objective, subjective, historical and prospective disclosures, also represents a significant degree of uncertainty. The selection by management of different but acceptable estimation, approximation or forecasting techniques, could have resulted in materially different amounts or disclosures being reported. For the avoidance of doubt, the scope of our engagement and our responsibilities did not involve us performing work necessary for any assurance on the reliability, proper compilation, or accuracy of the prospective information;
- certain metrics reported within the Sustainability statement may be subject to inherent limitations, for example, value chain information relating to emissions data provided by third parties;
- where estimated, approximated and / or forecast information is provided by management in respect of value chain information, the verification or benchmarking of this information is subject to a high degree of uncertainty and the actual value chain information may be different to the estimated, approximated or forecast value chain information provided by management;
- when applicable, as described in your disclosures relating to ESRS E1 Climate Change, GHG emissions quantification is subject to significant inherent measurement uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values to combine emissions of different gases. Greenhouse gas quantification is unavoidably subject to significant inherent uncertainty as a result of both scientific and estimation uncertainty. Estimation uncertainty can arise because of:
  - the inherent uncertainty in quantifying inputs, such as activity data and emission factors, that are used in mathematical models to estimate emissions (measurement uncertainty);
  - the inability of such models to precisely and accurately characterise under all circumstances the relationships between various inputs and the resultant emissions (model uncertainty); and
  - the fact that uncertainty can increase as emission quantities with different levels of measurement and calculation uncertainty are aggregated (aggregation uncertainty).
- the Group developed additional criteria used to supplement and/or interpret the sustainability reporting framework criteria, referred to in the Basis of Preparation, the nature of the sustainability matters, and absence of consistent external standards allow for different, but acceptable, measurement methodologies to be adopted which may result in variances between entities. The adopted measurement methodologies may also impact the comparability of sustainability matters reported by different organisations and from year to year within an organisation as methodologies develop.

Our responsibilities

Our objectives are to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability statement in scope of our conclusion, is free from material misstatement, whether due to fraud or error, and to issue a Limited Assurance Report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users on the basis of the Sustainability statement.

As part of a limited assurance engagement in accordance with ISAE (Ireland) 3000, we exercise professional judgment and maintain professional scepticism throughout the engagement. We also:

- perform risk assessment procedures, including obtaining an understanding of internal controls relevant to the engagement, to identify disclosures where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control;
- design and perform procedures responsive to where material misstatements are likely to arise in the Sustainability statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- design and perform procedures to evaluate whether the Sustainability statement has been prepared in accordance with the ESRS, which includes the process carried out by the Group to identify material sustainability related impacts, risks and opportunities;

Independent Practitioner's Limited Assurance Report to the Directors of Bank of Ireland Group plc *(continued)*

- design and perform procedures to evaluate whether the Sustainability statement has been prepared in compliance with the Taxonomy Regulations; and
- with respect to our conclusion in respect to the Group's reporting obligations and responsibility to mark up the Sustainability statement in accordance with Section 1600 of the Companies Act 2014, we assess whether we have become aware of anything to suggest that the Sustainability statement has not been prepared, in all material respects in this specified format. However, as explained in the 'Other matter- Compliance with the requirement to mark-up the Sustainability statement' section of our assurance report, the Group is not currently required to mark-up the Sustainability statement.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability statement. The nature, timing and extent of procedures selected depend on professional judgment, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the Sustainability statement.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and depend on professional judgment, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the Sustainability statement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

In conducting our limited assurance engagement, the procedures we have performed included the following:

- obtaining an understanding of the Sustainability statement reporting process performed by the Group, including the preparation of the Sustainability statement.
- obtaining an understanding of the Group's double materiality assessment process for 2025 by performing inquiries to understand the sources of the information used by management and reviewing the Group's internal documentation of this process; and evaluating whether the evidence obtained from our procedures about the Group's process is consistent with the description of the process set out in the Sustainability statement;
- performing risk assessment procedures to understand the Group and identify risks of material misstatement;
- designing and performing further assurance procedures (which included inquiries, analytical procedures and tests of detail) to respond to the identified risks of material misstatement;
- obtained an understanding of the Group's process for calculating Financed Emissions and performed tests of detail for a sample of counterparties;
- obtained an understanding of the Group's process to identify taxonomy eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability statement;
- performed substantive limited assurance procedures on selected information with respect to the EU taxonomy disclosures; and
- evaluating the overall presentation of the Sustainability statement, and considering whether the Sustainability statement as a whole, including the sustainability matters and disclosures, is disclosed in accordance with the applicable criteria.

The purpose of our limited assurance work and to whom we owe our responsibilities.

Our report is made solely in accordance with Section 1613 of the Companies Act 2014 to the Directors of the Group.

Our assurance work has been undertaken so that we might state to the Directors those matters we are required to state to them in a limited assurance report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and its Directors, as a body, for our limited assurance work, for this report, or for the conclusions we have formed.



Conor Holland

For and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm
1 Harbourmaster Place, IFSC
Dublin 1, D01 F6F5
Ireland

27 February 2026

Taskforce for Climate-related Financial Disclosure compliance statement

In line with our 'comply or explain' obligations under the UK's Financial Conduct Authority's Listing Rules, the Group can confirm that it has made disclosures consistent with the Task Force for Climate-related Financial Disclosure (TCFD) recommendations and recommended disclosures. While not contained in a separate TCFD report, the requirements are covered through the Group's CSRD disclosures, per the reference table below.

TCFD - Recommendations and supporting disclosures	Page
Governance	
Disclose the company's governance around climate-related risks and opportunities.	
• Describe the board's oversight of climate-related risks and opportunities.	118
• Describe management's role in assessing and managing climate-related risks and opportunities.	150, 155
Strategy	
Disclose the actual and potential impacts of climate-related risks and opportunities on the company's businesses, strategy, and financial planning where such information is material.	
• Describe the climate-related risks and opportunities the company has identified over the short, medium, and long term.	126, 127
• Describe the impact of climate-related risks and opportunities on the company's businesses, strategy, and financial planning.	146
• Describe the resilience of the company's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	146
Risk Management	
Disclose how the company identifies, assesses, and manages climate- related risks.	
• Describe the company's processes for identifying and assessing climate-related risks.	121, 147, 150
• Describe the company's processes for managing climate-related risks.	150
• Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the company's overall risk management.	146, 147
Metrics & targets	
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	
• Disclose the metrics used by the company to assess climate-related risks and opportunities in line with its strategy and risk management process.	105, 142
• Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG, and the related risks.	164
• Describe the targets used by the company to manage climate-related risks and opportunities and performance against targets.	160

Non-financial information statement

The policies and management of key non-financial matters are outlined in the Group's Strategic Report, the Sustainability statement, the Risk Management Report and Corporate Governance statement.

Risk Management Report

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The information in sections or paragraphs denoted as audited in sections 3.2, 3.4, 3.5, 3.6 and 3.7 and all the tables (except those denoted unaudited) in the Risk Management Report form an integral part of the audited financial statements as described in the basis of preparation in note 1 to the financial statements.

All other information, including charts and graphs, in the Risk Management Report is additional disclosure and does not form an integral part of the audited financial statements.

1 Principal Risks and Uncertainties

Principal risks and uncertainties facing the Group are set out below. For many of the risks, the allocation of capital against potential loss is a key mitigant; other mitigating considerations include those outlined below.

This summary should not be regarded as a complete and comprehensive statement of all potential risks, uncertainties or mitigants; nor can it confirm that the mitigants would apply to fully eliminate or reduce the corresponding principal risks (including the impact of risk drivers). ESG factors represent a common risk driver across the Group's principal and sub risk types. Additionally, other factors not yet identified, or not currently material, may adversely affect the Group.

Business and strategic risk *(Section 3.1)*

Business and strategic risk is the risk of not delivering the agreed strategy and business and financial targets designed to ensure the long-term sustainability of the Group's businesses. This can be as a result of internal or external factors, e.g. implementing a strategy that does not support the Group's target outcomes, inadequate planning or implementation of the strategy, changes in the external environment or economic factors.

Key points

- The 2026 to 2028 Group Strategic Plan will build on the momentum from the 2023 to 2025 Group Strategic Plan, ensuring strong performance and strategic execution, intended to future proof the business model for the medium term.
- The evolving competitive landscape, accelerated digitisation, advances in artificial intelligence, changing consumer and business behaviours impact on the Group's business model and strategic risk. The Group has a number of programmes underway to support its strategic aims and improve the risk profile but this can lead to increased risk as the programmes are executed.
- There is ongoing caution relating to macroeconomic conditions and geopolitical uncertainties. Whilst inflation has moderated, interest rates have levelled off in the Eurozone and are reducing in the UK, ongoing conflicts, trade tensions and shifting international alliances have resulted in overall geopolitical tensions.
- The potential impacts of these macroeconomic and geopolitical, and potential wider international trade dynamics, represent a risk to the Group in its markets and this could manifest in adverse impacts to pricing, customer confidence and credit demand, collateral values, and customers' ability to meet their financial obligations.
- The Group is committed to protecting and growing its Irish franchise, meeting the future needs of its customers through its wealth business, complementary UK and international businesses, enabled by a simplified and scalable operating model and supported by Group-wide capabilities.

Key mitigating considerations

- The Group has a Board approved Strategic Plan in place for the period 2026 to 2028 setting out the 3 year business plan with clear objectives to achieve, as well as Board approved risk appetite limits.
- The Group strategy is supported by business divisional strategies and key enabling strategies across the Group's functions which have been reviewed, challenged, and endorsed by the Board, the delivery of which will be monitored on an ongoing basis.
- On an annual basis, the Board reviews the Group's strategic objectives and key underlying assumptions to confirm that the strategic shape and focus of the Group remains appropriate.
- The Board also receives regular deep dive presentations on key aspects of the Group's strategy and regular updates on performance against strategic objectives by way of the Group OKRs dashboard.
- The Board receives comprehensive reports setting out business and financial performance relative to plan, financial projections and capital and liquidity plans. The Board's business, financial and risk considerations are further informed by regular economic updates, together with updates on developments relevant to the Group's franchises, operations, customers, colleagues, and other business activities.
- The Portfolio Management Office provides Group-wide portfolio oversight capability to support delivery execution and leverage enterprise wide opportunities.
- The current status of business and strategic risk, including risk dashboards and risk appetite compliance, is reported through the Board Risk Report on a monthly basis.

1 Principal Risks and Uncertainties *(continued)*

Capital adequacy risk *(Section 3.2)*

Capital adequacy risk is the risk that the Group does not hold sufficient capital to i) remain compliant with regulatory capital requirements; ii) support its business and medium-term strategic objectives; and iii) absorb losses should unexpected events occur. While principal risks impact on the Group's capital adequacy to some extent, capital adequacy is primarily impacted by significant increases in credit risk or risk weighted assets (RWAs), materially worse than expected financial performance and changes to minimum regulatory requirements.

Key points

- CET1 ratio of 15.1% at 31 December 2025.
- The Group is required to maintain a minimum CET1 ratio of 11.38% at 31 December 2025:
  - this includes a Pillar 1 requirement of 4.5%, a Pillar 2 requirement (P2R) of 1.35%, a capital conservation buffer (CCB) of 2.5%, an Other Systemically Important Institutions (O-SII) buffer of 1.5% and a countercyclical buffer of 1.53%.
- Total capital ratio of 20.3% at 31 December 2025.
- Leverage ratio of 6.9% at 31 December 2025.
- MREL ratio of 31.6% at 31 December 2025 is c.303bps above the Group's MREL requirement of 28.56%.

Key mitigating considerations

- The Group closely monitors capital and leverage ratios to ensure all regulatory requirements and internal targets are met. In addition, these metrics are monitored against the Board approved Risk Appetite Statement and suite of Recovery Indicators.
- Comprehensive stress tests / forward-looking ICAAP financial projections are prepared, reviewed, and challenged by the Board to assess the adequacy of the Group's capital, liquidity and leverage positions.
- The Group has a contingency capital plan which sets out the framework and reporting process for identifying the emergence of capital concerns and potential options to remediate same.

Pension risk

Key points

- To the extent that any of the Group sponsored defined benefit pension schemes are in deficit under the IAS 19 accounting definition, the Group is required to set aside capital to mitigate these risks.
- The defined benefit pension schemes are subject to market fluctuations and these movements on schemes in deficit impact on the Group's capital position, particularly the Group's CET1 capital ratio, which amongst other things, could impact on the Group's distribution capacity. See note 42 retirement benefit obligations.
- Two of the Group's schemes were in deficit at 31 December 2025, impacting capital by c.1bps.

Key mitigating considerations

- Board approved risk appetite limits.
- To help manage pension risk, defined benefit schemes were closed to new entrants in 2007 and a new hybrid scheme (which included elements of defined benefit and defined contribution) was introduced for new entrants to the Group. The hybrid scheme was subsequently closed to new entrants in 2014 and a new defined contribution scheme was introduced for new entrants to the Group from that date.
- In addition, the Group implemented two Pension Review programmes in 2010 and 2013 resulting in significant restructuring of defined benefit scheme benefits which were accepted by unions and by staff through individual staff member consent.
- In return for the deficit reduction achieved through these programmes, the Group also agreed to increase its support for the schemes, above existing arrangements, so as to broadly match the IAS 19 deficit reduction arising from the benefit changes and to facilitate a number of de-risking initiatives.
- The Group monitors on an ongoing basis the opportunities at an appropriate cost to increase the correlation between the assets and liabilities of the scheme.
- De-risking over recent years has resulted in a reduction in the sensitivity of the Group's pension schemes to movements in interest rates, inflation and equities.
- The Group's net defined benefit position is a surplus of €0.9 billion at 31 December 2025.

1 Principal Risks and Uncertainties *(continued)*

Conduct risk *(Section 3.3)*

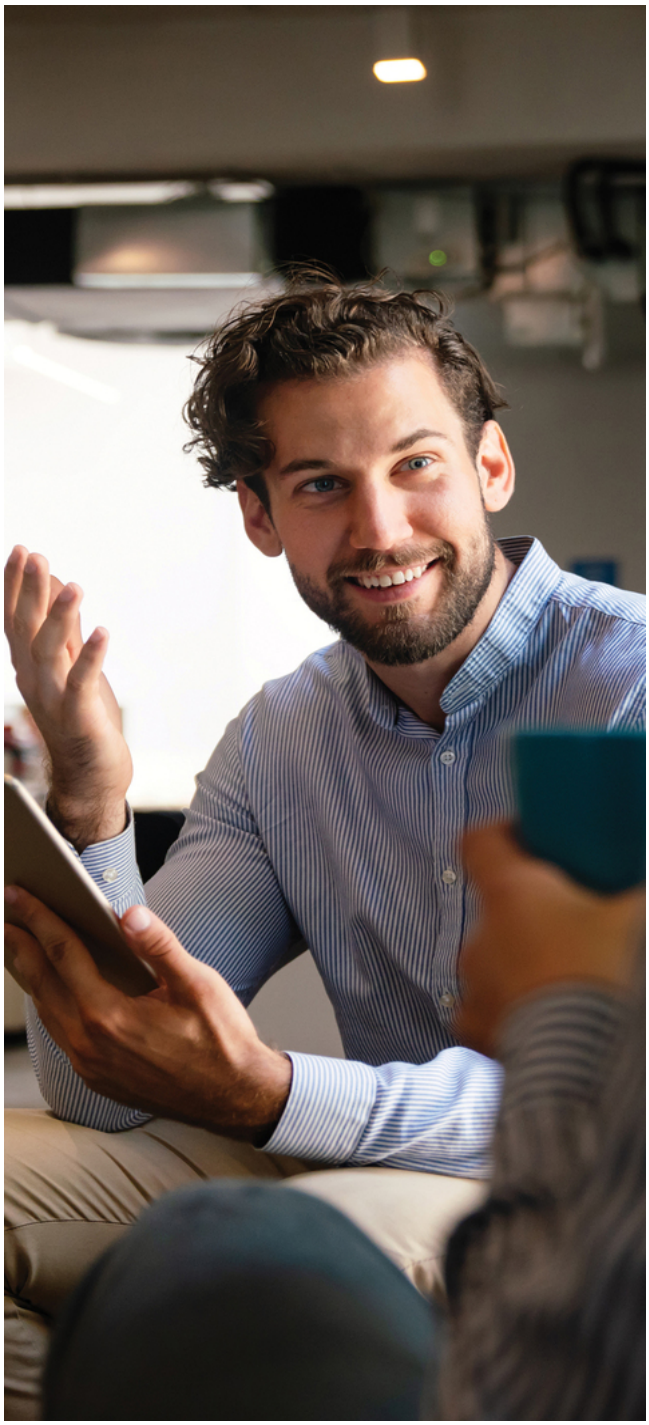
Conduct risk is the risk of poor outcomes for, or harm to, customers, clients and markets, arising from the delivery of the Group's products and services. The Group is exposed to conduct risk as a consequence from all the activities that the Group engages in during the normal conduct of its business. These risks may materialise from failures to comply with regulatory requirements or expectations, as an outcome of risk events in other principal risk categories, from changes in external market expectations or conditions, provision of products and services and the various activities performed by staff, contractors and third party suppliers. Conduct risk includes market integrity, customer protection, financial crime, and data privacy risks.

Key points

- During 2025, regulatory oversight by supervisory bodies continued to focus on a number of the key conduct risk areas, including regulatory compliance, remediation of consumer impacting errors, wholesale market conduct risk and financial crime compliance.
- The heavy regulatory agenda impacting conduct risk is expected to continue in 2026 with the completion of implementation of the revised 2025 Central Bank of Ireland Consumer Protection Code by the March 2026 deadline, the ongoing management of Russian Sanctions Packages, the implementation of the EBA Restrictive Measure Guidelines and the EU AML Package all being key areas of focus. The Group will maintain its focus on continuing compliance with the existing regulatory requirements of the jurisdictions in which it operates and that its products and services continue to meet the expectations of customers, clients, and markets.
- Regulators continue to conduct supervisory thematic investigations and examinations including on an industry wide basis from time to time.

Key mitigating considerations

- Board approved Risk Appetite Statement supported by a suite of risk metrics which inform the Conduct risk profile.
- A suite of policies are in place for the management of conduct risk across the Group. Requirements for risk mitigation for each risk are outlined in the respective risk policies and procedures.
- Group-wide processes are in place to identify, assess, and implement key conduct requirements.
- Processes are in place to identify, assess, manage, monitor and report conduct risks as well as controls to mitigate those risks.
- Regular status updates and monitoring at senior levels in the Group including reporting to the BRC and the Board.
- Processes in place to support the reporting, investigation, resolution and remediation of incidents of non-compliance.
- Group-wide education and training is in place.



1 Principal Risks and Uncertainties *(continued)*

Credit risk *(Section 3.4)*

Credit risk is the risk of loss resulting from a counterparty being unable to meet its contractual obligations to the Group in respect of loans or other financial transactions, or any other deterioration in a counterparty's creditworthiness. This risk includes debt underwriting risk, loan origination risk, credit concentration risk, cross-border transfer risk, credit quality deterioration risk, default risk, and collateral valuation risk. Credit risk arises from loans and advances to customers and from certain other financial transactions such as those entered into by the Group with financial institutions, sovereigns, and state institutions.

Key points

- While the domestic Irish economy continues to demonstrate economic resilience, downside credit risks remain in the Group's key markets reflecting international economic uncertainty associated with heightened geopolitical risk.
- Total loans and advances to customers (before impairment loss allowance) at amortised cost increased to €83.5 billion at 31 December 2025 from €83.4 billion at 31 December 2024. Positive net new lending in the period, particularly in the RoI mortgage portfolio, was offset by the combined impacts of NPE disposals, net redemptions and utilisation of impairment loss allowances.
- The Group's asset quality remains robust despite the impact of elevated international economic uncertainty and geopolitical risk. NPEs have reduced in the period from €1.9 billion to €1.8 billion, with the emergence of new defaults in corporate portfolios, primarily the US Acquisition Finance portfolio reflecting weaker US economic performance, offset by the execution of resolution strategies including the disposal of a pool of UK Mortgage non-performing loans and resolution activity in the corporate portfolio. The volume of assets in stage 2 reduced from €10.5 billion to €8.9 billion reflecting the updated FLI, individually assessed risk ratings, credit risk assessments, impairment methodology updates and other portfolio activity (including net repayments / redemptions in the period).
- Total net impairment loss on financial instruments of €192 million (includes €1 million impairment gain recognised as non-core) compared to a prior year loss of €107 million. The overall loss reflects a net loss of c.€64 million from portfolio activity (net of reimbursement asset movements, primarily related to the corporate loan portfolio, of €111 million arising from financial guarantee contracts); a €50 million net loss from the application of post-model management adjustments at 31 December 2025; and a €78 million net loss arising from impairment model updates incorporating the change in the macroeconomic outlook.

Key mitigating considerations

- Board approved Group Credit Risk Policy and risk appetite limits, including credit category limits, together with a framework for cascade to businesses and portfolios.
- Exposure limits for credit concentration risk.
- Defined credit processes and controls, including related credit risk policies, independent credit risk assessment and defined authority levels for sanctioning lending.
- Processes to monitor compliance with policies and limits.
- Enhanced management of credit risk associated with customers experiencing financial difficulty (as detailed on page 256 of the Risk Management Report).
- Dedicated structures focused on the management of customers in financial difficulty.
- FLI process which considers the impacts of geopolitical risk and tariff outcomes in both FLI scenarios and associated probability weights.
- Management overlay framework which considers credit risks which may require in-model adjustments, post-model adjustments and/or significant increase in credit risk assessments.

1 Principal Risks and Uncertainties *(continued)*

Funding and liquidity risk *(Section 3.5)*

Funding and liquidity risk is the risk that the Group will experience difficulty in financing its assets and / or meeting its contractual payment obligations as they fall due, or will only be able to do so at substantially above the prevailing market cost of funds.

Liquidity risk arises from the differences in timing between cash inflows and outflows. Cash inflows are driven by, amongst other things, the maturity structure of loans and investments held by the Group, while cash outflows are driven by items such as the term maturity of debt issued by the Group and outflows from customer deposit accounts.

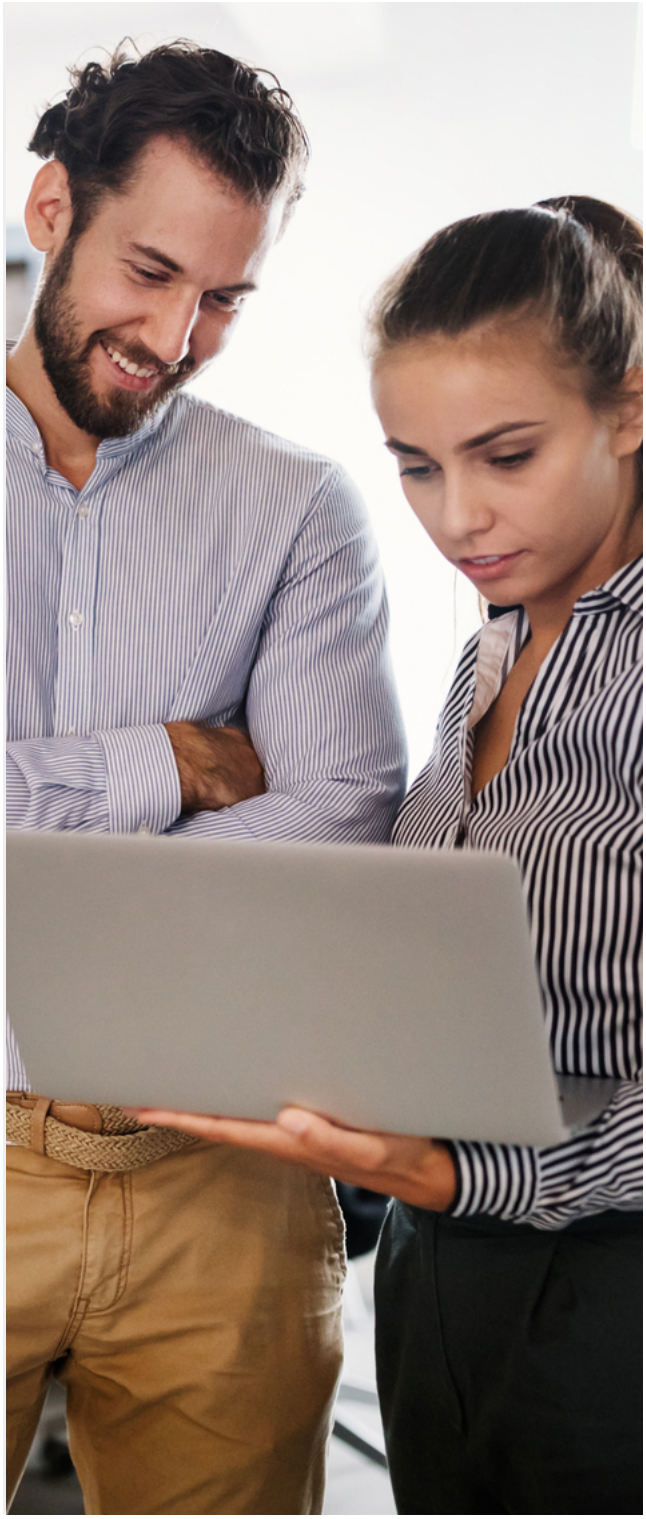
Funding risk can occur where there is an over-reliance on a particular type of funding, a funding gap, or a concentration of wholesale funding (including securitisations) maturities. The Group funds an element of its sterling balance sheet in part from Euro (via cross currency derivatives), which creates an exposure to the cost of this hedging.

Key points

- Group customer deposit volumes of €107.5 billion were €4.4 billion higher than 31 December 2024, predominantly driven by an increase in Retail Ireland volumes of €4.4 billion and an increase in Corporate and Commercial volumes of €0.1 billion, offset by a decrease in Retail UK balances of €0.1 billion due to sterling weakening against the euro. On a constant currency basis, Retail UK volumes increased by €0.7 billion (£0.6 billion) (see page 471 for further information on alternative performance measures).
- The Group's loan to deposit ratio (LDR) at 31 December 2025 was 77% (2024: 80%).
- The Group's LCR at 31 December 2025 was 191% (2024 restated[1]: 198%). The Group's NSFR at 31 December 2025 was 156% (2024: 155%).

Key mitigating considerations

- Board approved risk appetite limits.
- Group Funding and Liquidity Risk Policy, procedures and methodologies.
- Comprehensive liquidity monitoring framework.
- Annual Board approved forward-looking ILAAP.
- Strategic plan articulating and quantifying deposit projections, wholesale funding and lending projections for all divisions.
- Contingency Funding Plan and Recovery Plan in place with annual updates.
- Maintenance of liquid assets and contingent liquidity available for use with market counterparties and / or in liquidity operations offered by Monetary Authorities.
- The maturity profile of the Group's cross currency derivative hedging is broadly spread over 5 years.



[1] *The comparative figure for the Liquidity Coverage Ratio has been restated following a refinement of the calculation of certain outflows totalling €0.3 billion. As a result, the LCR decreased by 4 percentage points, from 202% to 198%.*

1 Principal Risks and Uncertainties *(continued)*

Life insurance risk *(Section 3.6)*

Life insurance risk is the risk of unexpected variation in the amount and timing of claims associated with insurance benefits.

This variation, arising from changing customer mortality, life expectancy, health, or behavioural characteristics, may be short or long-term in nature. Life insurance risk arises from the Group's life insurance subsidiary, NIAC selling life insurance products in the Irish market.

Key points

- NIAC remains focused on the Irish insurance market, selling a core suite of products across a range of distribution channels, including the BoI customer base. The risk profile in respect of life insurance risk is largely stable. The processes of appropriate underwriting at both the new business and claims stages, as well as reinsuring a proportion of the life insurance risk written, all remain principal risk management tools.
- The 2025 ORSA has been completed and reported to the NIAC Board. The process confirmed the robustness of NIAC's financial position in the face of extreme but plausible adverse scenarios.
- NIAC maintains sufficient capital and liquid resources to enable it to meet cash flows associated with establishing and maintaining a portfolio of life insurance business. Available resources have been tested for adequacy under a wide range of adverse sensitivities and scenarios, with no significant weaknesses identified. The capital structure is consistent with its risk profile.
- Experience in 2025 was stable and broadly in line with assumptions.

Key mitigating considerations

- Board approved risk appetite limits.
- Underwriting standards and limits are in place and apply throughout the policy lifecycle from risk acceptance to claim settlement.
- Reinsurance is used to manage the volatility from both individual claims and aggregate risk exposures. Coverage is placed with a diversified list of approved counterparties. High levels of reinsurance act as a significant mitigant if there were adverse mortality developments, together with the diversification effect of mortality and longevity risk.
- The sensitivity of the Group's exposure to life insurance risk is assessed regularly and appropriate levels of capital are held to meet ongoing capital adequacy requirements.
- A range of sensitivities and scenario tests are performed as part of the annual ORSA process.
- Management undertakes a rigorous analysis of claims and persistency experience on a regular basis and monitors these against the assumptions in its valuation and pricing bases so that these can be adjusted to reflect experience. Management undertakes pro-active operational initiatives in order to manage persistency risk.

Market risk *(Section 3.7)*

Market risk is the risk of loss arising from movements in interest rates, FX rates, equity, credit spreads or other market prices.

Market risk includes market risk in the trading book, market risk in the banking book, and market risk in the life business and is made up of discretionary risk, structural interest rate risk in the banking book (IRRBB) risk, credit spread risk, risks from the transaction of financial instruments for customers, structural FX risk, and securities underwriting risk. Market risk arises in the balance sheet which contains assets and liabilities linked to a benchmark market rate or an administered rate (structural basis risks), in the Group's business mix, predominantly retail and corporate lending activity, discretionary risk taking in interest rate, credit and equity markets and in the Group's bond portfolio which is subject to the impact of changes in the spread between bond yields and swap rates. The market risk profile of the Group may, in addition to the above risks which arise in the usual course of a business cycle, be impacted by shifts in market volatility as a result of external factors. Earnings for NIAC are also indirectly exposed to changes in equity and property markets through fee income generated on unit-linked customer investments.

The Group permits discretionary risk taking activity in Davy's Capital Markets business. Discretionary risk arises through market-making, whereby positions can be held to facilitate client orders.

Structural market risk arises from the presence of non-interest bearing liabilities (equity and some current accounts), the multi-currency nature of the Group's balance sheet and changes in the volume of impaired assets and the floating interest rates to which the Group's assets and liabilities are linked.

Key points

- The VaR arising from discretionary risk and residual gap risk remained at relatively low levels during 2025.
- With the exception of market basis risks, the Group manages structural market risks arising from interest rate and FX positions according to passive Asset Liability Management conventions, which are regularly reviewed by the Asset and Liability Committee.

Key mitigating considerations

- Board approved risk appetite limits.
- Group Market Risk Policy.
- Comprehensive framework for monitoring compliance with the Board's market risk appetite limits, more granular market risk limits and other controls.
- The Group substantially reduces its market risk through hedging in external markets.
- VaR and extensive stress testing of market risks.

1 Principal Risks and Uncertainties *(continued)*

Model risk *(Section 3.8)*

Model Risk is the risk of potential adverse consequences due to model design or implementation errors or the inappropriate use of model outputs. The Group uses models to inform business and credit decisions; for transaction monitoring, determining Pillar II capital requirements and supporting internal pricing, stress testing, and market risk measurement. It also supports the determination of capital and impairment requirements. The adverse consequences from model issues could include financial loss, negative customer outcomes, poor decision-making, regulatory criticism or damage to the Group's reputation.



Key points

- The management of model risk continues to mature and evolve. During 2025, model risk was moved from a sub-risk of operational risk to one of the Group's principal risks. This change reflects the importance of model risk to the Group. Effective management of model risk ensures that models are robust, transparent, and appropriately governed, thereby supporting sound strategic decisions and maintaining stakeholder confidence.
- The Group continues to place significant focus and investment in enhancing its most critical models to meet the needs of regulators, risk managers, business units, senior management, and external stakeholders.

Key mitigating considerations

- Model Risk and Validation is an independent function responsible for establishing and maintaining the model risk management framework. The function maintains the Model Risk Policy and Standards, reports on model risk, and maintains the inventory of all models used by the Group. The Independent Validation Unit within the function is responsible for validating the Group's most material models. The Director of Model Risk and Validation reports directly to the Group Chief Risk Officer (GCRO).
- The Risk Measurement Committee (RMC) chaired by the GCRO, is a designated committee of the BRC and operates as a sub-committee of the ERC. The RMC has oversight of model risk across the Group. It is supported by the Model Risk Committee (MRC), which reviews detailed monitoring and validation activities for the Group's material models. The Chair of the MRC provides regular status updates to the RMC.
- Regular status updates and monitoring at senior levels in the Group including reporting to the ERC, BRC and the Board.
- The Group has established processes to identify, assess, manage, monitor, and report model risks. These processes are supported by controls designed to reduce and mitigate those risks.

1 Principal Risks and Uncertainties *(continued)*

Operational risk *(Section 3.9)*

Operational risk is the risk of loss resulting from suboptimal or failed internal processes, systems, human factors or from external events.

Operational Risk arises as a direct or indirect consequence of the Group's normal business activities and can be driven by: information technology, change management, information security and cyber, third party risk management and outsourcing, transaction processing, people, physical security, data, financial and regulatory reporting, legal and tax risks. Operational risk arises as a direct or indirect consequence of the Group's normal business activities through the day-to-day execution of business processes, the functioning of its technologies and in the various activities performed by its staff, contractors and third party suppliers. Operational risk losses can also be driven by: major change and the failure to deliver on the Group's multi-year transformation agenda; model design, implementation errors or the inappropriate use of model outputs, data unavailability, poor data quality, inadequate data retention, misuse and destruction management, and failure to comply with legal and regulatory requirements; inaccurate or delayed financial and regulatory reporting due to misinterpretation of requirements, preparation errors or omissions.

Operational resilience works together with operational risk management to minimise operational disruptions and their effects. As the Group's resilience profile improves, it becomes less prone to incur untimely lapses in the provision of Important Business Services.

Key points

- The management of operational risk has continued to mature across the Group resulting in enhanced risk identification and assessment, leading to improved risk based decisions and prioritisation of mitigating activities.
- Progress continued on the enhancement and implementation of the revised Risk Library and on transitioning over time to a process driven risk and control assessment for operational risks. This is critical to enhance the effectiveness of operational risk and resilience management throughout the Group.
- The Group is managing a significant amount of change across culture, its business and operating model. This is underpinned by the ongoing multi-year programme on which substantial investment in its IT systems is being made. Given the risk associated with any large transformation, there is continued focus to ensure the sustainability and integrity of the Group's operations.
- The Group continues to strengthen its operational resilience maturity profile. During 2025, the Group continued to embed the Group's Operational Resilience Policy, by delivering a comprehensive methodology to identify severe but plausible scenarios for testing purposes, undertaking a cyber stress test, updating the crisis management framework, progressing on the Group's ability to recover from a data related event, managing vulnerabilities, and producing a new suite of Operational Resilience metrics to better reflect the adoption of the CBI Guidance and industry best practices.

Key mitigating considerations

- Board approved risk appetite limits.
- The RMF and operational risk management framework aims to embed adequate and effective risk management practices within business units throughout the Group. A number of policies, processes, technical standards and strategies, including an effective control environment and appropriate management actions, are employed to control the operational risk exposure.
- Processes to identify, assess, manage, monitor and report risks as well as controls to mitigate those risks are in place with regular internal audits and testing carried out to ensure adequacy of controls. The Group continues to substantially invest in the transformation of IT systems and processes to reduce the likelihood and impact of risk events and improve operational resilience.
- The people strategy provides a range of programmes and initiatives to enable the Group to retain appropriate numbers and / or calibre of staff.

1 Principal Risks and Uncertainties *(continued)*

Operational risk *(continued)*

Litigation and regulatory proceedings

Key points
- Risk arises from uncertainty surrounding the outcome of disputes, legal proceedings and regulatory investigations and proceedings including potential adverse judgements in litigation or regulatory proceedings.

Key mitigating considerations
- The Group has processes in place to seek to ensure the Group's compliance with legal and regulatory obligations, together with clear controls in respect of the management and mitigation of such disputes, proceedings and investigations as may be instigated against the Group from time to time.

Tax risk

Key points
- Tax risk is the risk that the Group fails to comply with all applicable tax laws and regulations including reporting and filing obligations, or is unaware of a tax liability.

Key mitigating considerations
- The Group has clearly defined tax governance procedures to identify, assess, manage, monitor, and report tax risks and to ensure controls mitigating those risks are in place and operate effectively.
- The Group monitors potential changes to tax legislation or government policy and considers any appropriate remedial actions.

Regulatory risk *(Section 3.10)*

Regulatory risk is the risk that the Group does not identify legal or regulatory change or appropriately manage its relationships with its regulators.

The Group is exposed to regulatory risk as a consequence from all the activities that the Group engages in during the normal conduct of its business. Regulatory risk may materialise from failure to identify new or existing regulatory and / or legislative requirements or deadlines, failure to ensure appropriate governance is in place to embed regulatory requirements into processes, or the failure to appropriately manage the Group's regulatory relationships. Regulatory risk includes ineffective regulatory change governance and ineffective regulatory engagement.

Key points
- During 2025, regulatory oversight by supervisory bodies focused on a number of key areas including business model and profitability, internal governance and risk management, operational risks, credit risks, consumer protection, ESG, the evolving Irish financial sector, and the global economic outlook.
- The heavy regulatory and compliance change agenda is expected to continue in 2026. The Group will maintain its focus on continuing compliance with the existing regulatory requirements of the jurisdictions in which it operates.
- Regulators continue to conduct investigations and examinations on an industry wide basis from time to time.

Key mitigating considerations
- Board approved Risk Appetite Statement set in conjunction with the Group's business strategy and supported by a set of key risk metrics.
- A suite of policies are in place for the management of risks across the Group. Requirements for risk mitigation for each risk are outlined in the respective risk policies and procedures.
- Group-wide processes in place to identify, assess, and implement key regulatory requirements.
- Processes in place to identify, assess, manage, monitor and report regulatory risks as well as controls to mitigate those risks.
- Regular status updates and monitoring at senior levels in the Group including reporting to the BRC and the Board.
- Processes in place to support the reporting, investigation, resolution, and remediation of incidents of non-compliance.

1 Principal Risks and Uncertainties *(continued)*

Environmental, Social and Governance risk lens *(Section 3.11)*

Environmental (Climate and Other Environmental), Social and Governance (ESG) risk is defined in the Group as the risk to the Group that ESG factors (environmental, social or governance matters) could cause a material negative impact on: the Group's earnings, capital, franchise value or reputation; the Group's regulatory standing; the long-term sustainability of our customer's operations and financial wellbeing; and the communities and environment in which we and our customers operate.

ESG factors represent a common risk driver across the Group's principal and sub risk types. The Group applies a risk lens to ensure that the impact of ESG across the Group's risk types is considered on an ongoing basis and that the aggregate impact arising from ESG risk drivers is given appropriate consideration.



Key mitigating considerations

- 2025 marked the conclusion of the Group's Investing in Tomorrow Sustainability Strategy with strong momentum and delivery across the three pillars: Enabling Colleagues to Thrive, Enhancing Financial Wellbeing, and Supporting the Green Transition. The 2026 to 2028 Sustainability Strategy builds on the strong progress made by the Group during the previous strategic cycle and will focus on three new pillars: Supporting the Green Transition, Supporting Housing and Social Infrastructure, and Supporting Social Inclusion.
- The Group's greenhouse gas emission reduction targets, including a target that the Group's own operations will be net zero by 2030, are validated by the SBTi. The Group's validated SBTs guide and measure the Group's progress in decarbonising its own operations and business.
- As a signatory to the UN Principles for Responsible Banking, the Group has committed to aligning the Group's strategy and practices with the Paris Climate Agreement. The Group's Climate Transition Plan (formerly titled the Climate Action Plan) outlines the key role the Group plays in facilitating Ireland's green transition to a low-carbon economy and the Group's efforts to reduce our own impact on the environment.
- The Group recognises that ESG risks will continue to impact on the Group's business model and the Group ESG RMF sets out the Group's approach to ESG risk management, aligning with the new EBA Guidelines on the management of ESG risks (January 2026).
- While ESG risk management is managed through the Group's principal and sub-risk types, the Group also has dedicated resources to lead the co-ordination of the Group's approach to ESG risk management, both in 1LOD (Sustainability team, Group Strategy) and in 2LOD (Business, Strategic and ESG Risk team, Group Risk).
- The Board Risk Report is the primary source of reporting for the impact of ESG related risks on the Group's risk profile.
- The CSRD requires the Group to provide a holistic view of ESG topics that have a material impact on the Group's business as well as ESG topics that the Group has an impact on (through its operations). A full DMA, using the double materiality concept, was conducted across ESG topics in 2024 and refreshed in 2025.

1 Principal Risks and Uncertainties *(continued)*

Key themes under focus

Digital

- Banking models are rapidly evolving, for both consumers and businesses in Ireland and globally. Rapidly shifting consumer behaviours and available technologies are changing how customers consume products and services.
- These developments affect the manner in which customers manage their day-to-day financial affairs. How the Group adapts to these developments could impact the realisation of market strategies and financial plans, dilute customer propositions and cause reputational damage.

Key mitigating considerations

- In the context of the overall business strategy, the Group assesses and develops complementary data, digital and technology strategies to support and mitigate these risks.
- Given the significant developments to increase the digital capabilities of the Group on technology as well as increased regulatory requirements, the Group rigorously manages these demands within risk, capacity and financial constraints.
- The Group's policies, standards, governance and control models undergo ongoing review to ensure continued alignment with the Group's strategy to accelerate its pivot to digital and the resulting solutions, engaging appropriate external experts as required.

Macroeconomic conditions and geopolitical uncertainty

- The Group's businesses may be affected by adverse economic conditions in countries where we have exposures, particularly in Ireland and the UK, unfavourable exchange rate movements and changes in interest rates, with international tax reform and the threat of increased global protectionism posing additional risks.
- Geopolitical uncertainties could impact economic conditions in countries where the Group has exposures, market risk pricing and asset price valuations thereby potentially reducing returns.
- The Group businesses may be affected by political, economic, financial and regulatory uncertainty from time to time in its key markets.
- There is ongoing caution relating to macroeconomic conditions and geopolitical uncertainties. Whilst inflation has moderated, interest rates have levelled off in the Eurozone and are reducing in the UK, ongoing conflicts, trade tensions and shifting international alliances have resulted in an escalation in overall geopolitical tensions. The potential impacts of these macroeconomic and geopolitical dynamics represent a risk to the Group in its markets and this could manifest in adverse impacts to pricing, customer confidence and credit demand, collateral values, and customers' ability to meet their financial obligations.

Key mitigating considerations

- The Group monitors the risks and impact of changing current and forecast macroeconomic conditions on the likely achievement of the Group's strategy and objectives.
- The Group manages its exposures in accordance with principal risk policies including maximum single counterparty limits and defined country limits.
- The Group has in place a comprehensive stress and scenario testing process.
- The Group is diversified in terms of asset class, industry, and funding source.

Operational resilience

Operating resilience is the ability of the Group to identify and prepare for, respond and adapt to, recover and learn from an operational disruption. Operational resilience involves having forward-looking plans that proactively prepares the Group to withstand and adapt to disruptions that will inevitably occur.

Key mitigating considerations

- Operational resilience works alongside operational risk management to support the Group's long-term strategy by reducing vulnerability to shocks and enabling the Group to anticipate, withstand, and recover from disruptions quickly, thereby safeguarding the continuity of its Important Business Services.
- The mitigation of operational resilience is driven by the identification of Important Business Services, mapping dependencies, and setting impact tolerances, supported by proactive planning, scenario testing, and a comprehensive monitoring process that includes regular testing of business continuity and disaster recovery plans, oversight of third-party resilience, and governance reporting.

1 Principal Risks and Uncertainties *(continued)*

Key themes under focus *(continued)*

Regulatory compliance

The Group is committed to conducting its activities in accordance with all applicable legal and regulatory requirements. Establishing and maintaining compliance with these obligations is a key priority for colleagues across the three lines of defence. The Group Regulatory Compliance Framework establishes a structured approach and clear delineation of roles and responsibilities in respect of regulatory compliance matters (including the identification of requirements and assessment and management of regulatory compliance). This includes regulatory compliance oversight, testing and assurance across each of the three lines of defence to ensure adequate coverage.

Key mitigating considerations

- The mitigation of regulatory compliance risk is embedded per the Regulatory Compliance Framework described above, in particular, through the early identification of relevant regulatory change and the maintenance of a structured process to ensure that required policy, procedure, process and control changes are implemented throughout the organisation where required.
- In addition, the Group has established and implemented a regulatory compliance monitoring plan that includes monitoring of regulatory compliance across all principal risk types (i.e. financial risks, operational risks and conduct risks). Progress against this plan is tracked and reported on a quarterly basis with any identified regulatory non-compliance reported on a monthly basis.

Reputation risk

Reputation risk is the potential for loss of earnings, brand value, or stakeholder trust resulting from negative perceptions of the Group among customers, investors, regulators, employees, or wider society. This risk may arise directly from the Group's actions or indirectly through its business activities. It can also result from external events or as a consequence of other risk types, such as credit, market, operational, or strategic risks.

Key mitigating considerations

- A dedicated team (Group Corporate Affairs) is in place to provide advice and guidance on the management and mitigation of damage to reputation which may arise in the course of the Group's commercial or strategic activities.
- Group ambition, purpose, values and strategic priorities communicated to all stakeholders.
- Potential impact on reputation is considered in the decision-making process.
- Media, government, political, regulatory and administrative stakeholder engagement is actively managed.
- Print, broadcast, online and social media reportage and commentary is monitored.
- Process of 'Early Warning Reports' - to alert senior management on emerging issues that have the potential to expose the Group to reputational damage - is embedded across the Group.
- Proactive external communications with key stakeholders on all key elements of the Group's strategic delivery.
- Strong focus on internal communications to ensure that colleagues are kept informed on all important Group announcements, issues and developments.
- Colleagues are required to comply with all Group policies and procedures including the Group Code of Conduct.
- Guidelines on reputation management, and on the use of social media, are communicated to all colleagues.
- Group sponsorship and philanthropic programmes in place.

Transformation risk

The Group is undergoing significant transformation across culture, business model and systems which present challenges and risks and customer considerations. Failure to transform successfully could prevent the Group from realising its strategic priorities.

Key mitigating considerations

- The Board has put in place the GTOC that oversees the delivery of the Group's Transformation agenda and meets on a quarterly basis.
- The Group also has Executive oversight through the Enterprise Quarterly Planning Process which monitors the performance of the Group against the Transformation Plan. The Group has completed a Board approved plan for 2026 to 2028 setting out the Group's strategic priorities.
- The Group has formulated a suite of transformation roadmaps that are underpinned by the Transformation Plan. A transformation focused management function co-ordinates and supports the safe delivery of this scale of change.
- The GTOC oversees the business and strategy aspects of the Transformation Plan for its duration including review of updates relating to risks associated with key transformational initiatives.

2 Risk Management Framework

2.1 Risk statement

Risk appetite is set in conjunction with the Group's business strategy and sets the outer boundaries for risk the Group is prepared to take. It guides the Group, including its subsidiaries, in its risk taking and related business activities. The Group's approach to risk management ensures that the Group's overall business strategy and remuneration practices are aligned with its risk and capital management strategies.

The RMF is the foundation stone for how we manage risk in the Group. It sets out the Group-wide approach to risk management and reflects the Group's Risk Culture. At least annually, the RMF is reviewed by the Group CRO and approved by the Board following consideration and recommendation by the BRC. It establishes:

- common principles for the risk management process of identifying, assessing, monitoring, mitigating, and controlling risks to the Group;
- standard definitions of risk terms and classifications to ensure consistent application across the Group;
- clear roles and accountabilities for the management of risk across the Group;
- governance mechanisms by which risk oversight is exercised and risk decisions taken;
- Group standards on risk policies, committee papers and reporting to ensure consistent application across the Group;
- standard methods to identify and classify risks faced by the Group;
- principles for setting risk appetite to articulate tolerances for the adverse outcomes of taking risk, and setting risk exposure limits designed to ensure a low probability of exceeding those tolerances;
- risk policies and procedures as the foundation for risk mitigation in implementing the RMF; and
- a framework for forward-looking monitoring and reporting on risk as part of risk management information in the Group.

2.2 Risk management

Risk management is the set of activities and mechanisms through which we make risk taking decisions and how we control and optimise the risk-return profile of the Group. Good risk management aligns with strategic objectives, code of conduct and stakeholder priorities.

Risk management is central to the financial and operational management of financial service companies and fundamental to the Group's strategic pillars of:

- stronger relationships;
- simpler business; and
- sustainable company.

It is a Group-wide process of identifying, assessing, monitoring, and mitigating risks to the Group's earnings, solvency, and franchise and is structured across five activities:

- Risk Identification and Assessment;
- Risk Appetite;
- Risk Frameworks and Policies;
- Stress Testing and Scenario Analysis; and
- Risk Monitoring and Reporting.

Within each category the Group maintains risk management standards. Collectively these standards represent the Group's risk management approach.

Risk Identification and Assessment

The Group ensures appropriate identification of risk through both top-down and bottom-up risk identification processes. A standard risk library is used to define all the Group's risk types in a consistent manner.

The Risk Library document outlines the Group's risk classification system. This taxonomy provides the structure through which accountability for risk management is assigned, and risk is reported.

The Risk Library covers the totality of gross risk types to which the Group is exposed.

Principal risk types are the highest level risk type used to assist with identifying, assessing, monitoring, mitigating and controlling risks to which the Group is exposed. They guide the assignment of risk management resourcing and organisation of the Group Risk division.

The Group maintains and updates the Risk Library in two ways:

- Firstly, during the annual review of its RMF, Group Risk conducts a top-down risk identification process. This establishes risk management's view of the primary categories of types of risk facing the Group. These primary categories of risk are identified as the Group's principal risk types.
- Secondly, a bottom-up risk type assessment process is undertaken to identify the granular level risks that arise from all the activities that the Group engages in.

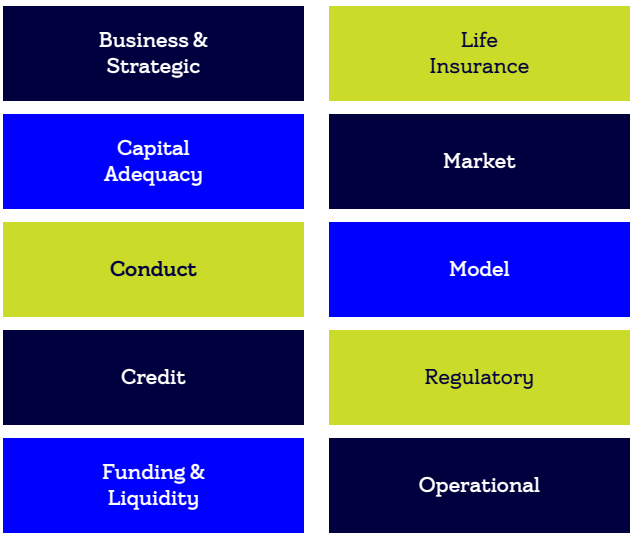
Financial risks originate in the Group's business and primarily reside in the financial balance sheet. Financial risks are generally identified in the lending and trading processes, such as in the case of credit and market risks, with the risk types defined in the Risk Library and quantified in terms of potential financial impacts. Financial Risk is assessed using the respective financial risk measurement models for credit, market, liquidity, and life insurance risks. In addition, for Funding & Liquidity, Capital Adequacy, and Business & Strategic Risks, risk assessment processes such as the ICAAP and ILAAP are used to identify, categorise, quantify, and control the risks to the Group.

Operational risks originate in the activities the Group conducts. In identifying, assessing, and appropriately controlling operational risk, the Group utilises a Process Universe of critical processes to aid in understanding precisely where operational risk originates.

2 Risk Management Framework *(continued)*

2.2 Risk management *(continued)*

The ten principal risk types are outlined below:



Management and Board also consider other themes that span risk types. These generally fall into two categories: drivers that have an impact on the risk profile of more than one risk type, and particular aspects of the business that can be impacted by risks in other areas of the taxonomy. The Group adopts incremental lenses in respect of these themes which are used to ensure that the potential impacts on or emanating from one or more risk types are considered on an ongoing basis, and that any aggregate impact arising from these themes is given appropriate consideration. The Group applies the following Risk Lenses:

- Environmental, Social and Governance (ESG);
- Operational Resilience;
- Regulatory Compliance;
- Reputation; and
- Transformation.

Risk appetite

The Group's overarching risk strategy is to set and maintain the RMF to ensure that the Group has clearly identified and classified the risks its faces, set its risk appetite through statements of risk tolerance and quantitative limits, and through adherence with risk policy has observed these tolerances and limits as boundaries to its business strategy. This is achieved through appropriate processes, controls, reporting, and governance in place which enable the Group to:

- address its target market with confidence;
- protect its balance sheet; and
- deliver sustainable growth and profitability.

Risk appetite flows from the Group's risk identity. Risk identity is the broad risk profile the Group must necessarily run to successfully pursue the Group's chosen business strategy, within risk capacity. The elements are:

- the National Champion Bank in Ireland focused on having long-term relationships with our retail, commercial and corporate customers;
- our core franchise is in Ireland, with income and risk diversification through a meaningful presence in the UK and selected international activities where we have proven competencies; and
- the Group will pursue an appropriate return for risks taken, and on capital deployed while operating within prudent Board-approved risk appetite parameters to have and maintain a robust, standalone financial position.

Risk capacity defines the externally imposed constraints within which the Group must operate.

The Risk Appetite Statement articulates tolerances for the adverse outcomes of taking risk in pursuit of the Group's objectives. It is set in conjunction with the Group's business strategy and sets the outer boundaries of risk the Group, including its subsidiaries, is prepared to take. It flows from the risk identity of the organisation, which is linked to the capital adequacy, desired risk profile, reputation, and strategic business intent of the Group. It is reviewed and approved by the Board of Directors at least annually.

For financial risks, tolerances for negative outcomes are set for earnings and capital volatility, and for how long the Group can survive under liquidity stress. Operational risk, tolerances are set using an impact criteria based on adverse financial, customer, regulatory and reputational outcomes.

The Group maintains a detailed risk appetite breach escalation process which ensures that breaches of risk appetite are escalated to senior management and the Board in a timely way. This facilitates timely consideration of the breach and any actions that may be required to remedy the breach.

Risk frameworks and policies

A risk management framework may be developed in respect of any Principal Risk to address holistically how the Group manages and reports on the Risk. Risk policies set out minimum risk mitigation requirements which should ensure that the Group remains within the Board approved Risk Appetite. The risk mitigation requirements must be set with sufficient granularity that they can be incorporated into properly designed processes.

Stress testing and scenario analysis

Certain principal risks are measured, managed, and reported using risk models in line with the risk policies and management procedures which are in place for each risk type.

Scenario analysis is used across risk types to help the Group understand the possible severe impacts of unlikely but plausible scenarios and help to strengthen our level of preparedness. It is also used to consider how the impact may be managed and the severity controlled. In the context of social media, scenario analysis is a useful tool in understanding the potential for social media use to amplify the negative impacts of an event for the Group.

Where predictable and probable events are factored into business as usual planning and budgeting, risk arises when less predictable or unanticipated events can materialise.

2 Risk Management Framework *(continued)*

2.2 Risk management *(continued)*

These types of events may result in severe impacts to the Group and therefore it is important that they are considered, and mitigating controls and actions are put in place to ensure that the Group can continue to operate within risk appetite in that event.

Scenario modelling can be used in Stress Tests where the projected financial position and risk profile of the Group can be assessed under a range of severe but plausible adverse scenarios. These scenarios can include macroeconomic projections and assumptions on internal risk issues. They are run to assess the resilience of the Group to withstand the impact of a severe stress event. This allows the Group to make changes to plans as necessary to maintain its resilience at the required levels in that scenario.

The outputs of stress testing are used by the Group to inform risk appetite across risk types by assessing unlikely but plausible scenarios that may result in severe earnings volatility. This allows stress testing metrics to be used in setting risk appetite for credit, market, funding and liquidity risk so that earnings volatility in periods of stress is maintained at an acceptable level. They are also used by the Group to inform strategy and capital planning.

They are an integral component of the Group's ICAAP and ILAAP and are also used by regulators to assess the Group's ability to continue to meet its capital and liquidity requirements under severe adverse conditions.

The Group conducts:

- solvency stress testing to evaluate the Group's financial position under a 'severe but plausible' scenario or shock and provide an indication of how much capital might be needed to absorb losses should such a shock occur;
- earnings stress testing in respect of earnings volatility and tolerances in respect of required capital to withstand a severe but plausible stress;
- liquidity stress testing to evaluate the potential impact of a range of severe but plausible stress scenarios on the liquidity position of the Group. This affords senior management the ability to assess the degree to which the Group or an individual liquidity centre is vulnerable to liquidity shocks such as: i) impacts of rating downgrades; ii) withdrawal of customer deposits; or iii) inability to refine wholesale funding as they fall due at a reasonable cost;
- market risk stress testing in the Trading Book and Banking Book. Stress testing in the Trading Book consists of gap / residual interest rate risk positions, and in the Banking Book consists of gap / residual interest rate risk, structural interest rate and structural FX stress testing. The Group stress tests these risks as part of its ongoing risk measurement and management process. Gap / residual interest rate risk and basis risk are stressed using empirically based scenario analyses. For gap / residual interest rate risk, the stress test results are potential changes in the economic value of positions. For structural interest rate risk in the Banking Book, the results are potential changes in one year ahead net interest income. Structural FX risk is stressed by calculating the impact of standard 10% exchange rate movements on capital ratios;
- life Insurance risk stress testing to consider severe but plausible risks to the business and the capital or mitigating actions required to withstand those risks within the context of its business plans;
- operational risk stresses are modelled based on a scenario-based approach. Severe, yet plausible operational risk loss scenarios are applied on a group-basis to assess the impact of the materialisation of key operational risks at various likelihoods and are used in the assessment of the Group's Economic Capital requirements. Scenario based exercises are also used as a means to work through scenarios to validate business continuity plans for operational resilience purposes; and
- reverse stress testing to evaluate the Group's ability to survive an unforeseen severe event or combination of events that would cause the Group's business model to become unviable. Reverse stress testing complements and builds on solvency and liquidity stress testing by exploring more extreme scenarios / events significantly beyond the likelihood thresholds looked at in solvency and liquidity stress testing. This is achieved as reverse stress testing is developed in reverse, working back from an outcome of business failure to causal analysis, while the more typical solvency and liquidity stress testing works towards assessing a range of outcomes or probabilities given defined inputs.

A key focus of solvency stress testing activities during 2025 and into 2026 is the impact on the Group's key economies of potential adverse events such as rising geopolitical tensions, a sharp slowdown in global growth, reduced international trade and foreign direct investment, and further supply chain and energy shocks. How these shocks impact the Group's profitability and solvency under different interest rate and inflation environments is examined. In parallel the Group continued to develop its capabilities in the climate risk scenario modelling space (refer to page 147).

Risk monitoring and reporting

Reporting of risk exposure is how we ensure management and governance forums can monitor the maintenance of the Group's risk profile within tolerances for exposure to risk. Furthermore, risk monitoring and reporting is a means for bringing management attention to where significant corrective actions are required and thereby enabling the Group to respond in an effective and timely manner and to take decisions such as whether to maintain current business activity.

The Group's risk monitoring and reporting process operates within Group Risk:

- it is the responsibility of the 2LOD to take reasonable steps to ensure that the Group does not suffer outcomes outside of risk appetite for each principal risk;
- the Office of the Chief Risk Officer is responsible for reporting on the Group's risk profile at an aggregate level by consolidating reporting from the 2LOD Group Risk Function;
- risk reports are designed to report against principal risk types and sub risk types in a structured and consistent way so that the usability of reports is consistent across risk types and risk committees;
- reports are designed with reference to regulatory principles for Effective Risk Data Aggregation and Risk Reporting (BCBS 239), addressing report accuracy, comprehensiveness, clarity, usefulness, frequency, and distribution;

2 Risk Management Framework *(continued)*

2.2 Risk management *(continued)*

- the specific processes for monitoring, reporting, and reviewing risks are set out in the relevant policy and procedural documents consistent with the Financial and Regulatory Reporting Risk Policy; and
- at Group level, the risk monitoring, reporting, and review process is overseen by the ERC and its appointed committees. All the key identified risk types are reported monthly, with monthly reporting of risk dashboards including associated risk appetite metrics compliance.

The Board Risk Report is the report used by the Group to review and monitor the Group's Risk Profile across all principal risk types and monitor compliance with Risk Appetite and Risk Policies. The Report is subject to review by ERC prior to review by the Group's management body (Board and BRC).

This risk management approach is enabled by an operating model where responsibilities for each activity are clearly assigned and adequately resourced. The design, implementation and performance of this risk management approach is subject to risk governance.

2.3 Risk roles and responsibilities

Three Lines of Defence

Every colleague has a specific responsibility for ensuring the Group operates within its risk appetite. These responsibilities are defined in terms of the role of colleagues in the 'Three Lines of Defence' as set out below. The role of each of the Three Lines of Defence is:

First Line of Defence (1LOD): Primary responsibility for managing risk within risk appetite and pre-defined triggers.

Second Line of Defence (2LOD): Establishing the policies under which 1LOD activities shall be performed and taking reasonable steps to ensure that the Group does not suffer outcomes outside of risk appetite. This involves:

- setting and owning risk policy, establishing the policies and risk mitigation requirements, which must be implemented by the 1LOD in relevant activities;
- ensuring that risk mitigation requirements are reliably adhered to and thereby ensure a high level of confidence that there are unlikely to be outcomes outside of risk appetite;
- establishing limits and triggers, consistent with the risk appetite of the Group;
- establishing tolerances for exposure to risk to minimise the possibility of having an outcome outside risk appetite;
- using standard methods to conduct oversight of the risk types associated with activity and inadequate controls;
- independently reviewing, overseeing, and monitoring the performance of the financial balance sheet and process universe against pre-defined control tolerances; and
- ensuring reporting and escalation obligations are adhered to.

Third Line of Defence (3LOD): The role of 3LOD Group Internal Audit (GIA) is to understand the Group's key risks and to examine and evaluate the adequacy and effectiveness of the systems of risk management, governance and internal control within the 1LOD and 2LOD. GIA provides independent, timely, objective and reasonable assurance to its key stakeholders on the effectiveness of the Group's risk management, governance and internal control framework. GIA assess whether the Group's key risks are being appropriately and effectively identified, assessed, monitored, managed, and reported. GIA carry out risk based assignments covering Group businesses and functions (including outsourcing providers - subject to the right to audit), with ratings assigned as appropriate. Audit outcomes and findings are communicated to senior management and other key stakeholders, with remediation plans monitored for progress against agreed completion dates. In 2025 the Group appointed a new Group Chief Internal Auditor.

Group risk organisational structure

Group Risk comprises of Group Risk functions and Group Compliance. A 2LOD Risk Officer is assigned for each principal risk type, and for each sub risk type for operational risk. This ensures that there is unambiguous 2LOD oversight responsibility for every principal risk type, and every operational risk sub risk type – with no gaps or duplication. In addition, for colleagues throughout the Group, the Board, and regulators, it is clear who they should approach within Group Risk regarding any given type of risk.

Group Risk is responsible for the Group's overall risk strategy and integrated risk reporting to the Board, the BRC and Group Executive team. The function is led by the Group CRO who is a member of the Group Executive team and reports directly to the Group CEO and may directly influence business decisions. In 2025 the Group appointed a new Group Chief Compliance Officer.

2 Risk Management Framework *(continued)*

2.4 Risk culture

The risk culture of the Group reflects colleagues' collective mindset and shared values with respect to the management and control of risk. The Group is committed to appropriate risk-taking and the effective management of risk. It requires all colleagues to have a holistic understanding of the risks posed by the activities they undertake.

The Group's risk culture is underpinned by the Group's Purpose and Values that should act as a behavioural compass.

It is a key element of the Group's effective RMF, which enables decisions to be taken in a sound and informed manner.

Standards of behaviour are detailed in the Group Code of Conduct to which all management and colleagues must adhere and affirm annually. The Group Speak Up Policy sets out the steps colleagues can take to raise any concerns they might have of relevant wrongdoing in the Group e.g. potential breach of Regulation or internal policy under the RMF.

2.5 Recovery and resolution planning

In line with the provisions of the Single Resolution Mechanism Regulation and the Bank Recovery and Resolution Directive (BRRD), the Group maintains a recovery plan which sets out options to restore financial stability and viability of the Group in the event of the relevant circumstances arising. The Group's recovery plan is approved by the Board on the recommendation of BRC and ALCO.

The Group resolution plan is prepared by the Single Resolution Board (the central resolution authority within the Banking Union) in cooperation with the Central Bank of Ireland, rather than by the Group itself.

The plan establishes how the resolution authorities intend to approach the Group's resolution and for the Group the Preferred Resolution Strategy is a single point of entry bail-in at BoIG plc level.

The Group works closely with the resolution authorities to support the preparation of the resolution plan, to identify and address any impediments to the execution of the resolution strategy and to demonstrate that it is resolvable and prepared for crisis management. The resolution authorities also determine the MREL corresponding to the loss absorbing capacity necessary to execute the resolution strategy.

2.6 Risk governance

Risk governance

Risk Governance refers to the elements of an organisation's overall governance mechanisms that relate to risk management and mitigation. Risk Governance is exercised through the decision-making authority vested in Risk Committees and accountable executives.

The Board of Directors, together with its subcommittees, constitutes the Management Body. It has ultimate responsibility for the Group and defines, oversees, and is accountable for the implementation of the governance arrangements within the Group, which ensures effective and prudent management of risk.

The Board of Directors is ultimately accountable for setting and overseeing an adequate and effective internal control framework, which includes well-functioning risk management, compliance, and internal audit functions for the effective management of risks.

The Board is supported by the BRC on risk oversight matters and the GAC in relation to the effectiveness of the system of internal controls.

Risk in the Group is controlled within the Risk Governance Framework which incorporates the Board of Directors, Risk Committees appointed by the Board (e.g. Board Risk Committee) and the ERC, the ALCO and their appointed committees. Each of the Board committees and the executive committees that form part of the risk governance framework operate in adherence to common standards which includes having a clear terms of reference describing the purpose, scope, and authority of the Committee. Further detail outlining the key responsibilities of the Group's Board-level risk committees can be found on pages_92 to 96 within the Governance section.

The **ERC** and **ALCO** are the Group's most senior management risk committees and operate with delegated authority from the GEC, which monitors and oversees the performance of these committees. The BRC also exercises oversight of these committees, as outlined in their respective terms of reference.

2 Risk Management Framework *(continued)*

2.6 Risk governance *(continued)*

The ERC is chaired by the Group CRO and ALCO is chaired by the Group CFO. The membership of these committees comprises members of the Group Executive team and Group-wide divisional and control function executives. The ERC met 17 times, and the ALCO met 13 times, during 2025.

The ERC has oversight of all material risk types across the Group, apart from interest rate, market and liquidity risk, and capital and funding matters, which are the responsibility of the Group ALCO. The ERC and ALCO delegate specific responsibility for oversight of major classes of risk to specific appointed committees and individuals that are accountable to them.

The Board, ERC, ALCO, and their appointed committees are subject to annual effectiveness reviews, which may result in further enhancement.

The relevant ERC appointed committees are set out in the following table.

Committee	Delegated responsibility
Group Credit Risk Committee	Oversight of credit risk.
Group Non-Financial Risk Committee	Oversight of conduct risk, regulatory risk, other operational risk, and operational resilience.
Private Equity Risk Committee	Oversight of private equity risk (i.e., private equity investments and debt for equity swaps).
Risk Measurement Committee	Oversight of model risk.

The relevant ALCO appointed committees are set out in the following table.

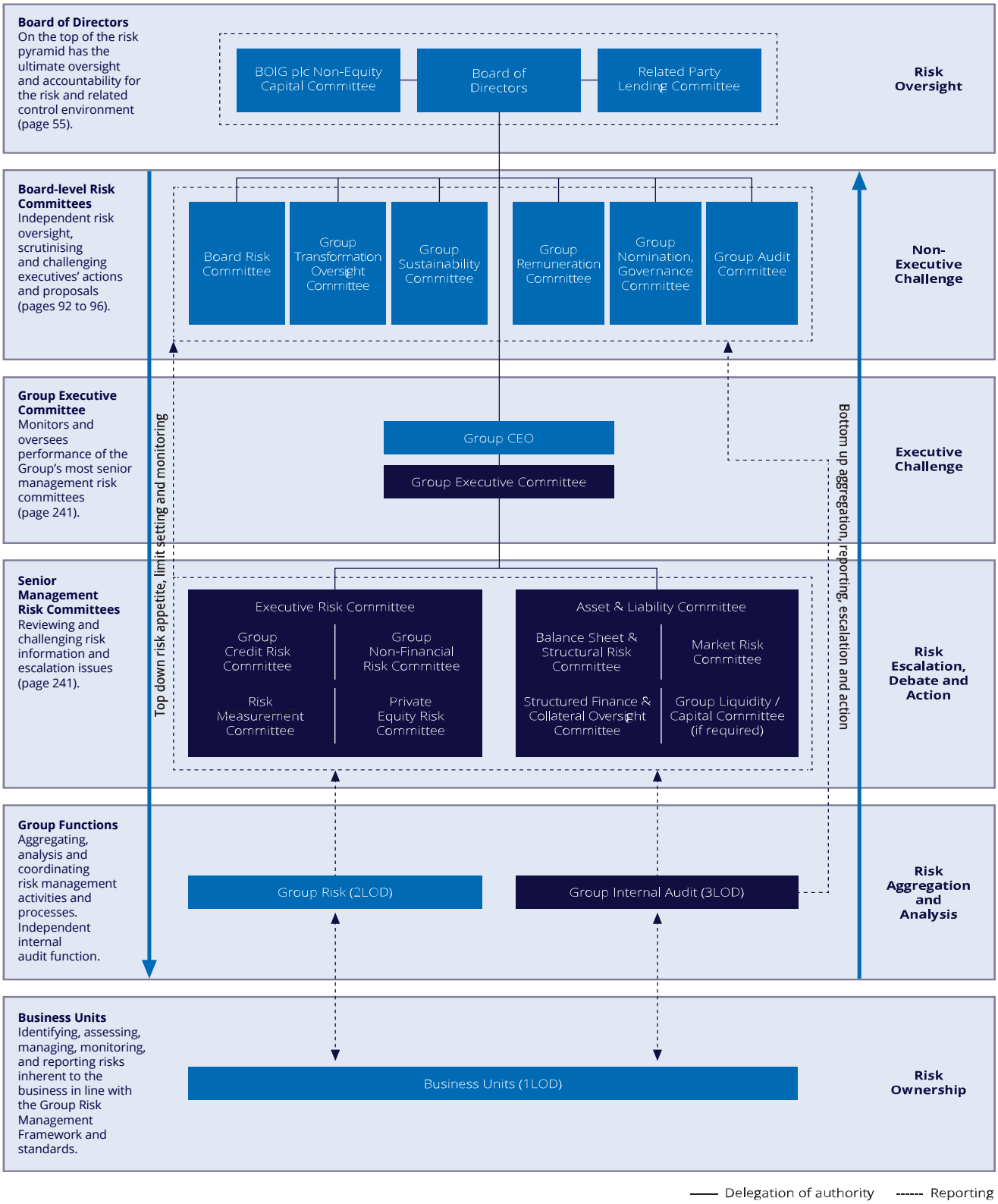
Committee	Delegated responsibility
Balance Sheet and Structural Risk Committee	Responsible for supporting ALCO in the areas of Funds Transfer Pricing and Structural Risk Management.
Market Risk Committee	Responsible for supporting ALCO in the governance, measurement and control of market risk and oversight of derivative activity.
Structured Finance and Collateral Oversight Committee	Supports ALCO in providing oversight of collateral management and asset encumbrance.
Group Liquidity / Capital Committee	May be established in line with the escalation process outlined in the Group's Recovery Plan to assist in the management of the Group's response to a stress scenario.

Subsidiary Oversight

The Board has the overall responsibility for ensuring that there is an appropriate governance framework in place for the Group. The Board exercises oversight over Group subsidiaries, while respecting the independent legal and regulatory responsibilities that apply to the boards of such subsidiaries. The Group Subsidiary Governance Policy sets out how the Board exercises oversight of Group subsidiaries and the high-level governance standards that shall be applied across the Group in a proportionate manner.

2 Risk Management Framework *(continued)*

2.6 Risk governance *(continued)*



3 Management of Principal Risks and ESG Risk Lens

3.1 Business and strategic risk

Definition
The risk of not delivering the agreed strategy and business and financial targets designed to ensure the long-term sustainability of the Group's businesses. This can be as a result of internal or external factors, e.g. implementing a strategy that does not support the Group's target outcomes, inadequate planning or implementation of the strategy, changes in the external environment or economic factors.

Risk management, measurement, and reporting
The Group's risk monitoring and reporting process operates within Group Risk. Business and strategic risk is a principal risk type in the RMF with a dedicated 2LOD Risk Officer in Group Risk. It is the responsibility of the Head of Business, Strategic and ESG Risk to take reasonable steps to ensure that the Group does not suffer outcomes outside of business and strategic risk appetite.

Divisions and business units are responsible for delivery of their business plans and management of such factors as pricing, sales and loan volumes, operating expenses and other factors that may introduce earnings volatility. Business, divisional and portfolio strategy is developed within the boundaries of the Group's strategy as well as the Group's Risk Appetite Statement.

The current status of business and strategic risk, including risk dashboards and risk appetite compliance, is reported through the Board Risk Report on a monthly basis.

The key dimensions evaluated within business and strategic risk are:
- the strength of the Group's returns;
- the Group's performance against business plans including strength of returns;
- evaluation and risk assessment of the Group's strategy and implementation of the strategy;
- strength of the Group's competitive position; and
- impact of the macroeconomic and geopolitical environment on the Group's strategy.

The Group also reviews business and strategic risk as part of the annual risk identification process.

Risk mitigation
The Group mitigates business risk through business planning methods, such as the diversification of revenue streams, cost base management and oversight of business plans, which are informed by expectations of the external environment and the Group's strategic priorities.

At an operational level, the Group's annual budget process sets expectation at a business unit level for lending volumes, margins, and costs. The tracking of actual and regularly forecasted volumes, margins and costs against budgeted levels is a key financial management process in the mitigation of business risk. In the case of strategic risk, this risk is mitigated through regular updates to the Board on industry developments, the macroeconomic and geopolitical environment and associated trends which may impact the Group's activities, review of the competitive environment and strategies at a divisional and business unit level. On an annual basis, the Board reviews the Group's strategic objectives and key underlying assumptions to confirm that the strategic shape and focus of the Group remains appropriate.

3.2 Capital adequacy risk

Definition *(audited)*
The risk that the Group does not hold sufficient capital to i) remain compliant with regulatory capital requirements; ii) support its business and medium-term strategic objectives; and iii) absorb losses should unexpected events occur.

Capital adequacy risk includes pension risk and recovery and resolution requirements.

Capital management objectives and policies *(audited)*
The objectives of the Group's capital management policy are to ensure that the Group has sufficient capital to cover the risks of its business and support its strategy and, at all times, to comply with regulatory capital requirements. It seeks to minimise refinancing risk by managing the maturity profile of non-equity capital while the currency mix of capital is managed to ensure that the sensitivity of capital ratios to currency movements is minimised. The capital adequacy requirements set by the regulatory authorities and economic capital based on internal models are used by the Group as the basis for its capital management. The Group seeks to maintain sufficient capital to ensure that these requirements are met. The current status of capital adequacy risk, including risk dashboards and risk appetite compliance, is reported through the Board Risk Report on a monthly basis.

ICAAP *(unaudited)*
The ICAAP facilitates the Board and senior management in adequately identifying, measuring, and monitoring the Group's risk profile to ensure the Group holds sufficient capital to cover these risks and support its strategy. Underpinning the ICAAP, the Group prepares detailed financial projections. The central scenario macroeconomic variables are produced by the Economic Research Unit (ERU) and benchmarked to external official forecasters and the stress case is prepared based on a severe but plausible stress economic scenario.

The ICAAP demonstrates that the Group has sufficient capital under both the base and stress case scenarios to support its business and achieve its objectives having regard to Board approved risk appetite and strategy and to meet its regulatory capital, leverage, and liquidity requirements.

The Board approved Capital Adequacy Statement, ICAAP Report and supporting documentation is submitted to the ECB and CBI on an annual basis and is subject to regulatory review as part of the SREP.

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.2 Capital adequacy risk *(continued)*

CRD IV - 2024 *(unaudited)*[1] Regulatory €m		CRD IV - 2025 *(unaudited)*[2] Regulatory €m
	Capital Base	
13,009	Total equity	12,920
(868)	less foreseeable distribution deduction[3]	(958)
(1,069)	less AT1 capital	(1,200)
11,072	**Total equity less foreseeable dividend deduction and equity instruments not qualifying as common equity tier 1**	**10,762**
(574)	**Regulatory adjustments being phased in / out under CRD IV**	**(418)**
(574)	*Deferred tax assets*[4]	*(418)*
(2,443)	**Other regulatory adjustments**	**(1,903)**
(66)	*Expected loss deduction*	*(64)*
(1,113)	*Intangible assets and goodwill*	*(985)*
(846)	*Pension asset deduction*	*(714)*
(418)	*Other adjustments*[5]	*(140)*
8,055	**Common equity tier 1**	**8,441**
	Additional tier 1	
1,068	AT1 instruments (issued by parent entity BoIG plc)[6]	1,199
9,123	**Total tier 1 capital**	**9,640**
	Tier 2	
1,856	Tier 2 instruments (issued by parent entity BoIG plc)	1,839
(160)	Regulatory adjustments	(160)
1,696	**Total tier 2 capital**	**1,679**
10,819	**Total capital**	**11,319**
55.3	**Total risk weighted assets (€bn)**	**55.8**
	Capital ratios[1]	
14.6%	Common equity tier 1	15.1%
16.5%	Tier 1	17.3%
19.6%	Total capital	20.3%
6.7%	Leverage ratio	6.9%

[1] Capital ratios have been presented including the benefit of the retained profit in the year. Under Article 26 (2) of the Capital Requirements Regulation, financial institutions may include independently verified interim profits in their regulatory capital only with the prior permission of the competent authority, namely the ECB, and such permission has been obtained. The capital ratios are calculated using unrounded risk weighted asset amounts.
[2] Capital ratios have been presented on the basis that the Group has distributed 100% of its profits for the year, and therefore no retained profit has been included in regulatory capital.
[3] A foreseeable distribution of €958 million representing ordinary dividend of €428 million (subject to ordinary shareholder approval) and share buyback of €530 million (31 December 2024: €868 million representing ordinary dividend of €278 million and share buyback of €590 million) has been deducted as required under Article 2 of European Union Regulation No. 241/2014. An interim ordinary dividend of €239 million was paid on 30 October 2025.
[4] Deduction relates to deferred tax assets on losses carried forward, net of certain deferred tax liabilities.
[5] Includes technical items such as non-qualifying Common equity tier 1 items, prudential valuation adjustment, calendar provisioning, cash flow hedge reserve, own credit spread adjustment (net of tax), coupon expected on Additional Tier 1 (AT1) instrument and securitisation deduction.
[6] Net of capital deduction in relation to instruments held by Group companies.

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.2 Capital adequacy risk *(continued)*

CRD IV - 2024 *(unaudited)* Regulatory €bn		CRD IV - 2025 *(unaudited)* Regulatory €bn
	Risk weighted assets	
0.5	Article 3 Adjustment[1]	3.9
40.6	Credit risk	36.9
0.8	Counterparty credit risk	0.7
1.9	Securitisation	1.5
0.3	Market risk	0.3
6.7	Operational risk	7.2
4.5	Other assets / 10% / 15% threshold deduction[1]	5.3
55.3	**Total RWA**	**55.8**

Risk weighted assets *(unaudited)*

RWAs were €55.8 billion at 31 December 2025 (2024: €55.3 billion). The increase of €0.5 billion in RWA is primarily due to loan book movements, IRB model scalars, an increase in operational risk RWA as a result of higher operating income offset by FX and the implementation of CRR3. RWAs in the table above reflect the application of regulatory Balance Sheet Assessment adjustments and the updated treatments of expected loss. Further details on RWA can be found in the Group's Pillar 3 disclosures which are available on the Group's website.

Capital Requirements Directive IV *(unaudited)*

The ratios outlined in this section reflect the Group's interpretation of the CRD IV rules as published on 27 June 2013 and subsequent amendments, including EU Regulation 2019/876 Capital Requirements Regulation (CRR II) and EU Directive 2019/878 (CRD V) published on 7 June 2019 and EU Regulation 2020/873 published on 26 June 2020 (COVID-19 Quick Fix).

Regulatory capital developments *(unaudited)*

On 19 June 2024, Regulation (EU) 2024/1623 amending Regulation (EU) No 575/2013 (the Capital Requirements Regulation) and Directive (EU) 2024/1619 amending Directive 2013/36/EU (the Capital Requirements Directive (CRD VI)) were published in the Official Journal of the European Union.

The revisions to the regulations focus on the standardised and internal ratings-based approaches to measuring credit risk. These include the introduction of an aggregate output floor to ensure banks' RWAs calculated via internal models are no lower than 72.5% of RWAs calculated under the standardised approach.

The majority of the provisions contained in this regulation are applicable from 1 January 2025 however transitional provisions are applicable to certain elements of the regulations including the application of the output floor up to 2033. The impact on the Group's CET1 at 1 January 2025 was a benefit of c.115bps.

The EU Commission has delayed the implementation of the elements of the regulation relating to market risk (the Fundamental Review of the Trading Book) to 1 January 2027.

CET1 ratio *(unaudited)*

The Group's CET1 ratio is 15.1% at 31 December 2025 (2024: 14.6%). The increase of 50 basis points since 31 December 2024 is primarily due to organic capital generation (c.+270 basis points), the implementation of Capital Requirements Regulation 3 (c.+115 basis points), partially offset by a foreseeable distribution deduction (c.-225 basis points), RWA growth (c.-65 basis points) and IRB model scalars (c.-40 basis points).

Leverage ratio *(unaudited)*

The leverage ratio at 31 December 2025 is 6.9% (2024: 6.7%). A binding leverage requirement of 3% is applicable. The Group expects to remain well in excess of this requirement.

Capital requirements / buffers *(unaudited)*

The following table sets out the Group's CET1 capital requirements for 2025 and the authorities responsible for setting those requirements.

The Group is required to maintain a CET1 ratio of 11.38% on a regulatory basis at 31 December 2025. This includes a Pillar 1 requirement of 4.5%, a CET1 P2R of 1.35%, a CCB of 2.5%, an O-SII Buffer of 1.5% and a Countercyclical Buffer of 1.53%.

The Group was notified of the ECB's final decision on the Group's Own Funds Requirements applicable from 1 January 2026 following the 2025 SREP on 30 October 2025. P2R of 2.4% for Total Capital and 1.35% remained unchanged vs. 2025 requirement.

Countercyclical Capital Buffers (CCyBs) are independently set in each country by the relevant designated authority. The CCyB on Irish exposures is set at 1.5%. Due to changes in the mix of the book in 2025, with a higher concentration in RoI, the RoI CCyB is 1.05%. The UK CCyB is set at 2% resulting in a 0.43% requirement for the Group at 31 December 2025.

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.2 Capital adequacy risk *(continued)*

The CBI has advised that the Group is required to maintain an O-SII buffer of 1.5% subject to annual review by the CBI.

The Group expects to maintain both capital ratios significantly in excess of minimum regulatory requirements.

Minimum requirement for own funds and eligible liabilities *(unaudited)*

The MREL RWA requirement consists of a Single Resolution Board (SRB) requirement of 23.03% and the Group's Combined Buffer Requirement (CBR) of 5.53% on 31 December 2025 (comprising the Capital Conservation Buffer of 2.5%, and an O-SII buffer of 1.5% and a Countercyclical Buffer of 1.53%).

The Group's requirements at 31 December 2025 are c.28.56% on a RWA basis and 7.56% on a leverage basis, reflecting a decrease in the SRB requirement of c.4bps.

The SRB target is subject to annual review; while the CBR is dynamic, updating as changes in capital requirements become effective.

The Group's MREL position at 31 December 2025 is 31.6% on an RWA basis and 6.9% on a leverage basis. The Group expects to maintain a buffer over its MREL requirements. The Group issued €1.5 billion of MREL eligible senior debt in 2025, offset by €1.9 billion senior issuance redeemed in the year.

Pro forma CET1 Regulatory Capital Requirements *(unaudited)*	**Set by**	**2024**	**2025**	**2026**
Pillar 1 - CET1	CRR	4.50%	4.50%	4.50%
Pillar 2 Requirement	SSM	1.32%	1.35%	1.35%
Capital Conservation Buffer	CRD	2.50%	2.50%	2.50%
Countercyclical buffer				
Ireland (c.70% of RWA)	CBI	0.99%	1.05%	1.05%
UK (c.21% of RWA)	BoE	0.46%	0.43%	0.43%
US and other (c.9% of RWA)	Fed / Various	0.04%	0.05%	0.05%
O-SII Buffer	CBI	1.50%	1.50%	1.50%
Pro forma Minimum CET1 Regulatory Requirements (excluding Pillar 2 Guidance)		**11.31%**	**11.38%**	**11.38%**

Distribution policy *(unaudited)*

Over the next strategic cycle, the Group's objective is to maintain a progressive dividend per share supported by an ordinary dividend payout ratio of c.50% of attributable profits. The Board will also consider the distribution of surplus capital on at least an annual basis. The distribution level will reflect, amongst other things, the strength of the Group's capital and capital generation, the Board's assessment of the growth and investment opportunities available, any capital the Group retains to cover uncertainties (e.g. related to the economic outlook) and any impact from the evolving regulatory and accounting environments.

In respect of the 2025 financial year, the Board have proposed a distribution of €1,197 million, including an approved interim ordinary dividend of 25 cents per share (€239 million) in respect of H125 (which was paid to shareholders on 30 October 2025) and a final ordinary dividend of €428 million, equivalent to 45 cents per share, subject to ordinary shareholder approval, and a share buyback of €530 million which has been approved by the ECB. The final ordinary dividend of 45 cents per share will be paid on 9 June 2026 to ordinary shareholders who appear on the Company's register on 24 April 2026, the record date for the dividend, subject to shareholder approval. The combination of the ordinary dividend and the share buyback represents a distribution payout ratio of 100% for 2025.

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.2 Capital adequacy risk *(continued)*

Share buyback *(unaudited)*
The Group completed the €590 million buyback programme in relation to 2024 on 21 October 2025, repurchasing 50,742,039 ordinary shares for cancellation at a weighted average price of €11.6098 per share.

Distributable items *(unaudited)*
At 31 December 2025, the Company had reserves available for distribution of €5.6 billion (2024: €5.8 billion). Further information on the Company's equity is provided on page 431.

Individual consolidation *(unaudited)*
The regulatory CET1 ratio of the Governor and Company of Bank of Ireland calculated on an individual consolidated basis as referred to in Article 9 of the CRR is 18.3% at 31 December 2025 (2024: 17.2%).

Impediments to the transfer of funds *(unaudited)*
There is a requirement to disclose any impediment to the prompt transfer of funds within the Group. In respect of the Group's licensed subsidiaries, the Group is obliged to meet certain license conditions in respect of capital and / or liquidity.

These requirements may include meeting or exceeding appropriate capital and liquidity ratios and obtaining appropriate regulatory approvals for the transfer of capital or, in certain circumstances, liquidity.

The Group's licensed subsidiaries would be unable to remit funds to the parent when to do so would result in such ratios or other regulatory permissions being breached. Apart from this requirement, there is no restriction on the prompt transfer of own funds or the repayment of liabilities between the subsidiary companies and the parent.

At 31 December 2025, own funds were in excess of the required minimum requirement.

3.3 Conduct risk

Definition
Conduct risk is the risk of poor outcomes for, or harm to, customers, clients, and markets, arising from the delivery of the Group's products and services.

The Group is exposed to conduct risk as a consequence from all the activities that the Group engages in during its normal conduct of its business. These risks may materialise from failures to comply with regulatory requirements or expectations, as an outcome of risk events in other principal risk categories, from changes in external market expectations or conditions, provision of products and services and the various activities performed by staff, contractors and by third party suppliers.

The key conduct risk exposure areas managed by the Group include the following:

Market integrity: The risk that the Group fails to ensure that business activities, and those carrying them out, are authorised and comply with regulatory requirements, manage conflicts of interest, observe proper standards of market conduct, and enable employees to raise concerns without fear of retaliation.

Customer protection: The risk that Group sales (including advice), execution and remediation of our products and services fail to meet the expectations of our customers and regulators.

Financial crime: The risk that the Group's associated persons (employees or third parties) commit or facilitate financial crime, and / or the Group's systems, products and / or services are used by customers, employees or third parties to facilitate or attempt to facilitate financial crime.

Data privacy: The risk that the Group does not comply with relevant data protection and privacy laws and regulations.

Risk management and measurement
From an ESG perspective, 'Greenwashing', or misrepresenting the environmental benefits of green financial products or investments, is an identified sub-risk within conduct risk. The Group's product approval policy and process incorporates provisions designed to scrutinise products marketed as green products with this risk in mind.

The Group manages conduct risk under the RMF. The framework establishes the common principles for the risk management process of identifying, assessing, monitoring, and mitigating risks to the Group.

This is implemented by accountable executives and monitored by the Group Non-Financial Risk Committee (GNFRC), the ERC, the BRC and Board in line with the overall Group risk governance structure outlined on pages 240 to 242. The effective management of conduct risk is primarily the responsibility of business management and is supported by Group Compliance. The Group has no tolerance for knowingly causing harm to customers, clients, and markets, arising from the delivery of its products and services. However, we recognise that mistakes and errors of judgement or failures of processes can and do lead to customer harm, for which we have limited tolerance. We mitigate this risk through our Conduct risk policies.

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.3 Conduct risk *(continued)*

Risk mitigation
Risk mitigants include the early identification, appropriate assessment, measurement and reporting of risks. The primary risk mitigants for conduct risk are the establishment, through Group conduct policies, of standard mitigating requirements throughout the business. The standards of behaviour are detailed in the Group Code of Conduct Policy to which all management and staff must adhere and affirm annually. The Group Speak Up Policy sets out the steps colleagues can take to raise any concerns they might have of relevant wrongdoing in the Group e.g. potential breach of Regulation or internal policy under the RMF. A training schedule is in place across the Group to support staff and management in this regard.

Risk reporting
The current status of conduct risk, including risk dashboards and risk appetite compliance, is reported through the Board Risk Report on a monthly basis. The Group Chief Compliance Officer also reports to the ERC and BRC via the quarterly Group Chief Compliance Officer report on the status of conduct risk in the Group, including the status of the top conduct risks, assurance activity, and the progress of risk mitigation plans.

3.4 Credit risk

Definition *(audited)*
Credit risk is the risk of loss resulting from a counterparty being unable to meet its contractual obligations to the Group in respect of loans or other financial transactions, or any other deterioration in a counterparty's creditworthiness.

This risk includes debt underwriting risk, loan origination risk, credit concentration risk, cross-border transfer risk, credit quality deterioration risk, default risk, and collateral valuation risk. At portfolio level, credit risk is assessed in relation to the degree of name, product, industry and geographic concentration, to inform the setting of appropriate risk mitigation and transfer mechanisms, and to assess risk capital requirements. Risk appetite measures for credit risk are set by the Board.

Credit risk arises from loans and advances to customers and from certain other financial transactions such as those entered into by the Group with financial institutions, sovereigns and state institutions.

Credit facilities can be largely grouped into the following categories:
- cash advances (e.g. loans, overdrafts, Revolving Credit Facilities (RCFs) and bonds), including associated commitments and letters of offer;
- credit related contingent facilities (issuing of guarantees / performance bonds / letters of credit);
- derivative instruments; and
- settlement / clearing lines.

The manner in which the Group's exposure to credit risk arises, its policies and processes for managing it and the methods used to measure and monitor it are set out below.

Debt underwriting risk
Debt underwriting risk is the risk of loss arising from movements in credit spreads or other changes in market conditions in respect of debt underwriting transactions.

Loan origination risk
Loan origination risk is the risk of loss from originating credit exposures where asset quality is outside risk appetite.

Credit concentration risk
Credit concentration risk is the risk of loss due to excessive exposures to a single entity, or group of entities with similar activities and similar economic characteristics, which would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions.

Cross-border transfer risk
Cross-border transfer risk is the risk that sovereign or other counterparties within a country may be unable, unwilling, or precluded from fulfilling their cross-border obligations due to changing political, financial, or economic circumstances such that a loss to the Group may arise.

Credit quality deterioration risk
Credit quality deterioration risk is the risk for potential financial loss due to a ratings downgrade (e.g. Probability of Default (PD) or IFRS 9 staging migration).

Default risk
Default risk is the risk that companies or individuals (counterparties) will be unable to meet the required payments on their debt obligations.

Collateral valuation risk
Collateral valuation risk is the risk of loss arising from a change in the value or enforceability of security held due to errors in the nature, quantity, pricing, or characteristics of security held in respect of a transaction with credit risk.

Credit risk management *(audited)*
Credit risk statement
The Group actively seeks opportunities to provide credit facilities to borrowers who are assessed as having the capacity to service and discharge their obligations, to allow growth in the volume of loan assets in line with the Group's risk appetite and to provide a solid foundation for sustainable earnings growth and shareholder value.

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.4 Credit risk *(continued)*

The Group takes credit risk, consistent with the Group's Risk Identity, designed to deliver an appropriate return on capital, while ensuring credit exposures do not exceed levels which would produce unacceptable earnings and capital volatility under both stress and non-stress conditions. Concentrations are generally avoided except when they are necessary and consistent with the Group's risk identity.

The Group's credit strategy is to underwrite credit risk within a clearly defined Board-approved risk appetite. This is done through the extension of credit to customers and financial counterparties in a manner that results in an appropriate return for the risks taken and on the capital deployed, while operating within Board-approved risk parameters.

Credit risk management

Within the Group's lending divisions the approach to the management of credit risk is focused on a detailed credit analysis at origination followed by early intervention and active management of accounts where creditworthiness has deteriorated.

Through its ongoing credit review processes, the Group seeks early identification of deteriorating loans with a view to taking corrective action to prevent loans becoming credit-impaired. Typically, loans that are at risk of becoming credit-impaired are managed by dedicated specialist units / debt collection teams focused on working out loans, separate Customer Loan Solutions teams provide experienced and dedicated management of challenged assets. For loans that become credit-impaired, the focus is to minimise the loss that the Group will incur. This may involve implementing forbearance solutions, entering into restructuring arrangements, enforcing security, pursuing asset / portfolio disposals or securitisations.

The Group Credit Risk function has responsibility for the independent oversight of credit risk and for overall risk reporting to the Group Credit Risk Committee (GCRC), ERC, the BRC, and the Board on developments in credit risk and compliance with specific risk limits. It is led by the Group Chief Credit Officer who reports directly to the Group Chief Risk Officer. The function provides independent oversight of the Group's credit risk strategy, credit risk management information and credit risk underwriting.

Credit policy

The core values and principles governing the provision of credit are contained in the Group Credit Risk Policy which is approved by the Board. The Group Credit Risk Policy is supported by the following additional credit risk related policies; i) Group Impairment Policy; ii) Group Forbearance Policy; iii) Group Property Collateral Valuation Policy; iv) Group Country Risk Policy; v) Group Policy on Definition of Default; and vi) Group Bank Risk Policy. In addition, individual business unit Loan Origination Standards (LOS) set out key loan acceptance criteria at product, sector, or portfolio level. Business unit credit risk procedures are also required for each portfolio or business unit involved in lending and credit related activities. These documents describe the end-to-end credit risk lifecycle and how the risk mitigation requirements, as set out in the Group Credit Risk Policy, are implemented. These standards and procedures are aligned with, and have regard to, the Group's Risk Appetite Statement and applicable credit limits, the lessons learned from the Group's loss history, the markets in which the business units operate and the products which they provide.

Lending authorisation

The Group's credit risk management systems operate through a hierarchy of credit authorities which are related to internal loan ratings. All exposures above certain levels require approval by the Group Credit Transactions Committee (GCTC). Other exposures are approved according to a system of tiered individual credit authorities, which reflect credit competence, proven judgement, and experience. Material lending proposals are referred to credit underwriting units for independent assessment / approval or formulation of a recommendation for subsequent adjudication by the applicable approval authority. Certain retail loan applications may be approved automatically where they meet both approved policy rules and minimum credit score thresholds produced by internal credit scoring tools.

Controls and limits

The Group imposes credit risk control limits and country risk exposure guide points to mitigate significant concentration risk. These limits and guide points are informed by the Group's Risk Appetite Statement which is approved annually by the Board. It includes specific limits for each category and maximum exposure limits to a customer or a group of connected customers.

The Board approves a framework of country risk exposure guide points which act as boundaries for the setting of individual country limits, which are approved by the GCRC. The Board may also approve individual country limits outside of the country exposure guide points. A maximum exposure limit framework for exposures to banks is also approved by the GCRC for each rating category. Limits are set and monitored for countries, sovereign obligors, and banks in accordance with these frameworks.

Credit risk measurement *(audited)*

All credit transactions are assessed at origination for credit quality and the borrower is assigned a credit rating based on a pre-defined credit rating scale. The risk and consequently the credit rating, is reassessed periodically. The use of internal credit rating models and scoring tools, which measure the degree of risk inherent in lending to specific counterparties, is central to the credit risk assessment and ongoing management processes within the Group.

Loan impairment

Under IFRS 9, essentially all credit risk exposures not measured at fair value through profit or loss (FVTPL) are subject to recognition of an impairment loss allowance for ECL. The Group's impairment modelling methodologies are approved by MRC and / or RMC and the quantum of the Group's impairment gain or loss, NPEs and impairment loss allowances are reviewed by the GCRC and by the ERC in advance of providing a recommendation to the GAC.

The Group's credit risk rating systems and impairment models and methodologies play a key role in quantifying the appropriate level of impairment loss allowance. Further details are provided in the section on credit risk methodologies beginning on page 251. An analysis of the Group's impairment loss allowances at 31 December 2025 is set out in note 26.

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.4 Credit risk *(continued)*

Credit risk mitigation *(audited)*
An assessment of the borrower's ability to service and repay the proposed level of debt (principal repayment source) is undertaken for credit requests and is a key element in the Group's approach to mitigating risk.

In addition, the Group mitigates credit risk through the adoption of both proactive preventative measures (e.g. controls and limits) and the development and implementation of strategies to assess and reduce the impact of particular risks should these materialise, including hedging, securitisation, the taking of collateral (which acts as a secondary repayment source) and selective asset / portfolio disposals.

Risk transfer
The objective of risk mitigation / transfer is to keep risk exposure within acceptable limits. At portfolio level, credit risk is assessed in relation to the degree of name, sector, and geographic concentration. Where emerging risk concentrations are identified, the risk capital implications are assessed and, where appropriate, risk transfer and mitigation options (e.g. disposals, securitisations, hedging strategies) are explored.

Collateral
Credit risk mitigation includes the requirement to obtain collateral, depending on the nature of the product and local market practice, as set out in the Group's policies and procedures. The Group takes collateral as a secondary repayment source, which can be called upon if the borrower is unable or unwilling to service and repay debt as originally envisaged. Various types of collateral are accepted, including property, securities, cash, guarantees and insurance.

The nature and level of collateral required depends on a number of factors including, but not limited to, the amount of the exposure, the type of facility made available, the term of the facility, the amount of the borrower's own cash input and an evaluation of the level of risk or PD.

The Group's requirements around completion, valuation and management of collateral are set out in appropriate Group policies, business unit LOS and credit risk procedures. The extent to which collateral and other credit enhancements mitigate credit risk in respect of the Group's residential mortgage portfolio is set out in the tables on pages 262 to 265.

Counterparty credit risk arising from derivatives
Trading in over-the-counter (OTC) derivatives is governed by the European Market Infrastructure Regulation. The Group has executed standard internationally recognised documents such as International Swaps and Derivatives Association (ISDA) agreements and Credit Support Annexes (CSAs) with all of its derivative financial counterparties. In addition, the Group has Cleared Derivatives Execution Agreements (CDEAs) with its principal interbank derivative counterparties enabling the Group to clear eligible derivatives through an EU approved and regulated central counterparty. If a derivative contract cannot be cleared through a central counterparty, a CSA serves to limit the potential cost of replacing that contract at market price in the event of a default by the financial counterparty. All of the Group's financial counterparty derivatives are covered by CDEAs or CSAs and are hence collateralised.

Credit risk reporting / monitoring *(audited)*
Credit risk at a Group, divisional and significant operating unit / product type level is reported on a monthly / quarterly basis to senior management. Reporting includes information on loan book composition and asset quality (PD profiles, impairment loss allowances and RWAs).

The current status of credit risk, including risk dashboards and risk appetite compliance, is reported through the Board Risk Report on a monthly basis. A report on exceptions to LOS is reviewed by GCRC members on a quarterly basis.

On a monthly / quarterly basis the GCRC considers credit concentration reports which track changes in portfolio, product / sectoral and single name concentrations measured under agreed parameters. In addition, other reports are submitted to senior management and the Board as required.

The Group maintains an independent Credit Review function which provides ongoing assessment of the Group's credit risk management processes. Using a risk based approach, Credit Review carries out periodic reviews of Group lending portfolios, lending units and credit underwriting units. The results of reviews carried out by the Credit Review function are communicated to the Board and senior management.

Management of challenged assets *(audited)*
The Group has in place a range of initiatives to manage challenged and non-performing exposures. These include:
- enhanced collections and recoveries processes;
- specialist work-out teams to ensure early intervention for borrowers in or potentially in financial difficulty;
- intensive review cycles for 'at risk' exposures and the management of arrears and excess positions; and
- support from central teams in managing 'at risk' portfolios at a business unit level.

Group forbearance strategies
A forbearance measure is a concession to a borrower for reasons relating to the actual or apparent financial difficulties of that borrower. A concession is any change to the terms and conditions of a credit agreement (e.g. term extension, margin change, release of security, covenant waiver) or a total or partial refinancing of a credit facility. If the concession to a borrower is not related to the actual or apparent financial difficulty of that borrower, forbearance has not occurred. The key objective of granting forbearance measures is to ensure a sustainable repayment situation can be achieved. This includes paving the way for non-performing borrowers to return to performing status and reducing the likelihood of performing borrowers reaching a non-performing status.

Forbearance strategies adopted by the Group seek to maximise recoveries and minimise losses arising from non-repayment of debt, while providing suitable and sustainable restructure options that are supportive of customers in actual or apparent financial difficulties. Such strategies may include, where appropriate, one or a combination of measures such as a temporary reduction in contractual repayments, a term extension, capitalisation of arrears, adjustment, or non-enforcement of covenants and / or more permanent restructuring measures.

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.4 Credit risk *(continued)*

Forbearance requests are assessed on a case by case basis, taking due consideration of the individual circumstances and risk profile of the borrower.

A request for forbearance will always be a trigger event for the Group to undertake an assessment of the customer's financial circumstances and ability to repay prior to any decision to grant a forbearance treatment. This assessment may result in a deterioration in the credit rating assigned to the loan, potentially impacting how frequently the loan must be formally reviewed. This assessment may also result in a loan being considered to have experienced a 'significant increase in credit risk' or becoming classified as credit-impaired.

The Group Forbearance Policy outlines the core principles and parameters underpinning the Group's approach to forbearance with individual business unit forbearance procedures in place for each key portfolio which set out in more detail the approach to and the application of forbearance.

Borrower compliance with revised terms and conditions may not be achieved in all cases. Non-compliance could, for example, arise because the individual circumstances and risk profile of the borrower continue to deteriorate, or fail to show an expected improvement, to the extent that an agreed reduced level of repayment can no longer be met.

In the event of non-compliance, a request for further forbearance may be considered. It is possible that the Group, by virtue of having granted forbearance to a borrower, could suffer a loss that might otherwise have been avoided had enforcement action instead been taken. This could, for example, arise where the value of security held in respect of a loan diminishes over the period of a forbearance arrangement which ultimately proves unsustainable.

It is the Group's policy to measure the effectiveness of forbearance arrangements over the lifetime of those arrangements. A forbearance arrangement is considered to be effective where the risk profile of the affected borrower stabilises or improves over the measured time period, resulting in an improved outcome for the Group and the borrower. The measurement of effectiveness takes account of the nature and intended outcome of the forbearance arrangement and the period over which it applies.

Asset quality - Loans and advances to customers *(audited except where denoted unaudited)*

Asset quality methodology

The Group has allocated financial instruments into one of the following categories at the reporting date:

- **Stage 1 - 12 month expected credit losses (not credit-impaired)**
  Financial instruments which have not experienced a significant increase in credit risk since initial recognition and are not credit-impaired. An impairment loss allowance equal to 12-month ECL is recognised, which is the portion of lifetime ECL resulting from default events that are estimated within the next 12 months.
- **Stage 2 - Lifetime expected credit losses (not credit-impaired)**
  Financial instruments which have experienced a 'significant increase in credit risk since initial recognition' and are not credit-impaired. An impairment loss allowance equal to lifetime ECL is recognised, being the ECL resulting from all estimated default events over the expected life of the financial instrument. 'Credit risk' in this context refers to the change in the risk of a default occurring over the expected life of the financial instrument.
- **Stage 3 - Lifetime expected credit losses (credit-impaired)**
  Credit-impaired financial instruments, other than POCI financial assets. An impairment loss allowance equal to lifetime ECL is recognised. The Group's approach to identifying credit-impaired assets is consistent with the Group's definition of default (in accordance with regulatory guidelines including EBA Guidelines on the application of the definition of default under Article 178 of the Capital Requirements Regulation (CRR)). This encompasses loans where: i) the borrower is considered unlikely to pay in full without recourse by the Group to actions such as realising security; and / or ii) the borrower is greater than 90 days past due and the arrears amount is material.
- **POCI financial assets**
  Financial assets that were credit-impaired at initial recognition. A POCI is not subject to any initial impairment loss allowance but an impairment loss allowance is subsequently recognised for the cumulative changes in lifetime ECL since initial recognition. A POCI remains classified as such until it is derecognised, even if assessed as no longer credit-impaired at a subsequent reporting date. POCI obligations remain outside of the normal stage allocation process for the lifetime of the obligation.

Further information on the approaches to identifying 'significant increase in credit risk since initial recognition' and credit-impaired assets are outlined in the following section on 'credit risk methodologies'.

The Group continued to apply the following classifications at the reporting date.

Forborne loans

Loans where a forbearance measure has been granted and where the criteria to exit a forborne classification, in line with EBA guidance, are not yet met. Loans that have never been forborne or loans that are no longer required to be reported as 'forborne' are classified as 'non-forborne'.

Non-performing exposures

These are:

- credit-impaired loans which includes loans where the borrower is considered unlikely to pay in full without recourse by the Group to actions such as realising security, and / or loans where the borrower is greater than 90 days past due and the arrears amount is material; and
- other loans meeting NPE criteria as aligned with regulatory requirements.

Credit risk methodologies *(audited)*

The Group's credit risk methodologies encompass internal credit rating models, scoring tools and impairment models. This is set out on the following pages.

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.4 Credit risk *(continued)*

Internal credit rating models

The use of internal credit rating models and scoring tools, which measure the degree of risk inherent in lending to specific counterparties, is central to the credit risk assessment and ongoing management processes within the Group.

The primary model measures used are:

- **PD:** the probability that a given counterparty will default on any of its credit obligations to the Group within the next twelve months;
- **Exposure at Default (EAD):** the total amount the Group is owed by the borrower at the point of default;
- **LGD:** the loss incurred (after the realisation of any collateral) on a specific transaction should the borrower default, expressed as a percentage of EAD; and
- **Expected Loss Best Estimate (ELBE)**: the expected loss incurred (after the realisation of any collateral) on a specific transaction given the borrower's default expressed as a percentage of EAD based on current economic conditions.

These measures are used to calculate regulatory RWA and are fully embedded in and form an essential component of the Group's operational and strategic credit risk management and credit pricing practices.

The structure of internal rating systems

The Group divides its internal rating systems into non-retail and retail approaches. For the Group's retail consumer and smaller business portfolios, the credit risk assessment is grounded on application and behavioural scoring tools. For larger commercial and corporate customers, the risk assessment is underpinned by statistical risk rating models which incorporate quantitative information from the customer (e.g. financial statements) together with a qualitative assessment of non-financial risk factors such as management quality and market / trading outlook. Lending to financial institutions is assigned an internal rating supported by external ratings of the major rating agencies.

PD calculation

For the purposes of internal credit rating models, the Group estimates PD using a hybrid PD approach based on the following components:

- Through-the-Cycle (TtC) component which captures the average PD for a borrower over a long run time series with a mix of good and bad years, expressed on a twelve-month basis; and
- Cyclical component based on the scorecard risk drivers used to reflect estimates that are sensitive to economic conditions, typically increasing during downturns and decreasing during upturns but not necessarily to the same degree as default rates change in the economy.

Non-retail internal rating systems

The Group has adopted the Foundation Internal Ratings Based (FIRB) approach for most of its non-retail portfolios. Under this approach, the Group calculates its own estimates for PD and uses supervisory estimates of LGD and credit conversion factors.

To calculate PD under the FIRB approach, the Group assesses the credit quality of borrowers based on borrower specific characteristics. Scorecards are developed for each significant portfolio or type of lending, with outputs used to assign a PD grade to each borrower. For exposures other than financial institutions, external ratings, when available for borrowers, play a role in the independent validation of internal estimates.

For non-retail exposures, the Group calculates its own estimates of PDs based on internal default experience, or where default data is limited, statistical model estimates combined with available data to reflect the average default rate over the course of an economic cycle. The PDs vary, to an extent, with the economic cycle and are used to calculate risk weighted exposure amounts and to determine minimum regulatory capital requirements. The PD estimates capture a change in borrower risk over the economic cycle and are used for internal credit management purposes.

Retail internal rating systems

The Group has adopted the Advanced rating systems. Under the Retail IRB approach, scorecards based on internal behavioural data and, where relevant, transaction-specific characteristics are developed for specific portfolios or product types. The output from the scorecard is used to determine the PD estimate.

The Group calculates retail PDs on a hybrid basis depending on the portfolio. A cyclical rating philosophy that is sensitive to changes in economic conditions is calibrated to a TtC long run average default rate resulting in model estimates that vary to an extent with the economic cycle but are not fully cyclical. These retail PDs are used for both the calculation of risk weighted exposure amounts and for internal credit management purposes.

LGD estimates are based on historic loss experience and associated costs for all observed defaults. Loss estimates are adjusted upwards to ensure LGD estimates are representative of economic downturn conditions. Some portfolios have an ELBE LGD modelling component for stock default accounts. For revolving credit facilities, estimates of credit conversion factors (which determine the extent to which a currently undrawn amount is assumed to be drawn and outstanding at point of default) are similarly derived based on historic experience from observed defaults and are calibrated to produce estimates of behaviour characteristic of an economic downturn if those are more conservative than the long run average.

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.4 Credit risk *(continued)*

Uses of internal estimates

Internal estimates play an essential role in risk management and decision-making processes as well as the credit approval functions, the internal capital allocation function and the corporate governance functions of the Group. The specific uses of internal estimates differ from portfolio to portfolio, and for retail and non-retail approaches, but typically include:

- credit decisioning / automated credit decisioning and borrower credit approval;
- credit management;
- calculation of Risk Adjusted Return metrics e.g. (RoTE);
- internal reporting; and
- internal capital allocation between businesses of the Group.

Control mechanisms for credit rating and impairment models

The Group Model Risk Policy, as approved by RMC and the BRC, sets out the Group's overall approach to model risk management. Supporting standards set out more detailed requirements with respect to development, monitoring and validation of credit rating and impairment models. These standards are approved by the RMC and / or the MRC. Model development and redevelopments for credit rating and impairment models are approved by the RMC and the results of model performance monitoring are reported to the MRC with onward reporting at the RMC on a regular basis.

The Group mitigates model risk for credit rating and impairment models as follows:

- **model development standards:** the Group adopts centralised standards and methodologies over the operation and development of models. This ensures a common approach in key areas such as documentation, data quality and management and model testing;
- **model governance:** the Group adopts a uniform approach to the governance of all risk rating model related activities and impairment model related activities, ensuring the appropriate involvement of relevant stakeholders;
- **model performance monitoring:** credit risk rating and impairment models are subject to testing on a quarterly basis which is reported to the relevant committee. This includes assessment of model performance against observed outcomes, including:
  - rank order of borrowers;
  - accuracy of parameter estimates (including actual vs. expected testing);
  - the stability of the rating;
  - the quality of data; and
  - the appropriateness of model use.
- **independent validation:** models are subject to in-depth analysis on a periodic basis, which includes an assessment of model performance against observed outcomes, including: rank order of borrowers; accuracy of parameter estimates; the stability of the rating population; the quality of data; and the appropriateness of model use. This analysis is carried out by a dedicated unit the 'Independent Validation Unit' (IVU) which is independent of credit origination and management functions.

When issues are raised on risk rating or impairment models, plans are developed to remediate or replace such models within an agreed timeframe.

In addition, GIA regularly reviews the risk control framework, including policies and standards, to ensure that these are being adhered to, meet industry good practices and are compliant with regulatory requirements.

Methodology for loan loss provisioning under IFRS 9

Approach to measurement of impairment loss allowances

Impairment is measured in a way that reflects: (a) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; (b) the time value of money; and (c) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions, and forecasts of future economic conditions. Impairment is measured through the use of impairment models, individual discounted cash flow (DCF) analysis and modelled loss rates, supplemented where necessary by management overlays.

A loss allowance is recognised for all financial instruments in scope for the impairment requirements of IFRS 9. There have been no significant changes in the quality of collateral or credit enhancements as a result of changes in the Group's collateral policies during the year.

The Group's methodologies for the valuation of property collateral are set out on page 256, noting further that FLI (page 313) is applied as appropriate to RoI and UK property collateral values in measuring impairment loss allowances under IFRS 9. The Group's critical accounting estimates and judgements, including those with respect to impairment of financial instruments, are set out in note 2 to the consolidated financial statements. An analysis of the Group's net impairment losses on financial instruments and impairment loss allowances is set out in notes 14, 25 and 26 of the consolidated financial statements.

Impairment models

The Group has in place a suite of IFRS 9 compliant impairment models which are executed on a monthly basis. The Group's ECL framework allocates financial instruments to Stage 1, 2 or 3 and measures the applicable 12 month or lifetime ECL. The characteristics of an exposure determine which impairment model is applied, with influencing factors including product type (e.g. residential mortgage, unsecured personal loan, business loan) and market segment (e.g. owner occupier, Buy to Let (BTL), general corporate lending, general business lending). ECLs are calculated as the sum of the marginal losses for each time period from the reporting date. The key components of the ECL calculation are PD, EAD and LGD and are described on the following page. Other components include discount rate and maturity. The current contractual interest rate is generally used as the discount rate as it is considered a suitable approximation of the effective interest rate determined at initial recognition. For term lending including committed RCFs, contractual maturity is used in the ECL calculation. For other revolving facilities, behavioural life is generally used.

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.4 Credit risk *(continued)*

IFRS 9 Probability of Default

Where available, the ratings or underlying scores from internal credit rating models are used as a starting point for IFRS 9 PD calibration. While calibration techniques are similar to those used for regulatory purposes, the IFRS 9 PD differs from regulatory capital PDs as it is a point-in-time PD measure based on current conditions adjusted to reflect FLI under a range of scenarios. A current point-in-time IFRS 9 PD represents the expected default rate over the next twelve months. It is used to calculate the 12-month ECL and as the starting point for lifetime PD estimation. Future point-in-time PDs are projected for each year from year two to the instrument's maturity. Transition matrices are used to model how exposures migrate across PD bands over time.

Together, the current point-in-time IFRS 9 PD and future point-in-time IFRS 9 PDs are used to calculate an IFRS 9 lifetime PD expectation for each FLI scenario. The scenario-weighted averages determine an overall IFRS 9 lifetime PD expectation.

At origination, these expectations, along with any relevant prepayment estimates, are stored to enable future comparisons to assess whether a 'significant increase in credit risk' has occurred. As lifetime PD was not calculated historically, the Group used reasonable and supportable information available without undue cost or effort to approximate the residual IFRS 9 lifetime PD expectations at initial recognition for most financial instruments originated prior to the adoption of IFRS 9 on 1 January 2018.

In 2025, four new IRB PD models were implemented for the Property Investment, Leverage Acquisition Finance, RoI General Industries, and Project Finance segments of the Non-Retail portfolio. The ECL model framework was also updated to incorporate the newly implemented models.

The IFRS 9 PD models for the Property Investment and Development portfolio were redeveloped during 2025. The redevelopment resulted in an increase of c.€3 million in impairment loss allowance. Consequently, the Investment Property PMA that had been held at 31 December 2024 and 30 June 2025 in anticipation of this model update is no longer required.

RoI GDP and RoI Gross National Product (GNP) were removed as primary risk drivers from PD macroeconomic regression models in H1 2025 due to the inherent volatility and risk of restatement for these macroeconomic indicators. The impairment models now include less volatile factors such as Modified Domestic Demand (MDD).

Further details are provided in note 2 critical accounting estimates and judgements.

IFRS 9 Exposure at Default

Current point-in-time EAD represents the expected exposure if the borrower defaults within the next 12 months. Future point-in-time EAD incorporates expected contractual cash flows. IFRS 9 EAD differs from regulatory EAD in that it incorporates expected contractual cash flows.

The EAD component of the Non-Retail impairment model was enhanced to include greater risk differentiation by incorporating repayment profile specific segmentation in 2025 to address model weaknesses. The model updates resulted in an c.€8 million increase in impairment loss allowance.

IFRS 9 Loss Given Default

Current point-in-time LGD represents the loss expected if default occurs within the next 12 months. To calculate lifetime ECL, future point-in-time LGDs are calculated for each year from the start of year 2 to maturity of the exposure. These calculations are based on historical data, with cure rates incorporated where relevant, to reflect the likelihood of borrowers returning to performing status. FLI is also reflected for example through changes in collateral, cure rates, time to sale and loss on portfolio sales applied where collateral is held in RoI or UK property markets.

The LGD component of the Non-Retail impairment model was enhanced to include greater sensitivity to macro-economic factors and address model weaknesses. The updates resulted in a c.€25 million increase in impairment loss allowance. Consequently, the Investment Property PMA that had been held at 31 December 2024 and 30 June 2025 in anticipation of this model update is no longer required.

Further details are provided in note 2 critical accounting estimates and judgements.

Individual discounted cash flow analysis

For credit-impaired financial instruments in Corporate and Commercial Banking and certain other relationship-managed portfolios, the impairment loss allowance is primarily determined by an individual DCF analysis completed by lenders in business units and subject to review, challenge and, potentially, revision by independent credit professionals in underwriting units. The expected future cash flows are based on an assessment of future recoveries and resolution scenario outcomes (where applicable) and include forecasted principal and interest payments (not necessarily contractual amounts due) and expected cash flows, if any, from the realisation of collateral / security held, less realisation costs.

Modelled loss rates

For some smaller and / or lower risk portfolios, (primarily RoI asset finance portfolios) impairment loss allowances are measured by applying modelled loss rates to exposure amounts. Modelled loss rates are generally determined on a component basis considering factors such as the nature and credit quality of the exposures and past default and recovery experience on the portfolio or on portfolios with similar risk characteristics. Generally, a number of different loss rates will be set for a portfolio to allow differentiation of individual financial instruments within the portfolio based on their credit quality.

Identifying a significant increase in credit risk

The Group's standard criteria to identify financial instruments which have had a 'significant increase in credit risk since initial recognition' are applied to the vast majority of loans and advances to customers. 'Credit risk' in this context refers to the change in the risk of a default occurring over the expected life of the financial instrument. Unless credit-impaired or a POCI, a financial instrument is generally allocated to Stage 2 if any of the following criteria are met at the reporting date:

- remaining lifetime PD at the reporting date is more than double and more than 50 basis points higher than the remaining lifetime PD at initial recognition as estimated based on facts and circumstances (adjusted where relevant for changes in prepayment expectations);

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.4 Credit risk *(continued)*

- a contractual payment is greater than 30 days past due;
- the PD risk rating for individually assessed / relationship managed assets is above a defined risk threshold;
- the exposure has been placed on a watchlist or meets definition of challenged for relationship managed exposures;
- the exposure is a forborne loan;
- the exposure has exited default / Stage 3 in the previous 3 months; and
- a related credit facility or asset has been classified as Stage 2 (applicable to certain portfolios only).

The above criteria are automatically applied as part of the monthly execution of the Group's impairment models. In addition, the Group considers other reasonable and supportable information that would not otherwise be considered that would indicate that a significant increase in credit risk had occurred. In this regard, the Group assessed the impact of elevated affordability risk, including impacts on UK residential mortgage interest only loans nearing scheduled maturity and the possible lag effect of higher interest rate pass through on both RoI and UK residential mortgage customers rolling off fixed rate contracts.

In line with 2024, credit risk assessments were implemented across the residential mortgage portfolio and the outputs have been utilised to identify significant increases in credit risk and the reclassification of Stage 1 assets as Stage 2. These credit risk assessments, which leveraged qualitative information not already captured in impairment models, resulted in a credit management decision to classify €1.2 billion of Stage 1 assets as Stage 2 at the reporting date, and a corresponding €11 million increase in impairment loss allowance.

Where a financial asset has been modified but not derecognised, the quantitative assessment of 'significant increase in credit risk' continues to be based on the remaining lifetime PD at initial recognition.

The Group assesses the effectiveness of its staging criteria semi-annually, taking into account considerations such as the extent to which: i) exposures have moved directly from Stage 1 to Stage 3; ii) exposures have moved to Stage 3, having spent only a short period in Stage 2; and iii) there is potential over-reliance on backstop or qualitative criteria in identifying Stage 2 exposures.

The Group applies the low credit risk expedient to all debt securities in scope for the impairment requirements of IFRS 9 (with the exception of a small amount of debt securities associated with corporate banking relationships) and similarly to loans and advances to banks, central banks, and investment firms. 'Low credit risk' encompasses PD grades 1 to 5 on the Group's internal PD rating system, which broadly aligns with ratings of AAA to BBB- for the external major rating agencies. Such financial instruments are allocated to Stage 1.

For some smaller and / or low risk portfolios, the Group identifies a 'significant increase in credit risk since initial recognition' solely by reference to whether a contractual payment is greater than 30 days past due.

Identifying defaulted assets and credit-impaired assets

The Group aligns the definition of Default with Credit Impaired and NPE definitions, so that any exposure classified as Credit Impaired or NPE is classified as Defaulted. Where default criteria are no longer met, the credit facility (obligor for non-retail exposures) exits credit-impaired (Stage 3), subject to meeting defined probation criteria, in line with regulatory requirements.

Under the definition of default the Group considers certain events as resulting in mandatory default and credit-impaired classification without further assessment. These include:

- greater than 90 days past due and the past due amount is material;
- more than 3 full monthly payments past due (retail credit facilities only);
- a forbearance arrangement is put in place and that arrangement involves debt forgiveness or reduction in interest rate / margin;
- legal action is underway by the Group to enforce repayment or realise security;
- the Group or a receiver takes security into possession;
- the Group has formally sought an insolvency arrangement in respect of the borrower;
- the exposure is classified as non-performing forborne for supervisory reporting purposes;
- residential mortgages where default has occurred on another credit facility secured on the same property collateral, or more than 20% of overall balance sheet exposure to the customer in the mortgage portfolio is in default; and
- the borrower has been granted multiple forbearance arrangements over a period of three years.

Certain other events necessitate a lender assessment and, if the outcome of the lender assessment is that the contractual amount of principal, interest and fees will not be fully repaid in what is assessed to be the most likely cash flow scenario or will be repaid only via recourse by the Group to actions such as realising security, when this was not originally envisaged, default and credit-impaired classification is mandatory. For larger value commercial lending cases (typically greater than €1 million or £850,000), the lender assessment involves production of an individual discounted cash flow analysis. The events differ by portfolio and include those set out below.

All portfolios:

- a forbearance measure has been requested by a borrower and formally assessed;
- the non-payment of interest (e.g. via interest roll-up, arrears capitalisation etc.) as a result of the terms of modification of loans, including refinancing and renegotiation of facilities where during the renegotiation process, the lender becomes aware that the borrower is under actual or apparent financial distress;
- there are justified concerns about a borrower's future ability to generate stable and sufficient cash flows;
- a borrower's sources of recurring income are no longer available to meet regular loan repayments;
- evidence of fraudulent activity by the borrower or another party connected with the loan;
- the contractual maturity date has passed without repayment in full;
- repayment of a credit obligation is suspended because of a law allowing this option or other legal restrictions; and
- a material third-party creditor is known to have sought an insolvency arrangement in respect of the borrower.

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.4 Credit risk *(continued)*

Residential mortgage portfolios:
- offer of voluntary surrender of security or sale of security at a possible shortfall; or
- it becomes known that the borrower has become unemployed with no comparable new employment secured.

Larger Small and Medium Enterprise / corporate and property loans:
- the borrower has breached the covenants of a credit contract with the Group;
- there is a crisis in the sector in which the counterparty operates combined with a weak position of the counterparty in this sector;
- external credit rating has been downgraded below a certain level in conjunction with other evidence of a deterioration in credit risk;
- financial analysis indicates an inability of the borrower to meet debt service obligations as they fall due and / or a negative net assets position;
- the borrower has ceased trading;
- a material decrease in collateral value has occurred on a CRE transaction, such that the value of the collateral reduces by a certain level in the previous 12 months, or LTV ratio increases to more than a specified level;
- a fall in net rent such that it is inadequate to cover interest with little / no other income to support debt service capacity (investment property exposures only);
- a fall in the assessed gross development value such that sale proceeds are no longer expected to fully repay debt (development exposures only); and
- the term debt exposure of a borrower has a maturity date in less than 3 months' time, and no credit approved and customer agreed refinance arrangement is in place.

Review of credit-impaired loans

It is Group policy to review credit-impaired loans above agreed thresholds at a minimum annually or on receipt of material new information, with the review including a reassessment of the recovery strategy and the continued appropriateness of a credit-impaired classification.

The minimum requirements for a credit-impaired loan to return to non credit-impaired status are that:
- the borrower must not be greater than 90 days past due on a material amount;
- the borrower must be considered likely to pay in full without recourse by the Group to actions such as realising security and there must be no forbearance arrangement in place where future reliance on realisation of collateral is expected for repayment in full when this was not originally envisaged (i.e. no Unlikeliness To Pay (UTP) trigger persists);
- and have observed any probation period requirements.

An updated assessment of the borrower's current financial condition and repayment prospects is typically required, with evidence of regular, satisfactory repayments under the original or modified agreement for a reasonable period of time.

Methodologies for valuation of property collateral

The Group's approach to the determination of the market value of property collateral is set out in the Group Property Collateral Valuation Policy, supported by related Group Property Collateral Valuation Guidelines, and is summarised below. The Group's approach to applying FLI to those values for the purposes of measuring impairment loss allowance for the year ended 31 December 2025 is described below.

Retail Ireland mortgage loan book property values are determined by reference to the original or latest property valuations held indexed to the Central Statistics Office (CSO) Residential Property Price Index (RPPI). Retail UK mortgage loan book property values are determined by reference to the original or latest property valuations held indexed to the Nationwide UK house price index.

Commercial property valuations may include formal written valuations from external or internal professionals, or 'internally assessed valuations' completed by business units. Internally assessed valuations are informed by the most appropriate sources available for the assets in question. This may include property specific information / characteristics, local market knowledge, comparable transactions, professional advice (e.g. asset management reports) or a combination thereof, in line with more detailed guidance approved by the GCRC. This guidance is informed by both internal and externally sourced market data / valuation information, including input from the Group's Real Estate Advisory Unit (REAU). Internally assessed valuations are subject to review, challenge and, potentially, revision by independent credit professionals in underwriting units and are approved as part of the normal credit process.

Typically, more frequent valuations are required for properties held as security for NPEs with an annual valuation required for NPEs in excess of €300,000 / £250,000.

Credit risk associated with geopolitical risk, economic uncertainty, and affordability rates

The impact of heightened geopolitical uncertainty has been integrated into individual credit assessments across the relationship-managed commercial portfolios during 2025. Targeted evaluations of tariff related risks were conducted in 2025 within relevant corporate and SME lending portfolios. Where exposures were identified as high risk, appropriate credit downgrades were applied, resulting in reclassification to Stage 2 or, where required, Stage 3.

A new PMA of €40 million has been applied at 31 December 2025 to reflect the potential second order economic impacts arising from the recent elevation in geopolitical risk globally. This adjustment reflects the increased credit risk that may arise within internationally focused Corporate Non-Property lending portfolios as a result of broader macroeconomic uncertainty.

Additionally, in 2025 the Group conducted a number of assessments in relation to credit risk associated with the impact of elevated affordability risk including impacts on UK residential mortgage interest only loans nearing scheduled maturity and the possible lag effect of higher interest rate pass through on both RoI and UK residential mortgage customers rolling off fixed rate contracts.

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.4 Credit risk *(continued)*

In line with 2024, credit risk assessments were implemented across the residential mortgage portfolio and the outputs have been utilised to identify significant increases in credit risk and the reclassification of Stage 1 assets as Stage 2. These credit risk assessments, which leveraged qualitative information not already captured in impairment models, resulted in a credit management decision to classify €1.2 billion of Stage 1 assets as Stage 2 at the reporting date (31 December 2024: c.€0.9 billion), with a corresponding €11 million increase in impairment loss allowance (31 December 2024: €9 million).

Furthermore, the final set of probability weightings applied to FLI scenarios utilised in the Group's impairment models incorporated the application of management judgement to initial modelled probability weightings to reflect economic uncertainty associated with factors including geopolitical risk and tariff policy uncertainty. The estimated impact of this judgement was a c.€12 million increase in impairment loss allowance (31 December 2024: c.€7 million).

Further details on the selected FLI scenarios for the reporting period, Group management adjustments and management judgement incorporated into impairment model parameters are provided in note 2 critical accounting estimates and judgements. Quantitative information about credit risk within financial instruments held by the Group can be found in note 26 credit risk exposures.

Forward-Looking Information

Changes in estimates

FLI refers to probability-weighted future macroeconomic scenarios used in the measurement of impairment loss allowances under IFRS 9, and is approved semi-annually by the ERC. At 31 December 2025 the Group applied four FLI scenarios , comprised of a central scenario, an upside scenario, and two downside scenarios, including one severe downside scenario.

Each scenario spans a five year forecast period, with reversion to long run averages for property price growth thereafter. The Group keeps under review the number of FLI scenarios and the need to produce jurisdiction specific projections. The central FLI scenario for the year ending 31 December 2025 was developed internally by the Group's ERU in collaboration with the Group's REAU.

To incorporate available, reasonable and supportable information and apply meaningful upside and downside FLI scenarios, three alternative scenarios (one upside and two downside) were also constructed by the Group's ERU and the REAU. Each scenario was constructed around narratives reflecting varying levels of geopolitical tensions, trade disruption, energy price, volatility, inflationary pressures, transition related climate risks, the depth of downturn in the RoI, UK and global economies; and the pace of economic recovery.

The alternative scenarios were assessed relative to the historical distribution of key macroeconomic factors to derive an initial set of relative probabilities. Weightings were assigned based on each scenario's relative position within the historical distribution, with lower probabilities representing more extreme outcomes. The final weightings were also informed by other qualitative factors and expert judgment.

The overall ECL for an exposure is determined as a probability weighted average of the ECL calculated for each scenario, weighted by the probability of each scenario occurring. Beyond the forecast period, default rates are assumed to revert over time to an observed long run average and the value of property collateral for LGD purposes is assumed to grow at an observed long run rate. Typically, one or two macroeconomic variables are incorporated into each impairment model, as determined through linear regression techniques to be most relevant for forecasting default of the credit risk exposures flowing through that model.

Macroeconomic factors used in expected credit loss modelling vary by portfolio. Within the PD models, unemployment represents the primary economic driver, reflecting its strong empirical relationship with default behaviour. Additional macroeconomic variables are incorporated where relevant and include MDD, UK employment, UK GDP, RoI residential property prices, RoI GNP and interest rates. The lifetime PD expectation for an exposure generated under each of the scenarios, weighted by the probability of each scenario occurring, is used to generate the lifetime PD expectations used for the assessment of 'significant increase in credit risk'. LGD estimates reflect portfolio specific recovery expectations and are primarily driven by collateral values, recovery costs and the timing of recoveries. Forward-looking macroeconomic information is incorporated where relevant, with property prices representing the principal macroeconomic drivers for collateralised lending.

The application of property price growth forecasts for the estimation of Stage 3 impairment loss allowances ensures that the property collateral value at the point of liquidation does not incorporate an improvement on the current market condition. FLI is also considered in relation to the estimation of impairment loss allowances for individually assessed Corporate and Commercial banking portfolios where recovery values are dependent on non-property cash flows and / or collateral. For further information, see note 2 critical accounting estimates and judgements. The application of updated macroeconomic variables and FLI scenario weights used in ECL models during 2025 resulted in a c.€50 million increase in impairment loss allowance. Further information on the forecast values for the key macroeconomic variables under each scenario for the forecast period 2026 to 2030, together with the scenario weightings for both the RoI and the UK, are outlined in note 2 critical accounting estimates and judgements.

The development of climate risk modelling capabilities is a key objective of the Group's Climate Risk Action Plan. Methodology development is in the early stages across the industry. Initial implementation has focused on development of scenario analysis capabilities which is expected to be followed by integration into impairment models and internal credit ratings models in the medium term. At 31 December 2025 the Group assessed climate-related physical and transition risks impacting asset valuations in residential mortgage portfolios and PD impacts in residential mortgage portfolios alongside RoI SME non-property portfolios. Resultantly the Group has recognised a €12 million PMA. For further information, see note 2 critical accounting estimates and judgements.

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.4 Credit risk *(continued)*

Composition and impairment

The tables below summarise the composition, credit-impaired volumes and related impairment loss allowance of the Group's loans and advances to customers at amortised cost at 31 December 2025. These tables exclude €166 million of loans and advances to customers at 31 December 2025 (2024: €185 million) that are measured at FVTPL and are therefore not subject to impairment under IFRS 9. Credit-impaired includes Stage 3 and POCI assets of €67 million (2024: €78 million). €57 million of POCI assets (2024: €55 million) were no longer credit-impaired at the reporting date due to improvement in credit risk since purchase or origination. These loans will remain classified as POCI loans until derecognition.

2025 Credit-impaired loans and advances to customers - Composition and impairment *(audited)*	**Advances (pre-impairment loss allowance) €m**	**Credit-impaired loans €m**	**Credit-impaired loans as % of advances %**	**Credit-impaired Impairment loss allowance €m**	**Impairment loss allowance as % of credit-impaired loans %**
Residential mortgages	52,076	518	1.0%	116	22%
Retail Ireland	*37,281*	*356*	*0.9%*	*90*	*25%*
Retail UK	*14,795*	*162*	*1.1%*	*26*	*16%*
Non-property SME and corporate	18,399	771	4.2%	364	47%
Republic of Ireland SME	*7,145*	*217*	*3.0%*	*89*	*41%*
UK SME	*1,314*	*55*	*4.2%*	*14*	*25%*
Corporate	*9,940*	*499*	*5.0%*	*261*	*52%*
Property and construction	7,138	325	4.6%	74	23%
Investment	*6,423*	*252*	*3.9%*	*50*	*20%*
Development	*715*	*73*	*10.3%*	*24*	*33%*
Consumer	5,724	117	2.0%	58	50%
Total	**83,337**	**1,731**	**2.1%**	**612**	**35%**
Purchased / originated credit-impaired	124	67	54.0%	23	34%
Total	**83,461**	**1,798**	**2.2%**	**635**	**35%**

2024 Credit-impaired loans and advances to customers - Composition and impairment *(audited)*	**Advances (pre-impairment loss allowance) €m**	**Credit-impaired loans €m**	**Credit-impaired loans as % of advances %**	**Credit-impaired Impairment loss allowance €m**	**Impairment loss allowance as % of credit-impaired loans %**
Residential mortgages	50,326	748	1.5%	120	16%
Retail Ireland	*34,225*	*394*	*1.2%*	*75*	*19%*
Retail UK	*16,101*	*354*	*2.2%*	*45*	*13%*
Non-property SME and corporate	20,358	632	3.1%	257	41%
Republic of Ireland SME	*7,249*	*236*	*3.3%*	*94*	*40%*
UK SME	*1,531*	*78*	*5.1%*	*17*	*22%*
Corporate	*11,578*	*318*	*2.7%*	*146*	*46%*
Property and construction	7,448	269	3.6%	88	33%
Investment	*6,840*	*227*	*3.3%*	*75*	*33%*
Development	*608*	*42*	*6.9%*	*13*	*31%*
Consumer	5,116	106	2.1%	49	46%
Total	**83,248**	**1,755**	**2.1%**	**514**	**29%**
Purchased / originated credit-impaired	133	78	58.6%	1	1%
Total	**83,381**	**1,833**	**2.2%**	**515**	**28%**

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.4 Credit risk *(continued)*

At 31 December 2025, loans and advances to customers (pre-impairment loss allowance) of €83.5 billion were €0.1 billion higher than 31 December 2024, primarily driven by positive net new lending in the period, particularly within the RoI mortgage portfolios, offset by the combined impacts of NPE disposals, utilisation of impairment loss allowances and net redemptions in the period.

Credit-impaired loans of €1.8 billion or 2.2% of customer loans at 31 December 2025 were unchanged from 31 December 2024, with the emergence of new defaults in corporate portfolios, primarily the US Acquisition Finance portfolio, offset by the execution of resolution strategies including the disposal of a pool of UK Mortgage non-performing loans and resolution activity within the corporate portfolio.

Resolution strategies include the disposal of non-performing portfolios, realisation of cash proceeds from property sales activity and, where appropriate, have given rise to utilisation of impairment loss allowance against loan amounts for which there is no reasonable expectation of recovery.

In the second half of the year, the Group completed the disposal of a pool of non-performing loans with a gross carrying value of €0.2 billion in the year, with an associated €2 million net impairment loss.

There was a net reduction of €1.6 billion loans from Stage 2 (i.e. cases that are no longer identified as having experienced a significant increase in credit risk) in the year. The primary driver of this reduction was the net impact of portfolio activity (including net repayments / redemptions) which offset increases from the application of updated FLI, credit risk assessments and impairment model methodology updates.

The stock of impairment loss allowance on credit-impaired loans was €0.6 billion at 31 December 2025, which was €0.1 billion higher than the stock at 31 December 2024. The net increase incorporates the impact of the gross impairment loss on credit-impaired loans of €0.3 billion. This was partly offset by impairment loss allowance utilisation and the impact of currency translation and other movements.

The total impairment loss allowance at 31 December 2025 includes a total Group management adjustment of €106 million (2024: €57 million), all of which was recognised against loans and advances to customers. Details on the Group management adjustment are provided in note 2 on pages 319 to 321.

Impairment loss allowance cover for credit-impaired loans increased to 35% compared to 28% at 31 December 2024. This primarily reflects changes in the underlying asset / portfolio mix of the Stage 3 population with higher than average impairment requirements for assets migrating to Stage 3 in the period, primarily emerging from corporate portfolios, combined with assets with lower coverage exiting from Stage 3 (i.e. the disposal of a pool of UK Mortgage non-performing loans) and the application of the Retail Ireland residential mortgages PMA for long dated NPEs.



3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.4 Credit risk *(continued)*

Risk profile of forborne loans and advances to customers

The Group's total risk profile of loans and advances to customers at amortised cost at 31 December 2025 of €83.5 billion (2024: €83.4 billion) is available in note 25. The tables below exclude €166 million of loans and advances to customers at 31 December 2025 (2024: €185 million) that are measured at FVTPL and are therefore not subject to impairment under IFRS 9. Exposures are before impairment loss allowance.

2025 Loans and advances to customers at amortised cost - Composition *(audited)*	**Stage 1 (not credit-impaired) €m**	**Stage 2 (not credit-impaired) €m**	**Stage 3 (credit-impaired) €m**	**Purchased / originated credit-impaired €m**	**Total €m**
Non-forborne loans and advances to customers					
Residential mortgages	48,955	2,382	296	86	51,719
Retail Ireland	*35,775*	*1,001*	*181*	*86*	*37,043*
Retail UK	*13,180*	*1,381*	*115*	–	*14,676*
Non-property SME and corporate	13,194	3,708	253	–	17,155
Republic of Ireland SME	*5,470*	*1,368*	*135*	–	*6,973*
UK SME	*1,008*	*234*	*36*	–	*1,278*
Corporate	*6,716*	*2,106*	*82*	–	*8,904*
Property and construction	5,114	1,172	60	–	6,346
Investment	*4,606*	*1,038*	*60*	–	*5,704*
Development	*508*	*134*	–	–	*642*
Consumer	5,409	197	114	–	5,720
Total non-forborne loans and advances to customers	**72,672**	**7,459**	**723**	**86**	**80,940**
Forborne loans and advances to customers					
Residential mortgages	4	217	222	38	481
Retail Ireland	*3*	*146*	*175*	*38*	*362*
Retail UK	*1*	*71*	*47*	–	*119*
Non-property SME and corporate	–	726	518	–	1,244
Republic of Ireland SME	–	*90*	*82*	–	*172*
UK SME	–	*17*	*19*	–	*36*
Corporate	–	*619*	*417*	–	*1,036*
Property and construction	–	527	265	–	792
Investment	–	*527*	*192*	–	*719*
Development	–	–	*73*	–	*73*
Consumer	–	1	3	–	4
Total forborne loans and advances to customers	**4**	**1,471**	**1,008**	**38**	**2,521**

At 31 December 2025, forborne POCI loans included €10 million (2024: €4 million) of loans which, while credit-impaired upon purchase or origination, were no longer credit-impaired at the reporting date due to improvement in credit risk. These loans will remain classified as POCI loans until derecognition.

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.4 Credit risk *(continued)*

2024 Loans and advances to customers at amortised cost - Composition *(audited)*	Stage 1 (not credit-impaired) €m	Stage 2 (not credit-impaired) €m	Stage 3 (credit-impaired) €m	Purchased / originated credit-impaired €m	Total €m
Non-forborne loans and advances to customers					
Residential mortgages	47,165	2,202	489	103	49,959
Retail Ireland	*32,497*	*1,201*	*230*	*103*	*34,031*
Retail UK	*14,668*	*1,001*	*259*	*–*	*15,928*
Non-property SME and corporate	14,644	3,864	246	–	18,754
Republic of Ireland SME	*5,475*	*1,403*	*155*	*–*	*7,033*
UK SME	*1,243*	*168*	*54*	*–*	*1,465*
Corporate	*7,926*	*2,293*	*37*	*–*	*10,256*
Property and construction	4,442	1,818	23	–	6,283
Investment	*4,108*	*1,622*	*23*	*–*	*5,753*
Development	*334*	*196*	*–*	*–*	*530*
Consumer	4,698	311	104	–	5,113
Total non-forborne loans and advances to customers	**70,949**	**8,195**	**862**	**103**	**80,109**
Forborne loans and advances to customers					
Residential mortgages	4	207	259	30	500
Retail Ireland	*4*	*129*	*164*	*30*	*327*
Retail UK	*–*	*78*	*95*	*–*	*173*
Non-property SME and corporate	–	1,218	386	–	1,604
Republic of Ireland SME	*–*	*135*	*81*	*–*	*216*
UK SME	*–*	*42*	*24*	*–*	*66*
Corporate	*–*	*1,041*	*281*	*–*	*1,322*
Property and construction	–	919	246	–	1,165
Investment	*–*	*883*	*204*	*–*	*1,087*
Development	*–*	*36*	*42*	*–*	*78*
Consumer	–	1	2	–	3
Total forborne loans and advances to customers	**4**	**2,345**	**893**	**30**	**3,272**

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.4 Credit risk *(continued)*

Loan to value profiles - total Retail Ireland mortgages *(audited)*

The tables below set out the weighted average indexed loan to value (LTV) for the total Retail Ireland mortgage loan book. The tables include POCI loans of €124 million (2024: €133 million).

2025 Loan to value ratio of total Retail Ireland mortgages	Owner occupied					Buy to let					Total				
	Stage 1 €m	Stage 2 €m	Stage 3 €m	POCIs €m	Total €m	Stage 1 €m	Stage 2 €m	Stage 3 €m	POCIs €m	Total €m	Stage 1 €m	Stage 2 €m	Stage 3 €m	POCIs €m	Total €m
Less than 50%	15,505	453	183	65	**16,206**	718	17	22	4	**761**	16,223	470	205	69	**16,967**
51% to 70%	9,815	504	82	25	**10,426**	142	6	3	1	**152**	9,957	510	85	26	**10,578**
71% to 80%	4,985	128	19	7	**5,139**	15	2	1	–	**18**	5,000	130	20	7	**5,157**
81% to 90%	4,190	32	6	4	**4,232**	17	4	2	–	**23**	4,207	36	8	4	**4,255**
91% to 100%	373	–	7	4	**384**	2	–	–	–	**2**	375	–	7	4	**386**
Subtotal	**34,868**	**1,117**	**297**	**105**	**36,387**	**894**	**29**	**28**	**5**	**956**	**35,762**	**1,146**	**325**	**110**	**37,343**
101% to 120%	8	–	4	6	**18**	–	–	3	1	**4**	8	–	7	7	**22**
121% to 150%	5	–	6	3	**14**	1	–	3	1	**5**	6	–	9	4	**19**
Greater than 151%	1	1	3	3	**8**	1	–	12	–	**13**	2	1	15	3	**21**
Subtotal	**14**	**1**	**13**	**12**	**40**	**2**	**–**	**18**	**2**	**22**	**16**	**1**	**31**	**14**	**62**
Total	**34,882**	**1,118**	**310**	**117**	**36,427**	**896**	**29**	**46**	**7**	**978**	**35,778**	**1,147**	**356**	**124**	**37,405**
Weighted average LTV															
Stock of Retail Ireland mortgages at year end					53%					36%					53%
New Retail Ireland mortgages during the year					77%					50%					76%

Weighted average loan to value ratios are calculated at a property level and reflect the average property value in proportion to the outstanding mortgage. Property values are determined by reference to the property valuations held, indexed to the CSO RPPI. The indexed LTV profile of the Retail Ireland mortgage loan book is based on the CSO RPPI at October 2025. The CSO RPPI for October 2025 reported that average national residential property prices were 23.7% above peak (October 2024: 15.2% above peak), with Dublin residential prices 8.9% above peak and outside of Dublin residential prices 26.2% above peak (October 2024: 3.4% above peak and 15.8% above peak respectively). In the ten months to October 2025, residential property prices at a national level increased by 5.8% (October 2024: 7.2% increase).

At 31 December 2025, €37.3 billion or 99.8% of Retail Ireland mortgages were classified as being in positive equity, 99.9% for Owner occupied mortgages and 97.8% for BTL mortgages.

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.4 Credit risk *(continued)*

2024 Loan to value ratio of total Retail Ireland mortgages	Owner occupied					Buy to let					Total				
	Stage 1 €m	Stage 2 €m	Stage 3 €m	POCIs €m	Total €m	Stage 1 €m	Stage 2 €m	Stage 3 €m	POCIs €m	Total €m	Stage 1 €m	Stage 2 €m	Stage 3 €m	POCIs €m	Total €m
Less than 50%	14,325	425	180	60	14,990	807	21	29	5	862	15,132	446	209	65	15,852
51% to 70%	9,541	639	101	33	10,314	150	9	6	2	167	9,691	648	107	35	10,481
71% to 80%	4,274	192	21	8	4,495	18	1	1	1	21	4,292	193	22	9	4,516
81% to 90%	3,047	36	12	5	3,100	25	1	4	–	30	3,072	37	16	5	3,130
91% to 100%	285	1	8	5	299	2	–	–	–	2	287	1	8	5	301
Subtotal	**31,472**	**1,293**	**322**	**111**	**33,198**	**1,002**	**32**	**40**	**8**	**1,082**	**32,474**	**1,325**	**362**	**119**	**34,280**
101% to 120%	14	–	5	5	24	2	–	1	–	3	16	–	6	5	27
121% to 150%	6	3	3	4	16	2	–	6	1	9	8	3	9	5	25
Greater than 151%	1	–	5	4	10	2	2	12	–	16	3	2	17	4	26
Subtotal	**21**	**3**	**13**	**13**	**50**	**6**	**2**	**19**	**1**	**28**	**27**	**5**	**32**	**14**	**78**
Total	**31,493**	**1,296**	**335**	**124**	**33,248**	**1,008**	**34**	**59**	**9**	**1,110**	**32,501**	**1,330**	**394**	**133**	**34,358**
Weighted average LTV															
Stock of Retail Ireland mortgages at year end					53%					38%					52%
New Retail Ireland mortgages during the year					75%					50%					75%

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.4 Credit risk *(continued)*

Loan to value profiles - total Retail UK mortgages *(audited)*

The tables below set out the weighted average indexed LTV for the total Retail UK mortgage loan book. Weighted average loan to value ratios are calculated at a property level and reflect the average of property values in proportion to the outstanding mortgage. Property values are determined by reference to the original or latest property valuations held, indexed to the published 'Nationwide UK House Price Index'.

2025 Loan to value ratio of total Retail UK mortgages	Standard				Buy to let				Self-certified				Total			
	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m
Less than 50%	1,491	195	13	1,699	1,252	318	20	1,590	197	110	12	319	2,940	623	45	3,608
51% to 70%	2,188	181	17	2,386	1,058	236	34	1,328	95	67	10	172	3,341	484	61	3,886
71% to 80%	2,168	70	6	2,244	198	10	7	215	2	3	2	7	2,368	83	15	2,466
81% to 90%	2,511	69	8	2,588	2	–	2	4	–	–	2	2	2,513	69	12	2,594
91% to 100%	337	6	3	346	–	–	1	1	1	1	–	2	338	7	4	349
Subtotal	**8,695**	**521**	**47**	**9,263**	**2,510**	**564**	**64**	**3,138**	**295**	**181**	**26**	**502**	**11,500**	**1,266**	**137**	**12,903**
101% to 120%	1	–	1	2	–	–	1	1	–	–	–	–	1	–	2	3
121% to 150%	–	–	–	–	–	–	1	1	–	–	1	1	–	–	2	2
Greater than 150%	–	–	–	–	–	1	–	1	–	–	–	–	–	1	–	1
Subtotal	**1**	**–**	**1**	**2**	**–**	**1**	**2**	**3**	**–**	**–**	**1**	**1**	**1**	**1**	**4**	**6**
Total	**8,696**	**521**	**48**	**9,265**	**2,510**	**565**	**66**	**3,141**	**295**	**181**	**27**	**503**	**11,501**	**1,267**	**141**	**12,909**
Weighted average LTV																
Stock of Retail UK mortgages at year end				68%				49%				44%				62%
New Retail UK mortgages during the year				81%				63%				38%				80%

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.4 Credit risk *(continued)*

2024 Loan to value ratio of total Retail UK mortgages	Standard				Buy to let				Self-certified				Total			
	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m
Less than 50%	1,845	138	36	2,019	1,636	221	55	1,912	298	58	24	380	3,779	417	115	4,311
51% to 70%	2,730	128	28	2,886	1,423	210	82	1,715	161	44	23	228	4,314	382	133	4,829
71% to 80%	1,740	42	13	1,795	201	14	14	229	6	2	3	11	1,947	58	30	2,035
81% to 90%	1,903	28	5	1,936	1	2	2	5	–	1	1	2	1,904	31	8	1,943
91% to 100%	216	5	2	223	1	–	1	2	–	1	–	1	217	6	3	226
Subtotal	**8,434**	**341**	**84**	**8,859**	**3,262**	**447**	**154**	**3,863**	**465**	**106**	**51**	**622**	**12,161**	**894**	**289**	**13,344**
101% to 120%	1	–	–	1	–	–	–	–	1	–	–	1	2	–	–	2
121% to 150%	–	–	1	1	–	–	2	2	–	–	1	1	–	–	4	4
Greater than 150%	–	–	1	1	–	–	–	–	–	–	–	–	–	–	1	1
Subtotal	**1**	**–**	**2**	**3**	**–**	**–**	**2**	**2**	**1**	**–**	**1**	**2**	**2**	**–**	**5**	**7**
Total	**8,435**	**341**	**86**	**8,862**	**3,262**	**447**	**156**	**3,865**	**466**	**106**	**52**	**624**	**12,163**	**894**	**294**	**13,351**
Weighted average LTV																
Stock of Retail UK mortgages at year end				64%				50%				45%				59%
New Retail UK mortgages during the year				77%				59%				47%				76%

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.5 Funding and liquidity risk

Definition *(audited)*
Funding and liquidity risk is the risk that the Group will experience difficulty in financing its assets and / or meeting its contractual payment obligations as they fall due or will only be able to do so at substantially above the prevailing market cost of funds.

Liquidity risk arises from the differences in timing between cash inflows and outflows. Cash inflows are driven by, amongst other things, the maturity structure of loans and investments held by the Group, while cash outflows are driven by items such as the term maturity of debt issued by the Group and outflows from customer deposit accounts. The liquidity risk of the Group may also be impacted by external events which could result in a sudden withdrawal of deposits or the potential changes in customer behaviour.

Funding risk can occur where there is an over-reliance on a particular type of funding, a funding gap, or a concentration of wholesale funding (including securitisations) maturities.

The Group's ability to access funding markets at a sustainable cost and in a sufficient volume can be negatively impacted by a disruption to wholesale and / or currency funding markets, credit rating downgrade(s), or deterioration in market sentiment which in turn could impact the financial position of the Group.

Liquidity risk statement *(audited)*
Funding and liquidity risk arises from a fundamental part of the Group's business model, the maturity transformation of primarily short-term deposits into longer-term loans. The Group's funding and liquidity strategy is to maintain a stable funding base with loan portfolios substantially funded by retail originated customer deposit portfolios.

Liquidity risk framework *(audited)*
The Group has established a Funding and Liquidity Risk Governance Framework documented in the Funding and Liquidity Risk Policy, which includes policies, procedures and methodologies in place to ensure that the Group is positioned to address its daily liquidity obligations and to withstand a period of liquidity stress. Principal components of this framework are the Group's Risk Appetite Statement and associated limits and the Group's Funding and Liquidity Risk Policy, both of which are approved by the Board on the recommendation of ALCO.

The Group Funding and Liquidity Risk Policy outlines the Group's governance process with respect to funding and liquidity risk and sets out the core principles that govern the manner in which the risk is mitigated, monitored and managed.

These principal components are supported by further liquidity, procedures, and methodologies which the Group has to manage funding and liquidity risk.

Liquidity risk management *(audited)*
Liquidity risk management within the Group focuses on the control, within prudent limits, of risk arising from the mismatch in contracted maturities of assets and liabilities and the risks arising from undrawn commitments and other contingent liabilities. The Group manages its liquidity by jurisdiction with liquid assets predominantly held in the currency of each jurisdiction.

The Group's treasury function within Group Finance provides top down centralised management of the Group's funding and liquidity position including overall responsibility for the management of the Group's liquidity position and funding strategy. This ensures a coordinated approach to balance sheet management and is accomplished through the incorporation of funding and liquidity risk appetite metrics into risk appetite at a consolidated level, monitoring liquidity metrics for each jurisdiction and compliance by the business units with the Group's funds transfer pricing methodology.

The Group Capital and Liquidity Risk function provides independent oversight of funding and liquidity risk and is responsible for proposing and maintaining the Group's Funding and Liquidity Risk Governance Framework and associated risk appetite metrics.

Liquidity risk management consists of two main activities:
- structural liquidity management focuses on the balance sheet structure, the funding mix, the expected maturity profile of assets and liabilities and the Group's debt issuance strategy; and
- tactical liquidity management focuses on monitoring current and expected daily cash flows to ensure that the Group's liquidity needs can be met.

The Group is required to comply with the regulatory liquidity requirements of the SSM and the requirements of local regulators in those jurisdictions where such requirements apply to the Group. SSM requirements include compliance with CRR / CRD IV and associated Delegated Acts. The Group has fully complied with minimum regulatory requirements throughout 2025 and at 31 December 2025 maintained a buffer significantly in excess of regulatory liquidity requirements.

BoI (UK) plc is authorised by the PRA and is subject to the regulatory liquidity regime of the PRA. BoI (UK) plc has fully complied with the minimum regulatory requirements throughout 2025 and at 31 December 2025 maintained a buffer significantly in excess of regulatory liquidity requirements.

The annual ILAAP enables the Board to assess the adequacy of the Group's Funding and Liquidity RMF, to assess the key liquidity and funding risks to which it is exposed; and details the Group's approach to determining the level of liquid assets and contingent liquidity that is required to be maintained under both business as usual and severe stress scenarios.

A key part of this assessment is cash flow forecasting that includes assumptions on the likely behavioural cash flows of certain customer products. Estimating these behavioural cash flows allows the Group to assess the stability of its funding sources and potential liquidity requirements in both business as usual and stressed scenarios. The stressed scenarios incorporate Group specific and systemic risks and are run at different levels of possible, even if unlikely, severity. Actions and strategies available to mitigate the impacts of the stress scenarios are evaluated as to their appropriateness. Stress test results are reported to ALCO, the BRC and the Board.

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.5 Funding and liquidity risk *(continued)*

The Group also monitors a suite of Recovery Indicators and Early Warning Signals in order to identify the potential emergence of a liquidity stress. As part of its contingency and recovery planning, the Group has identified a suite of potential funding and liquidity options, which could be exercised to help the Group to restore its liquidity position on the occurrence of a major stress event.

Liquidity risk reporting *(audited)*

The Group's liquidity risk appetite is defined by the Board to ensure that funding and liquidity are managed in a prudent manner. The current status of funding and liquidity risk, including risk dashboards and risk appetite compliance, is reported through the Board Risk Report on a monthly basis, including any significant changes.

The Board Risk Report includes the results of the Group's liquidity stress testing. This estimates the potential impact of a range of stress scenarios on the Group's liquidity position including its available liquid assets and contingent liquidity.

Management reviews funding and liquidity reports and stress testing results on a daily, weekly, and monthly basis against the Group's Risk Appetite Statement. It is the responsibility of ALCO to ensure that the measuring, monitoring, and reporting of funding and liquidity is adequately performed and complies with the governance framework.

Liquidity risk measurement *(audited)*

The Group's cash flow and liquidity reporting processes provide management with daily liquidity risk information by designated cash flow categories.

These processes capture the cash flows from both on-balance sheet and off-balance sheet transactions.

The tables below summarise the maturity profile of the Group's financial assets and liabilities, excluding those arising from insurance and participating investment contracts at 31 December 2025 and 31 December 2024. These maturity profiles are based on the remaining contractual maturity period at the reporting date (discounted). The Group measures liquidity risk by adjusting the contractual cash flows on deposit books to reflect their behavioural stability.

Unit-linked investment liabilities and unit-linked insurance liabilities with a carrying value of €10,179 million and €17,197 million respectively (2024: €9,203 million and €16,685 million respectively) are excluded from this analysis as their repayment is linked directly to the financial assets backing these contracts.

Customer accounts include a number of term accounts that contain access features. These allow the customer to access a portion or all of their deposits notwithstanding that this withdrawal could result in a financial penalty being paid by the customer. For such accounts, the portion subject to the potential early access has been classified in the 'Demand' category in the following table.

Other financial assets at FVTPL and trading securities exclude equity shares which have no contractual maturity (note 21).

For information on movements in the Group's liquid assets, see page 36 of the OFR.

2025 Maturities of financial assets and liabilities *(audited)*	Demand €m	Up to 3 months €m	3-12 months €m	1-5 years €m	Over 5 years €m	Total €m
Assets						
Cash and balances at central banks	22,963	–	–	–	–	22,963
Trading securities	–	–	–	110	129	239
Derivative financial instruments	647	37	175	1,305	497	2,661
Other financial assets at FVTPL	2,005	181	509	1,962	1,050	5,707
Loans and advances to banks	426	1,230	–	–	–	1,656
Debt securities at amortised cost	–	50	932	5,336	12,054	18,372
Financial assets at FVOCI	–	526	413	1,674	377	2,990
Loans and advances to customers (before impairment loss allowance)	1,336	4,036	7,249	28,849	42,157	83,627
Total	**27,377**	**6,060**	**9,278**	**39,236**	**56,264**	**138,215**
Liabilities						
Deposits from banks	132	689	–	–	–	821
Monetary authorities secured funding	–	287	150	113	–	550
Customer accounts	94,918	5,702	5,325	1,542	–	107,487
Derivative financial instruments	658	28	173	1,205	300	2,364
Debt securities in issue	–	–	–	4,674	3,120	7,794
Subordinated liabilities	–	–	–	–	1,848	1,848
Lease liabilities	–	11	35	139	139	324
Short positions in trading securities	1	–	–	174	185	360
Total	**95,709**	**6,717**	**5,683**	**7,847**	**5,592**	**121,548**

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.5 Funding and liquidity risk *(continued)*

2024 Maturities of financial assets and liabilities *(audited)*	Demand €m	Up to 3 months €m	3-12 months €m	1-5 years €m	Over 5 years €m	Total €m
Assets						
Cash and balances at central banks	32,436	–	–	–	–	32,436
Trading securities	–	–	–	39	121	160
Derivative financial instruments	746	65	237	1,270	1,159	3,477
Other financial assets at FVTPL	2,148	31	42	461	3,199	5,881
Loans and advances to banks	328	1,410	–	–	–	1,738
Debt securities at amortised cost	–	52	32	3,771	2,532	6,387
Financial assets at FVOCI	–	121	498	2,398	367	3,384
Loans and advances to customers (before impairment loss allowance)	1,411	4,360	7,556	31,037	39,202	83,566
Total	**37,069**	**6,039**	**8,365**	**38,976**	**46,580**	**137,029**
Liabilities						
Deposits from banks	205	478	–	–	–	683
Monetary authorities secured funding	–	362	482	278	–	1,122
Customer accounts	91,305	5,873	3,341	2,550	–	103,069
Derivative financial instruments	662	73	261	2,173	506	3,675
Debt securities in issue	–	747	11	5,746	2,626	9,130
Subordinated liabilities	–	–	–	–	1,853	1,853
Lease liabilities	–	11	37	146	172	366
Short positions in trading securities	2	–	–	91	61	154
Total	**92,174**	**7,544**	**4,132**	**10,984**	**5,218**	**120,052**

Funding strategy *(unaudited)*

The Group seeks to maintain a stable funding base with loan portfolios funded substantially by granular retail originated deposits with any residual funding requirements principally met through term wholesale funding and equity.

Customer deposits *(unaudited)*

The Group's customer deposit strategy is to:

- maintain and grow its stable retail customer deposit base in line with balance sheet requirements;
- prudently manage deposit pricing and margins; and
- optimise stable funding levels in line with regulatory liquidity requirements.

As per the table on page 37 of the OFR, overall Group customer deposit volumes of €107.5 billion were €4.4 billion higher than 31 December 2024, predominantly driven by an increase in Retail Ireland volumes of €4.4 billion and an increase in Corporate and Commercial volumes of €0.1 billion, offset by a decrease in Retail UK balances of €0.1 billion due to sterling weakening against the euro. The Group's LDR at 31 December 2025 was 77% (2024: 80%).

Customer deposits do not include €0.6 billion (2024: €0.7 billion) of savings and investment products sold by Wealth and Insurance. These products have fixed terms (typically five to seven years) and consequently are an additional source of stable funding for the Group.

Wholesale funding *(unaudited)*

The Group in the normal course aims to maintain funding diversification, minimise concentrations across funding sources and minimise refinancing maturity concentrations.

The Group issued c.€1.5 billion of MREL eligible senior debt and downstreamed it to the Bank in 2025 (2024: €1.0 billion).

Foreign exchange funding mismatch *(unaudited)*

The Group's strategy is to originate all new retail lending in the UK through BoI (UK) plc which is funded primarily via sterling deposits.

The Group also provides banking services in the UK through its UK branch. This comprises corporate and business banking activities and the management of certain residential mortgage contracts which have been retained by the UK branch and which are funded primarily via cross currency derivatives.

At 31 December 2025, the stock of sterling denominated assets funded by cross currency derivatives was c.£6.7 billion (2024: c. £6.7 billion) of which c.£2.0 billion relates to funding provided to BoI (UK) plc.

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.5 Funding and liquidity risk *(continued)*

Wholesale funding expected maturity analysis *(unaudited)*	2025 Unsecured funding €bn	2025 Secured funding from Monetary Authorities €bn	2025 Secured funding private sources €bn	2025 Total wholesale funding €bn	2024 Unsecured funding €bn	2024 Secured funding from Monetary Authorities €bn	2024 Secured funding private sources €bn	2024 Total wholesale funding €bn
Less than three months	1	–	–	1	–	1	1	2
Three months to one year	–	1	–	1	–	–	–	–
One to five years	5	–	–	5	7	–	–	7
More than five years	1	–	1	2	1	–	1	2
Wholesale funding	**7**	**1**	**1**	**9**	**8**	**1**	**2**	**11**

Funding and liquidity position *(unaudited)*

During 2025, Standard & Poor's (S&P), Moody's and Fitch upgraded the BoIG plc senior debt rating to BBB+ (from BBB), A2 (from A3) and A- (from BBB+), respectively. The Governor and Company of the Bank of Ireland (GovCo) senior debt ratings were also upgraded to A+ (from A), Aa3 (from A1) and A (from A-), respectively. All outlooks were revised to Stable (from Positive).

	2025	2024
BoIG plc - Senior debt *(unaudited)*		
Standard & Poor's	BBB+ (Stable)	BBB (Positive)
Moody's	A2 (Stable)	A3 (Positive)
Fitch	A- (Stable)	BBB+ (Positive)
The Governor and Company of the Bank of Ireland (GovCo) - Senior debt *(unaudited)*		
Standard & Poor's	A+ (Stable)	A (Positive)
Moody's	Aa3 (Stable)	A1 (Positive)
Fitch	A (Stable)	A- (Positive)

Balance sheet encumbrance *(audited)*

It is Group policy to ensure that the level of encumbrance of the balance sheet is consistent and supportive of the Group's unsecured funding issuance plans.

As part of managing its funding requirements, the Group from time to time encumbers assets as collateral to support wholesale funding initiatives. This would include covered bonds, asset backed securities, securities repurchase agreements, and other structures that are secured over customer loans. At 31 December 2025, €5 billion (2024: €7 billion) of the Group's assets and collateral received were encumbered, primarily through these structures. The Group's overall encumbrance level was 3% (2024: 5%).

The Group's overall encumbrance is prepared on a regulatory group basis, in accordance with the CRD IV, which comprises banking and other relevant financial institutions within the BoI Group, but excludes non-banking related institutions such as insurance entities. For further information, see the Group's Pillar 3 disclosures (tab 1.3), available on the Group's website.

Covered bonds, a key element of the Group's long-term funding strategy are issued through its subsidiary BoIMB. BoIMB is registered as a designated mortgage credit institution to issue Irish Asset Covered Securities in accordance with relevant legislative requirements. BoIMB is required to maintain minimum contractual overcollateralisation of 5% and minimum legislative overcollateralisation of 3% (both on a prudent market value basis). This is monitored by the Covered Asset Monitor on behalf of the CBI.

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.6 Life insurance risk

Definition *(audited)*
Life insurance risk is the risk of unexpected variation in the amount and timing of claims associated with insurance benefits.

This variation, arising from changing customer mortality, life expectancy, health, or behavioural characteristics, may be short or long term in nature.

Risk management *(audited)*
The Group manages life insurance risk under its RMF. Life insurance risk is underwritten and managed by NIAC, a wholly owned subsidiary of the Group. The management of life insurance risk is the responsibility of the NIAC Board which is delegated through internal governance structures. Aggregate life insurance risk exposure and exposure to the sub-categories of life insurance risk are monitored through a suite of management reporting metrics.

The risks that arise as a result of writing life insurance business are also managed by a number of governance for a as well as senior management. The minimum standards required when managing these risks are set out in a suite of NIAC Board approved policies.

The Group transfers some life insurance risk to reinsurance companies who then meet an agreed share of the claims that arise on a book of business in return for a premium. This creates a credit exposure to these reinsurance companies which is managed within the NIAC RMF with responsibilities delegated through the Reinsurance Risk Policy. A review of the panel of reinsurers that may be used and the structure of reinsurance arrangements is carried out at least annually. Senior members of the management team with actuarial and underwriting expertise, contribute to the effective oversight of this risk.

Risk measurement *(audited)*
Risk experience is monitored regularly with actual claims experience being compared to the underlying risk assumptions. The results of this analysis are used to inform management of the appropriateness of those assumptions for use in pricing, capital management, and new product design.

Exposure to life insurance risk is measured by means of sensitivity and scenario testing. Risk capital is calculated for each individual risk type by stressing the best estimate assumptions of future experience by extreme, but plausible, factors. The stress factors are pre-defined by regulation and are set at a level with an expected frequency of occurrence of one year in every 200. NIAC also carries out an ORSA annually which is overseen by the NIAC Board. Within the ORSA, NIAC's risk profile is considered, both quantitatively and qualitatively, in a holistic manner with potential areas of risk identified along with conclusions in respect of how those risks will be mitigated. Further details can be found in note 19.

Risk mitigation *(audited)*
The Group mitigates the potential impact of life insurance risk through a number of measures. Capital is held against exposure to life insurance risk. Exposure to this risk is also managed and controlled by the use of medical and financial underwriting, risk mitigating contract design features and reinsurance, as detailed in risk management policies.

Risk reporting *(audited)*
The current status of life insurance risk, including risk dashboards and risk appetite compliance, is reported through the Board Risk Report on a monthly basis. NIAC's ORSA report in respect of the NIAC annual assessment is also presented to the ALCO on an annual basis.

3.7 Market risk

Definition and background *(audited)*
Market risk is the risk of loss arising from movements in interest rates, FX rates, equity, credit spreads or other market prices.

Market risk arises from the structure of the balance sheet, the Group's business mix and includes discretionary risk-taking. Additionally, market risk arises through the conduct of customer business, particularly in respect to fixed-rate lending and the execution of derivatives and foreign exchange business. The market risk profile of the Group may, in addition to the above risks which arise in the usual course of a business cycle, be impacted by shifts in market volatility as a result of external factors. Earnings for NIAC are also indirectly exposed to changes in equity and property markets through fee income generated on unit-linked customer investments.

Risk management, measurement, and reporting *(audited)*
The management of market risk in the Group is governed by the Group's Risk Appetite Statement and by the Group Market Risk Policy, both of which are approved by the Board. These are supplemented by a range of CRO approved limits and controls. The Group has an established governance structure for market risk that involves the Board, its risk committees (BRC and ERC) and ALCO, which has primary responsibility for the oversight of market risk in the Group.

The current status of market risk, including risk dashboards and risk appetite compliance, is reported through the Board Risk Report on a monthly basis.

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.7 Market risk *(continued)*

Group Market, Capital & Liquidity Risk (GMCLR) provides 2LOD oversight of the Group's exposure to market risk, ensuring that the Group correctly identifies and assesses the market risks to which it is exposed. GMCLR is a part of the Group Risk Function reporting to the Group CRO.

It is Group policy to minimise exposure to market risk, subject to defined limits. Nonetheless, certain structural market risks remain and, in some cases, are difficult to eliminate fully. In addition, the Group bears economic exposure to adverse movements in the credit spreads of bonds held as liquid assets, or held as matching assets in NIAC in the matching assets portfolio. The latter is the predominant economic exposure arising on the NIAC fixed interest portfolio.

Market risks are managed by the Group Treasury Execution Desk which handles treasury execution for the Group. These market risks are typically hedged as part of the Group's overall risk management strategy, including the use of external markets where necessary.

Similarly, market risks in the Group's life assurance business, NIAC, are managed within defined tolerances. However, certain residual risks are inherent in this business, notably exposure to credit spreads on assets held to match policyholder liabilities and indirect exposure to equity markets through changes in the discounted value of fees applied to equity assets held by policyholders in insurance contracts. This is outlined in greater detail below.

Classification of market risk *(unaudited)*

In accordance with regulatory requirements and guidance the Group classifies market risk as follows:

- **Market risk in the Trading Book:** Market risk on positions which are required to be booked in the Trading Book as set out in the CRR. The risk arises primarily as a result of discretionary risk taking or underwriting business in Davy or through the transaction of customer derivative or FX transactions.
- **Market risk in the Banking Book:** Market risk on positions which are booked in the Banking Book. This risk is predominately made up of Credit Spread risk which arises primarily from the Group's bond holdings in its liquid asset portfolio, structural IRRBB which is intrinsic to a bank's balance sheet or arises from its franchise or business mix and structural FX risk which is the exposure of the Group's principal capital ratios to changes in exchange rates.
- **Market risks in the Life Business:** Market risk on positions held in the life business. These risks arise naturally from the non unit-linked life business (interest rate risk), securities holdings (credit spread risk) and unit-linked business (equity risk and other market risks).

Balance sheet linkage *(audited)*

The table below classifies the balance sheet in terms of banking book, trading book (as defined above) and Insurance assets and liabilities. The principal risk factors which drive changes in earnings or value in relation to each line item are also outlined.

Trading book assets and liabilities were a small proportion of the balance sheet at 31 December 2025 and this is representative of the position throughout the year. Interest rates are the most significant risk factor.

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.7 Market risk *(continued)*

Market risk linkage to the balance sheet 2025 *(audited)*	Total €m	Trading €m	Non-trading €m	Insurance €m	Primary Risk Sensitivity
Assets					
Cash and balances at central banks	22,963	–	22,963	–	Interest Rate
Trading securities	244	244	–	–	Interest Rate, Credit Spread, Equity
Derivative financial instruments	2,661	339	2,322	–	Interest Rate, FX, Credit Spread, Equity
Other financial assets at FVTPL	25,586	–	121	25,465	Interest Rate, FX, Credit Spread, Equity
Loans and advances to banks	1,656	–	1,572	84	Interest Rate
Loans and advances to customers	82,478	–	82,478	–	Interest Rate
Fair value changes due to interest rate risk of the hedged items in portfolio hedges	112	–	112	–	Interest Rate
Debt securities at amortised cost	18,372	–	18,372	–	Interest Rate
Financial assets at FVOCI	2,990	–	2,990	–	Interest Rate, FX, Credit Spread
Reinsurance contract assets	1,328	–	–	1,328	Interest Rate
Other assets	6,409	–	5,310	1,099	Interest Rate
Total assets	**164,799**	**583**	**136,240**	**27,976**	
Liabilities					
Deposits from banks	1,371	–	1,371	–	Interest Rate
Customer deposits	107,487	–	107,487	–	Interest Rate
Fair value changes due to interest rate risk of the hedged items in portfolio hedges	(472)	–	(472)	–	Interest Rate, Credit Spread, Equity
Derivative financial instruments	2,364	318	2,046	–	Interest Rate, FX, Credit Spread, Equity
Debt securities in issue	7,794	–	7,794	–	Interest Rate
Liabilities to customers under investment contracts	10,179	–	–	10,179	Interest Rate, FX, Credit Spread, Equity
Insurance contract liabilities	17,197	–	–	17,197	Interest Rate, FX, Credit Spread, Equity
Loss allowance provision on loan commitments and financial guarantees	92	–	92	–	Interest Rate
Leasing liabilities	324	–	324	–	Interest Rate, FX
Other liabilities	3,695	–	3,383	312	Interest Rate, FX
Subordinated liabilities	1,848	–	1,848	–	Interest Rate
Total liabilities	**151,879**	**318**	**123,873**	**27,688**	

Discretionary and residual market risk *(audited)*

Discretionary risk is a risk that is carried in the expectation of gain from near-term movements in liquid financial markets. Davy is the Group's only business unit permitted to run discretionary market risk.

Residual gap risk arises when hedging is completed on a portfolio basis rather than with back-to-back trades (micro-hedge). It is Group practice to hedge IRRBB to de minimis levels wherever possible but as these hedges may not be perfectly matched this can result in small residual hedging gaps.

Discretionary and residual market risk is subject to strict controls which set out the markets and instruments in which risk can be assumed, the types of positions which can be taken and the limits which must be complied with. These risks are managed by an approved framework of limits and controls, based on VaR (see below), scenario stress tests and sensitivities.

Equity risk, interest rate risk, and credit spread risk arises within Davy Capital Markets market making business from the potential impact of changes in equity prices, interest rates, and credit spreads. Davy Institutional Equities is responsible for the underwriting, distribution and trading of Irish, UK, and European equities. At 31 December 2025, Davy Capital Markets held a net long position of €4 million (2024: €3 million) in listed equities.

Davy Fixed Income team is responsible for the underwriting, distribution, and trading of Irish Sovereign Bonds and Irish Corporate Bonds, having resumed its role as a primary dealer in Irish Government Bonds in February 2025. At 31 December 2025, Davy Capital Markets held a net long position of €13 million (2024: €10 million net long) in the Fixed Income book, which are funded via repurchase agreements.

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.7 Market risk *(continued)*

Value at Risk (VaR) *(audited)*

The Group employs a VaR approach to measure and set limits on discretionary and residual market risk. The Group utilises a Monte-Carlo simulation model approach for the calculation of the interest rate risk component at a 99% (two tailed) confidence level, using a one day holding period and based on one year of historic data. The volatilities and correlations which are used to generate these VaR numbers are estimated using the exponentially weighted moving average approach which gives more weight to recent data and responds quickly to changes in market volatility. Davy employs a historical VaR simulation model to calculate VaR for both the equity and fixed income desks. The model uses a 99% confidence level and a one day holding period, based on one year of historical market data.

For the nature of risks assumed by the Group, VaR remains a reliable basis of risk measurement, supplemented by stress testing. The Group recognises that VaR is subject to certain inherent limitations and therefore VaR limits are supplemented by scenario-based stress tests. These are particularly important in periods of low market volatility when VaR numbers can understate the risks of loss from large adverse market moves.

Total Davy VaR *(audited)*	**2025 €m**	**2024 €m**
Total	0.6	0.3

The Group's year end VaR numbers for the trading book and banking book are shown in the 'VaR' table below at 31 December 2025 and 2024.

Total Interest Rate VaR *(audited)*	**2025 €m**	**2024 €m**
Trading book	0.1	0.1
Banking book	–	–
Group VaR	0.1	0.1

Structural and other risks *(audited)*

Notwithstanding the overriding objective of running minimal levels of market risk, certain structural market risks remain and are managed centrally as part of the Group's asset and liability management process.

Structural interest rate risk *(unaudited)*

Structural interest rate risk is predominantly the exposure of Group earnings to interest rate changes arising from the presence of non-interest bearing or behaviourally fixed rate assets and liabilities on the balance sheet or variable rate deposits that are deemed insensitive to changes in market rates. The principal non-interest bearing liabilities are equity and non-interest bearing current accounts. It is Group policy to hedge its non-interest bearing current accounts in a portfolio of swaps with a similar average life of 3.5 years and a maximum life of seven years.

The Group also has in place a hedge of deposits that are deemed insensitive to changes in market rates. This has the effect of helping to mitigate the impact of the interest rate changes on interest income. The table outlines the Group's average volumes of structural hedges and contribution to interest income.

Structural hedge *(unaudited)*	**2025**	**2024**
Average structural hedge volume (€bn)	66.3	64.2
Interest income from structural hedge (€m)	1,253.0	1,110.4

Other structural risks arise from credit-impaired loans and floored loans and deposits. The Group also has a portfolio of swaps which hedge fixed rate assets (including fixed rate lending) on the balance sheet. These swaps partially offset the Group's structural hedge.

Net interest income sensitivity analysis *(unaudited)*

The Group uses net interest income sensitivity analysis to measure the responsiveness of earnings to scenarios for short and long-term rates.

The following table shows the estimated sensitivity of the Group's net interest income (before tax) to an instantaneous and sustained 1% parallel movement in interest rates. The estimates are based on management assumptions primarily related to the repricing of customer transactions; the relationship between key official interest rates set by Monetary Authorities and market determined interest rates; and the assumption of a constant balance sheet by size and composition. The sensitivities should not be considered a forecast of future performance in these rate scenarios as they do not capture potential management action in response to unexpected changes in the interest rate environment.

Estimated sensitivity of Group income (1 year horizon) *(unaudited)*	**2025 €m**	**2024 €m**
100bps higher	c.245	c.255
100bps lower	(c.280)	(c.280)

Basis risk *(unaudited)*

Basis risk is the exposure of the Group's earnings to sustained changes in the differentials between the floating market related benchmark rates to which the Group's assets, liabilities and derivative hedges are linked. In the Group's case, the principal rates used for product and derivative repricing are one, three, and six month Euro Inter Bank Offered Rate (EURIBOR), Sterling Overnight Index Average (SONIA), EUR short-term rate, the ECB refinancing rate, and the BoE base rate.

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.7 Market risk *(continued)*

In addition, the Group funds an element of its sterling balance sheet in part from euro which creates a structural exposure to the cost of this hedging. The Group applies notional limits and stress scenario analysis to its basis positions.

Credit spread risk *(unaudited)*
Credit spread risk arises from the potential impact of changes to the spread between the bond yield and swap rates. The credit spread risk sensitivity primarily manifests within the portfolio of bonds purchased as liquid assets and classified as at fair value through other comprehensive income (FVOCI), which are held at fair value on the balance sheet. Movements in the credit spreads can result in adverse impacts on the fair value of these holdings. The Group also considers bonds in the liquid assets portfolio that are classified as amortised cost in consideration of Credit Spread Risk in the Banking Book.

At 31 December 2025, the Group held €3.0 billion par value in securities classified as FVOCI (2024: €3.4 billion) and held €19.1 billion par value in securities classified as amortised cost (2024: €6.4 billion). A 1% increase in the average credit spread of the book in 2025 would have reduced its value by €61 million (2024: €87 million) for bonds held at FVOCI and reduced the value by €1.1 billion (2024: €258 million) for bonds held at amortised cost.

An analogous economic risk exists in relation to securities held by NIAC to match policyholder liabilities and to invest its capital. At 31 December 2025, NIAC's bond portfolio had a market value of €1.9 billion (2024: €1.9 billion). At 31 December 2025, a 1% widening of all credit spreads (measured as bond yields minus the corresponding swap rate) would have had an impact on profit before tax of €92 million negative, while a 1% tightening would have a positive impact of €114 million (2024: €92 million negative and €108 million positive impact respectively).

The Group also models the spread risk for both the FVOCI and NIAC portfolios over a one-year horizon using a delta-normal VaR model and deterministic spread stress model respectively. They approximate a potential one-year loss in portfolio value due to changes in credit spreads.

Interest rate risk in New Ireland Assurance Company plc *(unaudited)*
In managing the interest rate risk in its business, NIAC has regard to the sensitivity of its capital position, as well as its profit before tax, to market movements. NIAC follows a policy of asset / liability matching to ensure that the exposure of its capital position to interest rate movements remains within tolerances, while also managing the impact on IFRS profits. At 31 December 2025, a 1% increase in swap and yield rates would have reduced its excess own funds (own funds less solvency capital requirement (SCR)) by €9 million and reduced its IFRS profit by €43 million (2024: €4 million negative and €36 million negative respectively).

Equity risk *(unaudited)*
NIAC's profit before tax is also indirectly exposed to changes in equity markets. This arises because a management fee is charged on the value of €8.6 billion (2024: €8.1 billion) of equities held for policyholders in insurance contracts in its unit-linked book. As equity markets move up and down, this gives rise to a change in current and discounted future streams of equity-related fees which is reflected in NIAC's profits. Every 1% fall in equity markets applied to positions at 31 December 2025 would have reduced its IFRS profit by €1 million (2024: €1 million reduction). Every 1% increase in equity markets would have had a broadly equal and opposite impact.

Structural FX *(unaudited)*
The Group defines structural FX risk as the exposure of its key capital ratios to changes in exchange rates. Changes in exchange rates can increase or decrease the overall euro equivalent level of RWAs.

It is Group policy to manage structural FX risk by ensuring that the currency composition of its RWAs and its structural net asset position by currency are broadly similar. This is designed to minimise the impact of exchange rate movements on the principal capital ratios.

At 31 December 2025, the estimated sensitivity of the Group's CET1 ratio to a 10% depreciation of sterling and dollar combined against the euro was less than 1 basis point.

Use of derivatives in the management of market risk *(audited)*
The activities set out above involve, in many instances, transactions in a range of derivative instruments. The Group makes extensive use of derivatives to hedge its balance sheet and service its customer needs. The Group's participation in derivatives markets is subject to the requirements of the Group Market Risk Policy which is approved by the Board. The Group makes a clear distinction between derivatives which must be transacted on a perfectly hedged basis and those whose risks can be managed within broader interest rate or FX books.

The approach to hedging and managing market risk is governed by policies explicitly designed to ensure that all hedging activities are risk reducing. Interest rate risk arising on customer lending and term deposit-taking is centralised by way of internal hedging transactions with Bank of Ireland Global Markets (BoIGM) or Group Treasury. This exposure is, in turn, substantially eliminated through external hedges.

Structural risk is managed by way of selective and strategic hedging initiatives which are executed under ALCO's authority.

Policy requires that, where behavioural optionality hedging relies on assumptions about uncertain customer behaviour and where material, it is subject to limits or other controls.

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.8 Model risk

Definition
Model Risk is the risk of potential adverse consequences due to model design or implementation errors or the inappropriate use of model outputs. The Group uses models to inform business and credit decisions; for transaction monitoring, determining Pillar II capital requirements and supporting internal pricing, stress testing, and market risk measurement. It also supports the determination of capital and impairment requirements. The adverse consequences from model issues could include financial loss, negative customer outcomes, poor decision making, regulatory criticism or damage to the Group's reputation.

Risk management and measurement
The Group's Model Risk Management Framework is the mechanism through which the Group manages model risk. This framework comprises the Group Model Risk Policy, the Model Inventory, and the Group's Model Risk Assessment for the use of models. It applies both to the process of introducing models within the Group and to the areas where models are used across the Group's process landscape.

Risk mitigation
The Group's Model Risk Policy sets out a suite of minimum mitigating requirements across all stages of a model's lifecycle. Models are categorised into tiers based on their materiality and complexity. Policy requirements correspond to each tier, imposing stricter controls and oversight on models with higher risk.

Risk reporting
Updates on the model risk profile, including risk outlook and management reporting dashboards, are provided monthly through the Board Risk Report. The Risk Measurement Committee (RMC) has responsibility for the oversight of model risk throughout the Group, with specific responsibilities for the Group's Tier 1 (most critical) models. These responsibilities include monitoring of the Group's model risk profile and compliance with management metrics, as well as reviewing and approving key model risk policies and standards.

3.9 Operational risk

Definition
Operational risk is the risk of loss resulting from suboptimal or failed internal processes, systems, human factors, or from external events.

This risk includes information technology, change management, information security and cyber, TPRM and outsourcing, transaction processing, people, physical security, data, financial and regulatory reporting, legal, and tax risks.

Risk management
Operational risk, Resilience and ESG are intrinsically related. In order to ensure positive overarching ESG outcomes, operational risk management considers ESG more broadly within the relevant policies, crisis management framework, data, processes, risk indicators, monitoring and reporting.

The Group faces operational risks in the normal pursuit of its business objectives. The primary goals of operational risk management are ensuring the sustainability and integrity of the Group's operations and the protection of customer services and its reputation by controlling, mitigating, or transferring the impact of operational risk. Operational risk cannot be fully eliminated. The Group has established a formal approach to the management of operational risk in the form of the RMF and operational risk management framework which defines the Group's approach to identifying, assessing, managing, monitoring, and reporting the operational risks which may impact the achievement of the Group's business objectives.

This framework outlines, inter alia the following:
- formulation and dissemination of operational risk policies specifying the risk management obligations of management and staff within the Group;
- maintaining organisational structures for the oversight, monitoring and management of operational risk throughout the Group;
- setting aside capital and maintaining a suite of insurance policies;
- setting out the boundary conditions in which operational risks are to be managed, by way of Board approved Risk Appetite Statement; and
- embedding formal operational risk management processes and standards throughout the Group.

Operational risk policies and governance
The Group continues to maintain its ongoing oversight and control of its exposure to operational risk. A critical component of operational risk management are the operational risk policies which set out the Group's objectives and the obligations of management in respect of operational risk.

Governance and oversight of operational risk forms part of the RMF and operational risk management framework which aims to ensure that risk management activities are adequate and commensurate with the Board approved risk appetite. The GNFRC is appointed by the ERC and is responsible for the oversight and monitoring of operational risk within the Group and material subsidiaries. Business units hold primary responsibility for the management of operational risk and compliance with internal control requirements.

The Operational Risk function is accountable for the development and maintenance of operational risk policies to ensure a robust, consistent, and systematic approach is applied to managing operational risk exposures across the Group.

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.9 Operational risk *(continued)*

Operational risk appetite

The Board has set out its appetite for operational risk in terms of both qualitative factors and quantitative measures reflecting the nature of operational risks. As such, the monitoring of operational risk indicators is supplemented with qualitative review and discussion at senior management executive committees to ensure appropriate actions are taken to enhance controls.

Risk assessment

A systematic identification and assessment of the operational risks faced by the Group is a core component of the RMF and operational risk management framework. This is known as the Risk and Control Self Assessment and is a framework for capturing, measuring, and managing operational risk as well as providing a mechanism for consistent identification, monitoring, reviewing, updating, and reporting of risks throughout the Group. A key element of this process is the classification of risks in the Group's Risk Library.

Risk mitigation and transfer

In addition to business unit risk mitigation initiatives, the Group implements specific policies and risk mitigation measures for key operational risks including, but not limited to, information technology, information security and cyber, TPRM and outsourcing, data, and financial and regulatory reporting risks.

This strategy is further supported by risk transfer mechanisms such as the Group's insurance programme, whereby selected risks are insured externally.

The Group Insurance programme is reviewed annually to ensure coverage remains appropriate to the Group's risk management objectives. The Group's capital requirements arising from operational risk are calculated for Pillar 1 using The Standardised Approach (TSA) and Pillar 2 as assessed under the Group's ICAAP.

Operating resilience

Operating resilience is the ability of the Group to identify and prepare for, respond and adapt to, recover and learn from an operational disruption. Operational resilience involves having forward-looking plans that proactively prepares the Group to withstand and adapt to disruptions that will inevitably occur.

Risk reporting

Regular reporting of operational risk is a key component of the RMF and operational risk management framework. The current status of operational risk, including risk dashboards and risk appetite compliance, is reported through the Board Risk Report on a monthly basis.

At least four times a year, the Head of Operational Risk reports to GNFRC on the status of operational risk in the Group, including the status of the material operational risks, the progress of risk mitigation initiatives and programmes, significant loss events and the nature, scale, and frequency of overall losses.

In addition, specified operational risk information is collated for the purposes of reporting to regulatory supervisors in the jurisdictions in which the Group operates.

3.10 Regulatory risk

Definition

Regulatory risk is the risk that the Group does not identify legal or regulatory change or appropriately manage its relationships with its regulators.

The Group is exposed to regulatory risk as a consequence from all the activities that the Group engages in during its normal conduct of its business. Regulatory risk may materialise from failure to identify new or existing regulatory and / or legislative requirements or deadlines, failure to ensure appropriate governance is in place to embed regulatory requirements into processes, or the failure to appropriately manage the Group's regulatory relationships. Regulatory risk includes ineffective regulatory change governance and ineffective regulatory engagement.

Ineffective regulatory change governance is the risk that regulatory change is not identified and / or there is an inappropriate approach adopted to implement the regulatory changes required.

Ineffective regulatory engagement is the risk of inappropriate or unprofessional interaction with our regulators.

Risk management and measurement

The Group manages regulatory risk under the RMF. The framework establishes the common principles for the risk management process of identifying, assessing, monitoring, and mitigating risks to the Group. This is implemented by accountable executives and monitored by the GNFRC, the ERC, the BRC, and Board in line with the overall Group risk governance structure outlined on pages 240 to 242.

The effective management of regulatory risk is primarily the responsibility of business management and is supported by Group Compliance. The Group has no tolerance for knowingly failing to meet regulatory expectations.

Risk mitigation

Risk mitigants include the early identification, appropriate assessment and measurement and reporting of risks. The primary risk mitigants for regulatory risk are the existence of the Group's Regulatory Risk Policy and appropriate procedures in place throughout the business.

Risk reporting

The current status of regulatory risk, including risk dashboards and risk appetite compliance, is reported through the Board Risk Report on a monthly basis. The Board Risk Report reports on the status of regulatory risk in the Group, including the status of the top regulatory risks, the progress of risk mitigation plans, issues and breaches, and significant regulatory interactions to ERC, BRC and Board.

3 Management of Principal Risks and ESG Risk Lens *(continued)*

3.11 ESG risk lens

Definition of ESG risk

ESG risk is defined in the Group as the risk to the Group that ESG factors (environmental, social or governance matters) could cause a material negative impact on:

- the Group's earnings, capital, franchise value, or reputation;
- the Group's regulatory standing;
- the long-term sustainability of our customer's operations and financial wellbeing; and
- the communities and environment in which we and our customers operate.

ESG factors represent a common risk driver across the Group's principal and sub risk types.

The Group applies a risk lens to ensure that the impact of ESG across the Group's risk types is considered on an ongoing basis and that the aggregate impact arising from ESG risk drivers is given appropriate consideration.

Definition of Climate and Other Environmental risk

Climate and Other Environmental risk is defined in the Group as the risk to the Group of any material negative impact from current or prospective impacts of environmental factors arising from: i) the transition to a low-carbon and more environmentally sustainable economy; and ii) climate-related physical events which could lead to: a) higher business costs, lower revenues, stranded assets and potential financial implications from physical phenomena; and b) associated climate trends which disrupt operations for the Group and its customers, the Group's supply value chains, or damage property.

The Group defines two key sub-categories of environmental risks that impact our business (in line with the ECB Guide on Climate-related and Environmental Risks November 2020). These are the risks associated with the transition to a low-carbon economy and from climate-related physical events. In defining these sub-categories, the Group has drawn on the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD) and the Taskforce on Nature-related Financial Disclosures (TNFD).

Definition of Social and Governance risk

Social and Governance risk is defined in the Group as the risk to the Group of any material negative impact from current or prospective impacts of social or governance risk factors including actions by the Group or by the Group's supply chain, which could lead to a negative impact on the rights, well-being and interests of the Group and its customers, colleagues, and wider stakeholders.

Risk management, measurement and reporting

The Group's RMF sets out the risk management, measurement, and reporting requirements for the Group's risks. The Group ESG RMF sets out the Group approach to ESG risk management, aligning with the new EBA Guidelines on the management of ESG risks (January 2026).

ESG factors represent a common driver across the Group's principal and sub-risk types. While ESG risk management is managed through the Group's principal and sub-risk types, the Group also has dedicated resources to lead the co-ordination of the Group's approach to ESG risk management, both in 1LOD (Sustainability Team, Group Strategy) and in 2LOD (Business, Strategic and ESG Risk Team, Group Risk).

The Board Risk Report is the primary source of reporting for the impact of ESG related risks on the Group's risk profile.

The Group assesses the impact of ESG factors on an ongoing basis. Under the EU CSRD, the Group discloses material ESG matters under a 'Double Materiality' perspective. In parallel with ESG risk identification and assessment activities across the Group's principal risk types, the Group also undertakes an ESG Risk Materiality Assessment. The outputs from this assessment should be consistent with the Group's DMA.

The outcome of the DMA and the ESG Risk Materiality Assessment is used to inform the Group's ICAAP, Sustainability Strategy and the management of ESG risk including the composition of the Group's ESG risk metrics.

Risk mitigation

2025 marked the conclusion of the Group's Investing in Tomorrow Sustainability Strategy with strong momentum and delivery across the three pillars: Enabling Colleagues to Thrive, Enhancing Financial Wellbeing, and supporting the Green Transition. The 2026 to 2028 Sustainability Strategy builds on the strong progress made by the Group during the previous strategic cycle and will focus on three new pillars: Supporting the Green Transition, Supporting Housing and Infrastructure, and Supporting Social Inclusion.

The Group's greenhouse gas emission reduction targets including a target that the Group's own operations will be net zero by 2030, are validated by the Science Based Targets initiative (SBTi). The Group's validated SBTs guide and measure the Group's progress in decarbonising its own operations and business. As a signatory to the UN Principles for Responsible Banking, the Group has committed to aligning the Group's strategy and practices with the Paris Climate Agreement. The Group's Climate Transition Plan (formerly titled the Climate Action Plan) outlines the key role the Group plays in facilitating Ireland's green transition to a low-carbon economy and the Group's efforts to reduce our own impact on the environment.

The Group Sustainability Committee oversees the development and implementation of the Group's Sustainability Strategy and together with the BRC ensures that ESG risks have been integrated into the overall Group RMF and key risk management policies and processes, including consideration of the assessment of ESG risks.

ESG is embedded in the Group's risk appetite, with a focus on climate and environmental risk. In support of the Group's decarbonisation targets and to de-risk the lending book, risk appetite has been defined across lending portfolios. This includes the requirement that the Group will not provide lending to companies and projects involved in the excluded activities outlined in the published Responsible and Sustainable Business Sector Statement.

Corporate and commercial lending applications critically assess ESG risk factors and their impact on the borrower's financial condition and on the internal credit rating of the borrower.

Financial Statements

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Statement of Directors' responsibilities

The following statement, which should be read in conjunction with the Independent Auditor's Report set out on the following pages, is made with a view to distinguishing for shareholders the respective responsibilities of the Directors and of the Auditor in relation to the financial statements.

The Directors are responsible for preparing the Annual Report and the consolidated financial statements in accordance with IFRS adopted by the EU and with those parts of the Companies Act 2014 applicable to companies reporting under IFRS, the EU (Credit Institutions: Financial Statements) Regulations 2015 and, in respect of the consolidated financial statements, Article 4 of the IAS Regulation. Company law requires the Directors to prepare Group and Company financial statements for each financial year. The Directors are responsible for preparing the Company financial statements in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 101 'Reduced disclosure framework' (FRS 101), and promulgated by the Institute of Chartered Accountants in Ireland and Irish law).

Under Irish law, the Directors shall not approve the Group's and Company's financial statements unless they are satisfied that they give a true and fair view of the Group's and the Company's assets, liabilities and financial position at the end of the financial year and of the profit or loss of the Group and the Company for the financial year.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the consolidated financial statements have been prepared in accordance with IFRS adopted by the EU, and the Company financial statements have been prepared in accordance with FRS 101, and ensure that they contain the additional information required by the Companies Act 2014;
- assess the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- prepare the financial statements on the going concern basis unless they either intend to liquidate the Group or Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the Company; and
- enable, at any time, the assets, liabilities, financial position and profit or loss of the Group and the Company to be determined with reasonable accuracy.

The Directors are also responsible under section 282 of the Companies Act 2014 for taking all reasonable steps to ensure such records are kept by its subsidiaries which enable them to ensure that the financial statements of the Group comply with the relevant provisions of the Companies Act 2014, including Article 4 of the IAS Regulation and enable the financial statements to be audited. The Directors are responsible for monitoring the effectiveness of the Company's systems of internal control in relation to the financial reporting process, and have a general responsibility for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and the requirements of the Listing Rules issued by Euronext Dublin and the UK Financial Conduct Authority, the Directors are also responsible for preparing a Directors' Report and reports relating to Directors' remuneration and corporate governance. The Directors are also required by the Transparency (Directive 2004/109/EC) Regulations 2007, as amended, and the Central Bank (Investment Market Conduct) Rules 2019 to include a management report containing a fair review of the business and a description of the principal risks and uncertainties facing the Group. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the Directors, whose names and functions are listed on pages 56 to 59 of this Annual Report, confirm that, to the best of each person's knowledge and belief:

- the Group financial statements, prepared in accordance with IFRS as adopted by the EU, and the Company financial statements, prepared in accordance with FRS 101, give a true and fair view of the assets, liabilities and financial position of the Group and Company at 31 December 2025 and of the profit of the Group for the year then ended;
- the management report contained in the Annual Report includes a fair review of the development and performance of the business and the position of the Group and the Company, together with a description of the principal risks and uncertainties that they face;
- the Sustainability Statement contained in the Report of the Directors' is prepared in accordance with ESRS and the specifications adopted pursuant to Article 8(4) of Regulation (EU) 2020/852 and our responsibilities for the sustainability statement are discussed in full in our statement of directors' responsibilities for the sustainability statement in the Annual Report; and
- the Annual Report and the financial statements, taken as a whole, provides the information necessary to assess the Group's performance, business model and strategy and is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

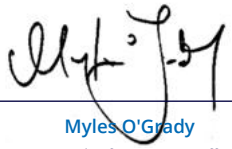
Signed on behalf of the Board by
27 February 2026



Akshaya Bhargava
Chairman



Michele Greene
Deputy Chair



Myles O'Grady
Group Chief Executive Officer

Independent Auditor's Report

to the members of Bank of Ireland Group plc

Report on the Audit of the financial statements

Opinion

We have audited the financial statements of Bank of Ireland Group plc (the 'Company' and 'Parent') and its consolidated undertakings (the 'Group') for the year ended 31 December 2025 set out on pages 288 to 435, contained within the reporting package boigroupplc-2025-12-31-1-en.xbri which comprise the consolidated income statement, consolidated statement of comprehensive income, consolidated balance sheet, consolidated statement of changes in equity, consolidated cash flow statement, company balance sheet, company statement of changes in equity and related notes, including the Group material accounting policies set out in note 1 and the Company material accounting policies set out on page 432. Certain required disclosures have been presented elsewhere in the Annual Report, rather than in the notes to the financial statements. These are incorporated in the financial statements by cross-reference and are identified as audited.

The financial reporting framework that has been applied in the preparation of the Group financial statements is Irish Law, including the Commission Delegated Regulation 2019/815 regarding the single electronic reporting format (ESEF) and International Financial Reporting Standards (IFRS) as adopted by the European Union and, as regards the Company financial statements, Irish Law and FRS 101 Reduced Disclosure Framework issued in the United Kingdom by the Financial Reporting Council.

In our opinion:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Group and Company as at 31 December 2025 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- the Company financial statements have been properly prepared in accordance with FRS 101 Reduced Disclosure Framework issued by the UK's Financial Reporting Council;
- the Group and Company financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014 and, as regards the Group financial statements, Article 4 of the IAS Regulation; and
- the Company financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014 and the European Union (Credit Institutions: Financial Statements) Regulations 2015.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ('ISAs (Ireland)') and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities section of our report.

We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our reporting to the Group Audit Committee (GAC).

We were appointed as auditor by the Board of Directors on 19 April 2018. The period of total uninterrupted engagement is therefore eight years ended 31 December 2025.

We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, ethical requirements applicable in Ireland, including the Ethical Standards issued by the Irish Auditing and Accounting Supervisory Authority (IAASA) as applied to public interest entities. No non-audit services prohibited by that standard were provided.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the Directors' assessment of the Group's and Company's ability to continue to adopt the going concern basis of accounting included:

- we used our knowledge of the Group and Company, the financial services industry, and the general economic environment to identify the inherent risks to the business model and analysed how those risks might affect the Group and Company's financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to adversely affect the Group and Company's available financial resources over this period were;
  - the availability of funding and liquidity in the event of a market wide stress scenario; and
  - the impact on regulatory capital requirements in the event of an economic slowdown or recession.
- we also considered whether these risks could plausibly affect the availability of financial resources in the going concern period by comparing severe, but plausible, downside scenarios that could arise from these risks individually and collectively against the level of available financial resources indicated by the Group's financial forecasts.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group or the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

In relation to the Group and the Company's reporting on how they have applied the UK Corporate Governance Code and the Irish Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Independent Auditor's Report *(continued)*

Detecting irregularities including fraud

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the Group's industry, regulatory environment and other external factors and inquiry with the Directors. In addition, our risk assessment procedures included:

- inquiring with management as to the Group's policies and procedures regarding compliance with laws and regulations, identifying, evaluating and accounting for litigation and claims, as well as whether they have knowledge of non-compliance or instances of litigation or claims;
- inquiring of the Directors, the GAC and Group Internal Audit (GIA) and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for 'whistleblowing', as well as whether they have knowledge of any actual, suspected or alleged fraud;
- inquiring of the Directors, the GAC and GIA regarding their assessment of the risk that the financial statements may be materially misstated due to irregularities, including fraud;
- inspecting the Group's regulatory and legal correspondence, as applicable;
- reading minutes of meetings of the Board of Directors, the GAC and other relevant Board sub-committees;
- considering remuneration incentive schemes and performance targets for management; and
- performing planning analytical procedures to identify any unusual or unexpected relationships.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team. This included communication from the Group auditor to component auditors of relevant laws and regulations and any fraud risks identified at the Group and request for component auditors to report to the Group audit team any instances of fraud that could give rise to a material misstatement at the Group.

Firstly, the Group and Company are subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

Secondly, the Group and Company are subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: regulatory capital and liquidity, consumer protection and certain aspects of company legislation, recognising the financial and regulated nature of the Group's activities.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any. For the Group's UK motor finance use of historical commission arrangements disclosed in note 39, we assessed disclosures against our understanding of legal and regulatory developments.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls. On this audit we do not believe there is a fraud risk related to revenue recognition. We identified fraud risks in relation to the Group's impairment loss allowance under IFRS 9, specifically relating to post model adjustments and the valuation of insurance contract liabilities.

Further detail in respect of impairment loss allowance under IFRS 9 related to post model adjustments and the valuation of insurance contract liabilities is set out in the key audit matter disclosures of this report.

In response to the fraud risks, we also performed procedures including:

- identifying journal entries to test for all in scope components based on risk criteria and comparing the identified entries to supporting documentation; and
- assessing significant accounting estimates for bias.

As the Group and Company are regulated, our assessment of risks involved obtaining an understanding of the legal and regulatory framework that the Group and Company operates and gaining an understanding of the control environment including the Group and Company's procedures for complying with regulatory requirements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report *(continued)*

We continue to perform procedures over the defined benefit pension scheme net asset. However, following performance of our risk assessment procedures, we have not assessed this as one of the matters of most significance in our current year audit and therefore, it is not separately identified in our report this year.

In arriving at our audit opinion above on the financial statements, the key audit matters, in decreasing order of audit significance, were as follows:

Impairment loss allowance on loans and advances to customers at amortised cost €1,149 million (2024: €1,028 million)

Refer to pages** 300 **to** 301 **(accounting policy) and note 14, note 25 and note 26 (financial statement disclosures)

The key audit matter

The calculation of Expected Credit Losses (ECL), also referred to as 'impairment loss allowance' on loans and advances to customers at amortised cost requires a high degree of judgement to reflect recent developments in credit quality, arrears experience, and emerging macroeconomic risks.

The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus in the Group's estimation of ECL include:

Accuracy of certain Probability of Default (PD) models

ECL may be inappropriate if certain models do not accurately predict defaults over time, become out of line with wider industry experience, or fail to reflect the credit risk of financial assets.

Owing to the complexity, subjectivity and estimation uncertainty in certain PD models, including the underlying assumptions, we have identified a significant risk of error in expected credit losses as a result of inaccurate PDs being generated by certain PD models.

Economic Scenarios

IFRS 9 requires the Group to measure ECL on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied to the determination of the economic scenarios and the weightings applied to them.

We have identified a significant risk due to error with respect to management judgement applied in the selection of scenarios, the associated scenario probabilities and the key economic variables used as an input to calculate ECL, particularly given the prevailing uncertainties in the economic outlook.

Post model adjustments (PMAs)

Adjustments to the model driven ECL results are applied by management to address known impairment model limitations, emerging trends or other risks not captured by the ECL models. These adjustments are inherently uncertain and significant management judgement is involved in identifying and estimating certain PMAs.

We have identified a significant risk of error associated with the completeness, as well as a significant risk of error and fraud associated with the valuation of those PMAs with a significant degree of management judgement required in the estimation of the adjustment. There is a risk that management could increase or decrease PMAs to meet market expectations for the Group's results.

Identification and quantification of Stage 3 loans

There is a risk that individually assessed ECLs held against counterparties are incorrectly or inappropriately calculated by management. Management judgement is applied when determining whether Unlikeliness To Pay (UTP) / default criteria have been met; when valuing underlying collateral; in determining the probability weighting of scenarios used to calculate the level of provisioning required; and in determining the impact of the likely course of action with borrowers on ECL.

We identified a significant risk due to error in relation to the identification and quantification of impairment of stage 3 individually assessed assets / loans.

For the reasons outlined above, we determined this to be a key audit matter.

How the matter was addressed in our audit

Accuracy of PD models

- We performed end-to-end process walkthroughs to update our understanding of the key systems, applications and controls used in the ECL modelling processes.
- In conjunction with our credit modelling specialists, we tested the design, implementation and operating effectiveness of key controls including:
  - model validation, implementation and model monitoring process for the PD models;
  - monitoring the staging effectiveness to assess whether the PD models are appropriately identifying assets which have experienced a significant increase in credit risk; and
  - controls over the completeness and accuracy of the significant model inputs and outputs including documentation of data lineage for the data used within the ECL calculation.
- In conjunction with our credit modelling specialists, we held probing inquiries with the model development and validation teams to assess whether the basis for any model changes and enhancements introduced during the period were reasonable.
- We tested the completeness and accuracy of a sample of identified critical data elements used within the PD models by vouching a sample of critical data elements to the underlying source documentation.
- In conjunction with our credit modelling specialists, we independently reperformed key aspects of the PD models underlying the calculation of ECL, including:
  - inspecting the Group's impairment methodologies to assess their compliance with IFRS 9;
  - independent replication testing for a selection of IFRS 9 PD models;
  - reperformance of ECL calculations for a selection of IFRS 9 PD models; and
  - inspecting model validation and model monitoring reports and assessing whether the findings have been appropriately evaluated and addressed by management and/or model developers.

Independent Auditor's Report *(continued)*

- In conjunction with our credit modelling specialists, we assessed whether significant changes to PD models, such as those to address known model limitations and/or as part of periodic updates, were reasonable and in accordance with IFRS 9 by inspecting the associated model development documents, validation reports, and inspecting model code which underpinned the model changes.

Economic scenarios

- We performed end-to-end process walkthroughs to update our understanding of the process and tested the design, implementation and operating effectiveness of key controls related to the selection and estimation of macroeconomic forecasts used in measuring ECL including the economic scenarios and probability weightings applied to them.
- In conjunction with our internal economic specialists:
  - we held probing inquiries with the Group's Economic Research Unit (ERU) and Real Estate Advisory Unit (REAU) and inspected related documentation to assess whether the basis for management assumptions were reasonable and consistent with external forecasts where relevant;
  - we challenged whether management's forward-looking information (FLI) upside and downside scenario weightings were reasonable and reflected the particular features of the macroeconomic outlook in Ireland and the United Kingdom, having regard to all relevant available information at year-end; and
  - we assessed and challenged the reasonableness of the significant assumptions and datapoints underpinning management's economic scenarios by comparing them to independent and observable economic forecasts, leveraging a number of external data points available at year-end.

Post model adjustments

- We performed end-to-end process walkthroughs to update our understanding of the process and tested the design, implementation and operating effectiveness of the key controls over the identification, estimation, review and authorisation of PMAs.
- In conjunction with our credit modelling specialists, we evaluated the reasonableness of the PMAs by critically assessing management's methodology, including the limitation and/or risk that the PMA is seeking to address, and the PMA's compliance with the requirements of IFRS 9.
- We inspected the PMA estimation methodology and tested the completeness and accuracy of key data inputs into the underlying calculations of the PMAs.
- We evaluated the completeness and accuracy of the PMAs having regard for our understanding of the risk profile of loan books, recent loss history, model limitations and/or data limitations.
- We challenged the overall reasonableness of PMAs by comparing the PMAs recognised by management to the various risks, model limitations and/or data limitations that we consider to exist in each loan portfolio, creating bespoke audit responses to each PMA appropriate to their nature.
- We assessed whether any PMAs identified for testing are indicative of fraud / management bias or other deficiencies based on the results of the procedures above.

Identification and quantification of Stage 3 loans

- We performed an end to end process walkthrough and tested the design, implementation and operating effectiveness of key controls relating to the assignment of credit grades and overrides, the higher risk and watchlist categories, the staging allocation, the identification of unlikeliness to pay (UTP) indicators and calculation of individual impairments.
- We held inquiries with Group and Divisional management and reviewed key relevant management information to understand the emerging and potential issues across the relevant portfolios.
- We performed independent credit file reviews over a selection of performing and credit-impaired loans to assess the reasonableness of the credit grade and staging allocations, with a particular focus on high-risk sectors, larger individual customer exposures and the application of the refined UTP criteria:
  - for the performing loans selected, we critically assessed by reference to the underlying documentation and through inquiries with management, whether a trigger for impairment had occurred, having regard to the Group's credit policies; and
  - for the credit-impaired loans selected, we assessed the forecasts of future cash flows prepared by management to support the calculation of the impairment loss allowance, by challenging the key assumptions underpinning the individually assessed impairment calculations, including assessing the reasonableness of forecasts of the future cash flows used to support the calculation of the impairment loss allowance by corroborating estimates to external support where available.
- We independently assessed emerging and potential areas where impairment indicators might have arisen based upon our knowledge and experience of emerging industry issues and the regulatory environment and, using this cumulative knowledge and expertise, challenged the completeness of the issues identified by management and assessed whether loans are appropriately classified in stage 1, 2, or 3 and that the related provision is reasonable.

We found the significant judgements used by management in determining the ECL charge and provision, including the accuracy of PD models, application of PMAs, economic scenarios and identification and quantification of stage 3 loans, to be reasonable.

Valuation of the insurance contract liabilities €17,197 million (2024: €16,685 million)

Refer to pages** 309 **to** 311 **(accounting policy) and note 19 (financial statement disclosures)

The key audit matter

We consider the valuation of insurance contract liabilities to be a significant risk and a key audit matter owing to the use of detailed methodologies and significant judgements involved in the valuation of these amounts.

How the matter was addressed in our audit

- We performed end to end process walkthroughs and tested the design and implementation of key controls relating to the valuation of insurance contract liabilities.

Independent Auditor's Report *(continued)*

- With the assistance of our actuarial specialists, we:
  - performed inquiries to obtain an understanding of any significant developments during the year, the actual versus expected experience, and any changes to methods or assumptions;
  - assessed the methodologies applied, significant assumptions and judgements used in the valuation of insurance contract liabilities;
  - assessed and challenged economic assumptions, the methodology and basis used to set the underlying assumptions with reference to IFRS 17;
  - assessed the calculation of insurance contract liabilities through:
    - agreeing the relevant assumptions and key data inputs into the actuarial models to those we have evaluated;
    - evaluating the reports of the Group's external actuarial expert in relation to the examination of management's methodologies, significant assumptions, and calculations; and
    - independently replicating the best estimate liability (BEL) for a cohort of policies.
  - recalculated the Contractual Service Margin (CSM) amortisation and assessed other CSM movements during the year for a selection of products;
  - checked reconciliations between source administration system, actuarial systems, data warehouse, the CSM calculation tool and the general ledger;
  - tested on a sample basis, the completeness and accuracy of significant data used within the valuation of insurance contract liabilities; and
  - assessed the disclosures in the Group's financial statements for compliance with the requirements of IFRS 17 and consistency with the methodologies applied.

We found that the significant methods and assumptions used in the valuation of insurance contract liabilities to be reasonable.

Recoverability of the carrying value of the investment by Bank of Ireland Group plc in the Governor and Company of the Bank of Ireland (Company only risk and key audit matter) €8,235 million (2024: €8,104 million)
Refer to page 432 (accounting policy) and note c (financial statement disclosures)

The key audit matter
The Company balance sheet includes an €8,235 million investment in The Governor and Company of the Bank of Ireland (GovCo).

The accounting policy followed by the Company is to carry the investment at cost less impairment. Impairment testing includes the comparison of the carrying value with its recoverable amount. The recoverable amount is the higher of the investment's fair value less costs of disposal or its Value in Use (VIU).

The assessment of the recoverability of the investment does not involve significant judgement due to the value of the underlying business at 31 December 2025. However, we consider this a key audit matter due to the significance of the investment based on its magnitude to the Company.

How the matter was addressed in our audit
- We performed an end-to-end process walkthrough over the recoverability of the carrying value of the investment by the Company in GovCo.
- We evaluated management's assessment that the carrying value of the investment in subsidiary was not impaired at year end. This was based on the market capitalisation of the Group and external analyst forecasts.
- We independently obtained certain inputs for the fair value calculation and performed a recalculation of the fair value of the investment in GovCo.
- We assessed the adequacy of the financial statement disclosures in respect of the investment in GovCo within the Company financial statements.

On the basis of the work performed, we found that the market capitalisation of the Group at year end exceeded the carrying value of the investment in GovCo and that management's judgements were reasonable in assessing the carrying value.

Our application of materiality and an overview of the scope of our audit
We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality for the Group financial statements as a whole was set at €75.0 million (2024: €75.0 million), determined with reference to a benchmark of profit before taxation of €1,393 million (of which it represents 5.4% (2024: 4.0%)).

Materiality for the Company financial statements was set at €75.0 million (2024: €83.2 million) which represents 0.9% (2024: 1.0%) of net assets.

In applying our judgement in determining the most appropriate benchmarks, the factors, which had the most significant impact were:
- we consider profit before taxation to be one of the principal considerations for members of the Company in assessing the financial performance of the Group;
- the Company is the ultimate holding company of the Group and its activities to date have been limited to its investment in subsidiaries and the issue of subordinated liabilities and debt securities. Hence a benchmark based on net assets reflects the focus of the users of the company financial statements; and
- the stability of the Group, resulting from its nature, where the Group is in its life cycle, and the industry in which the Group operates.

In applying our judgement in determining the percentages to be applied to the benchmarks, the following qualitative factors, which had the most significant impact to our assessment of materiality were:
- the ownership structure of the Group and Company;
- debt arrangements;
- our understanding of the Group and Company and its environment; and
- earnings sensitivities.

We applied Group materiality to assist us determine the overall audit strategy.

Independent Auditor's Report *(continued)*

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole. Performance materiality was set at 75% (2024: 75%) of materiality for the financial statements as a whole, which equates to €56.3 million (2024: €56.3 million) for the Group and €56.3 million (2024: €62.4 million) for the Company.

In applying our judgement in determining performance materiality, we considered a number of factors including:
- the number and value of misstatements detected; and
- the number and severity of deficiencies in control activities identified in the prior year financial statements audit.

We reported to the GAC any uncorrected identified misstatements exceeding €3.75 million (2024: €3.75 million) for the Group financial statements and €3.75 million (2024: €4.2 million) for the Company financial statements, in addition to other identified misstatements that warranted reporting on qualitative grounds.

In total, we identified seven (2024: seven) components, having considered our evaluation of the Group's operations and our ability to perform audit procedures centrally. Of those, we identified five (2024: five) quantitatively significant components which contained the largest percentages of either total revenue or total assets of the Group, for which we performed audit procedures. We also identified one (2024: one) component as requiring special audit consideration, owing to risks residing in that component.

Accordingly, we performed audit procedures on six (2024: six) components, of which we involved component auditors in performing the audit work on two (2024: two) components. We also performed the audit of the parent company.

We performed audit procedures in relation to components that accounted for 98.4% (2024: 99.7%) of Group profit before tax and 99.4% (2024: 99.5%) of Group total assets.

For the remaining components for which we performed no audit procedures, no component represented more than 2.7% (2024: 2.7%) of Group total revenue, Group profit before tax or Group total assets. We performed analysis at an aggregated Group level to re-examine our assessment that there is not a reasonable possibility of a material misstatement in these components.

We instructed component auditors as to the significant areas to be covered, including the relevant risks detailed above and the information to be reported back.

We set the component materiality, which ranged from €11 million to €41 million (2024: €11 million to €41 million), having regard to the mix of size and risk profile of the Group across the components.

As part of establishing the overall Group audit strategy and plan, we conducted the risk assessment and planning discussion meetings with component auditors to discuss Group audit risks relevant to the components, including the key audit matters. We held meetings with all component auditors, to assess the audit risk and strategy. At these meetings, the results of planning procedures and audit procedures communicated to us were discussed in more detail.

We inspected the work performed by the component auditors for the purpose of the Group audit and evaluated the appropriateness of conclusions drawn from the audit evidence obtained and consistencies between communicated findings and work performed, with a particular focus on work related to key audit matters and significant risks.

Other information

The Directors are responsible for the preparation of the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the Strategic Report on pages 3 to 26, the Financial Review on pages 27 to 50, the Governance section (including Report of the Directors) on pages 51 to 111 (except for the Remuneration Report on pages 106 to 110), the Sustainability section on pages 112 to 222, the unaudited sections of the Risk Management Report on pages 223 to 277 and the unaudited parts of Other Information on pages 436 to 478.

The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon as part of our engagement to audit the consolidated financial statements. We have performed an assurance engagement on the Sustainability Statement that forms part of the other information and provided a separate assurance practitioner's conclusion thereon that is included within the other information.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information undertaken during the course of the audit we report that, in those parts of the Directors' report specified for our consideration, which does not include the information required by the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017:
- we have not identified material misstatements in the Directors' report;
- in our opinion, the information given in the Directors' report is consistent with the financial statements; and
- in our opinion, those parts of the Directors' report specified for our review, which does not include sustainability reporting when required by Part 28 of the Companies Act 2014, have been prepared in accordance with the Companies Act 2014.

Corporate governance statement

We have reviewed the Directors' statement in relation to going concern, longer-term viability, that form part of the Corporate Governance Statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code and the Irish Corporate Governance Code specified for our review by the Listing Rules of Euronext Dublin and the UK Listing Authority.

Independent Auditor's Report *(continued)*

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- Directors' statement with regards the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 99;
- Directors' explanation as to their assessment of the Group's prospects, the period this assessment covers and why the period is appropriate set out on page 99;
- Directors' statement on whether it has a reasonable expectation that the Group will be able to continue in operation and meets its liabilities set out on page 99;
- Directors' statement on fair, balanced and understandable and the information necessary for shareholders to assess the Group's position and performance, business model and strategy set out on page 279;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks and the disclosures in the Annual Report that describe the principal risks and the procedures in place to identify emerging risks and explain how they are being managed or mitigated set out on pages 70 to 71;
- Section of the Annual Report that describes the review of effectiveness of risk management and internal control systems set out on pages 70 to 71; and
- Section describing the work of the GAC set out on pages 86 to 91.

The Listing Rules of Euronext Dublin also requires us to review certain elements of disclosures in the report to shareholders by the Group Remuneration Committee.

We have nothing to report in this regard.

In addition as required by the Companies Act 2014, we report, in relation to information given in the Corporate Governance Statement on pages 51 to 111 that:

- based on the work undertaken for our audit, in our opinion, the description of the main features of internal control and risk management systems in relation to the financial reporting process and information relating to voting rights and other matters required by the European Communities (Takeover Bids (Directive 2004/EC) Regulations 2006 and specified for our consideration, is consistent with the financial statements and has been prepared in accordance with the Act;
- based on our knowledge and understanding of the Group and its environment obtained in the course of our audit, we have not identified any material misstatements in that information; and
- the Corporate Governance Statement contains the information required by the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017.

We also report that, based on work undertaken for our audit, the information required by the Act is contained in the Corporate Governance Statement.

Our opinions on other matters prescribed by the Companies Act 2014 are unmodified

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Group were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

We have nothing to report on other matters on which we are required to report by exception

The Companies Act 2014 requires us to report to you if, in our opinion:

- the disclosures of Directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made;
- the Company has not provided the information required by Section 1110N in relation to its remuneration report for the financial year ended 31 December 2024; and
- the Company has not provided the information required by section 5(2) to (7) of the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017 for the year ended 31 December 2024 as required by the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) (amendment) Regulations 2018.

We have nothing to report in this regard.

Respective responsibilities and restrictions on use

Responsibilities of Directors for the financial statements

As explained more fully in the Directors' responsibilities statement set out on page 279, the Directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists.

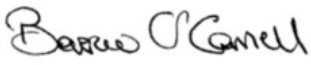
Independent Auditor's Report *(continued)*

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A fuller description of our responsibilities is provided on IAASA's website at https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements/.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Barrie O'Connell

for and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm
1 Harbourmaster Place, IFSC
Dublin 1, D01 F6F5
Ireland

27 February 2026

Consolidated financial statements

Consolidated income statement *(for the year ended 31 December 2025)*

	Note	2025 €m	2024 €m
Interest income calculated using the effective interest method	4	4,496	5,792
Other interest income	4	751	950
Interest income		**5,247**	**6,742**
Interest expense	5	(1,876)	(3,141)
Net interest income		**3,371**	**3,601**
Insurance service result	19	63	35
Insurance revenue		*521*	*536*
Insurance service expense		*(406)*	*(476)*
Net expense from reinsurance contracts held		*(52)*	*(25)*
Insurance investment and finance result	19	10	26
Total investment gains		*657*	*1,526*
Finance expense from insurance contracts issued		*(632)*	*(1,536)*
Finance (expense) / income from reinsurance contracts held		*(15)*	*36*
Fee and commission income	6	763	729
Fee and commission expense	6	(201)	(212)
Net trading income	7	71	105
Other leasing income	8	121	109
Other leasing expense	8	(93)	(87)
(Loss) / gain on derecognition of financial assets	9	(3)	33
Other operating income	10	63	74
Total operating income		**4,165**	**4,413**
Operating expenses	11	(2,472)	(2,435)
Cost of restructuring programme	12	(133)	(57)
Operating profit before impairment losses on financial instruments		**1,560**	**1,921**
Net impairment losses on financial instruments	14	(192)	(107)
Operating profit		**1,368**	**1,814**
Share of results of associates and joint ventures (after tax)	15	25	34
Gain on disposal / liquidation of business activities	16	–	7
Profit before tax		**1,393**	**1,855**
Taxation charge	17	(192)	(324)
Profit for the year		**1,201**	**1,531**
Attributable to shareholders		1,201	1,531
Attributable to non-controlling interests	46	–	–
Profit for the year		**1,201**	**1,531**
Earnings per ordinary share	18	114.8c	141.9c
Diluted earnings per ordinary share	18	114.8c	141.9c

The notes on pages 296 to 428 form an integral part of these consolidated financial statements.

Consolidated financial statements *(continued)*

Consolidated statement of comprehensive income *(for the year ended 31 December 2025)*

	2025 €m	2024 €m
Profit for the year	**1,201**	**1,531**
Other comprehensive income, net of tax		
Items that may be reclassified to profit or loss in subsequent years		
Debt instruments at FVOCI reserve, net of tax:		
Changes in fair value	18	(1)
Net change in debt instruments at FVOCI reserve	**18**	**(1)**
Cash flow hedge reserve, net of tax		
Changes in fair value	291	(448)
Transfer to income statement	(263)	450
Net change in cash flow hedge reserve	**28**	**2**
Foreign exchange reserve		
Foreign exchange translation (losses) / gains	(168)	138
Transfer to income statement	4	(13)
Net change in foreign exchange reserve	**(164)**	**125**
Total items that may be reclassified to profit or loss in subsequent years	**(118)**	**126**
Items that will not be reclassified to profit or loss in subsequent years		
Remeasurement of the net defined benefit pension asset, net of tax	(129)	271
Revaluation of property, net of tax	2	(2)
Net change in liability credit reserve, net of tax	9	–
Total items that will not be reclassified to profit or loss in subsequent years	**(118)**	**269**
Other comprehensive (expense) / income for the year, net of tax	**(236)**	**395**
Total comprehensive income for the year, net of tax	**965**	**1,926**
Total comprehensive income attributable to equity shareholders	965	1,926
Total comprehensive income attributable to non-controlling interests	–	–
Total comprehensive income for the year, net of tax	**965**	**1,926**

The effect of tax on these items is shown in note 17.

The notes on pages 296 to 428 form an integral part of these consolidated financial statements.

Consolidated financial statements *(continued)*

Consolidated balance sheet *(at 31 December 2025)*

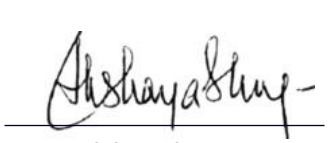
	Note	2025 €m	2024 €m
Assets			
Cash and balances at central banks	47	22,963	32,436
Items in the course of collection from other banks		139	114
Trading securities		244	166
Derivative financial instruments	20	2,661	3,477
Fair value changes due to interest rate risk of the hedged items in portfolio hedges		112	118
Other financial assets at FVTPL	21	25,586	24,000
Loans and advances to banks	22	1,656	1,738
Debt securities at amortised cost	23	18,372	6,387
Financial assets at FVOCI	24	2,990	3,384
Loans and advances to customers	25	82,478	82,538
Interest in associates	28	173	133
Interest in joint ventures	28	75	80
Intangible assets and goodwill	29	1,594	1,500
Investment properties	30	833	771
Property, plant and equipment	31	815	811
Current tax assets		102	37
Deferred tax assets	32	390	546
Other assets	33	1,418	1,127
Reinsurance contract assets	19	1,328	1,453
Retirement benefit assets	42	870	997
Total assets		**164,799**	**161,813**
Equity and liabilities			
Deposits from banks	34	1,371	1,805
Customer accounts	35	107,487	103,069
Items in the course of transmission to other banks		320	218
Derivative financial instruments	20	2,364	3,675
Fair value changes due to interest rate risk of the hedged items in portfolio hedges		(472)	(365)
Debt securities in issue	36	7,794	9,130
Liabilities to customers under investment contracts		10,179	9,203
Insurance contract liabilities	19	17,197	16,685
Other liabilities	37	2,834	2,760
Leasing liabilities		324	366
Current tax liabilities		4	29
Provisions	39	492	235
Loss allowance provision on loan commitments and financial guarantees	41	92	80
Deferred tax liabilities	32	43	58
Retirement benefit obligations	42	2	3
Subordinated liabilities	43	1,848	1,853
Total liabilities		**151,879**	**148,804**

Consolidated financial statements *(continued)*

Consolidated balance sheet *(at 31 December 2025) (continued)*

	Note	2025 €m	2024 €m
Equity			
Share capital	44	953	1,003
Share premium account		456	456
Retained earnings		10,337	10,473
Other reserves		(15)	22
Own shares held for the benefit of life assurance policyholders		(4)	(7)
Shareholders' equity		**11,727**	**11,947**
Other equity instruments - Additional tier 1	45	1,190	1,059
Total equity excluding non-controlling interests		**12,917**	**13,006**
Non-controlling interests	46	3	3
Total equity		**12,920**	**13,009**
Total equity and liabilities		**164,799**	**161,813**

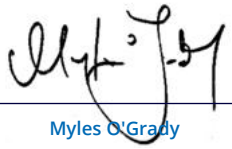
The notes on pages 296 to 428 form an integral part of these consolidated financial statements.



Akshaya Bhargava
Chairman



Michele Greene
Deputy Chair



Myles O'Grady
Group Chief Executive Officer



Sarah McLaughlin
Group Secretary

Consolidated financial statements *(continued)*

Consolidated statement of changes in equity *(for the year ended 31 December 2025)*

	Share capital €m	Share premium account €m	Retained earnings €m	Other reserves: Debt instruments at FVOCI reserve €m	Other reserves: Cash flow hedge reserve €m	Other reserves: Foreign exchange reserve €m	Other reserves: Capital reserve €m	Other reserves: Other reserves[2] €m	Own shares held for benefit of life assurance policyholders €m	Attributable to equity holders of Parent €m	Other equity instruments €m	Non-controlling interests €m	Total €m
Balance at 1 January 2025	**1,003**	**456**	**10,473**	**(23)**	**(41)**	**(632)**	**686**	**32**	**(7)**	**11,947**	**1,059**	**3**	**13,009**
Profit for the year	–	–	1,201	–	–	–	–	–	–	1,201	–	–	1,201
Other comprehensive (expense) / income for the year	–	–	(129)	18	28	(164)	–	11	–	(236)	–	–	(236)
Total comprehensive income for the year	**–**	**–**	**1,072**	**18**	**28**	**(164)**	**–**	**11**	**–**	**965**	**–**	**–**	**965**
Transactions with owners: Contributions by and distributions to owners of the Group													
AT1 securities issued, net of expenses (note 45)	–	–	–	–	–	–	–	–	–	–	595	–	595
Share buyback - repurchase of shares[1] (note 44)	–	–	–	–	–	–	–	(589)	–	(589)	–	–	(589)
Dividends on ordinary shares	–	–	(513)	–	–	–	–	–	–	(513)	–	–	(513)
Redemption of AT1 securities (note 45)	–	–	(5)	–	–	–	–	–	–	(5)	(464)	–	(469)
Distribution other equity instruments - AT1 coupon	–	–	(81)	–	–	–	–	–	–	(81)	–	–	(81)
Changes in value and amount of shares held	–	–	–	–	–	–	–	–	3	3	–	–	3
Share buyback - cancellation of shares[1] (note 44)	(51)	–	(589)	–	–	–	51	589	–	–	–	–	–
Repurchase of AT1 securities (note 45)	–	–	–	–	–	–	–	–	–	–	–	–	–
Total transactions with owners	**(51)**	**–**	**(1,188)**	**–**	**–**	**–**	**51**	**–**	**3**	**(1,185)**	**131**	**–**	**(1,054)**
Transfer from retained earnings to capital reserve	–	–	(12)	–	–	–	12	–	–	–	–	–	–
Other movements	1	–	(8)	–	–	–	16	(9)	–	–	–	–	–
Balance at 31 December 2025	**953**	**456**	**10,337**	**(5)**	**(13)**	**(796)**	**765**	**34**	**(4)**	**11,727**	**1,190**	**3**	**12,920**

[1] *In 2025, the Group completed the purchase of the share buyback programme whereby the Group repurchased 50.74 million shares for cancellation, 5.06% of the count outstanding at 1 January 2025, at a weighted average price of €11.610 per share.*
[2] *Other reserves includes the amalgamation of the merger reserve of €17 million, revaluation reserve of €13 million and the liability credit reserve of €4 million. There is a net €nil impact due to the repurchase and cancellation of shares as part of the share buyback programme.*

Consolidated financial statements *(continued)*

Consolidated statement of changes in equity *(for the year ended 31 December 2024)*

	Share capital €m	Share premium account €m	Retained earnings €m	Other reserves: Debt instruments at FVOCI reserve €m	Other reserves: Cash flow hedge reserve €m	Other reserves: Foreign exchange reserve €m	Other reserves: Capital reserve €m	Other reserves: Other reserve[2] €m	Own shares held for benefit of life assurance policyholders €m	Attributable to equity holders of Parent €m	Other equity instruments €m	Non-controlling interests €m	Total €m
Balance at 1 January 2024	**1,057**	**456**	**10,285**	**(22)**	**(43)**	**(757)**	**593**	**30**	**(7)**	**11,592**	**966**	**3**	**12,561**
Profit for the year	–	–	1,531	–	–	–	–	–	–	1,531	–	–	1,531
Other comprehensive (expense) / income for the year	–	–	271	(1)	2	125	–	(2)	–	395	–	–	395
Total comprehensive income for the year	**–**	**–**	**1,802**	**(1)**	**2**	**125**	**–**	**(2)**	**–**	**1,926**	**–**	**–**	**1,926**
Transactions with owners: Contributions by and distributions to owners of the Group													
AT1 securities issued, net of expenses (note 45)	–	–	–	–	–	–	–	–	–	–	595	–	595
Share buyback - repurchase of shares[1] (note 44)	–	–	–	–	–	–	–	(520)	–	(520)	–	–	(520)
Dividends on ordinary shares	–	–	(973)	–	–	–	–	–	–	(973)	–	–	(973)
Redemption of AT1 securities (note 45)	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Distribution on other equity instruments - AT1 Coupon	–	–	(62)	–	–	–	–	–	–	(62)	–	–	(62)
Changes in value and amount of shares held	–	–	–	–	–	–	–	–	–	–	–	–	–
Share buyback - cancellation of shares[1] (note 44)	(53)	–	(520)	–	–	–	53	520	–	–	–	–	–
Repurchase of AT1 securities (note 45)	–	–	(16)	–	–	–	–	–	–	(16)	(502)	–	(518)
Total transactions with owners	**(53)**	**–**	**(1,571)**	**–**	**–**	**–**	**53**	**–**	**–**	**(1,571)**	**93**	**–**	**(1,478)**
Transfer from retained earnings to capital reserve	–	–	(50)	–	–	–	50	–	–	–	–	–	–
Other movements	(1)	–	7	–	–	–	(10)	4	–	–	–	–	–
Balance at 31 December 2024	**1,003**	**456**	**10,473**	**(23)**	**(41)**	**(632)**	**686**	**32**	**(7)**	**11,947**	**1,059**	**3**	**13,009**

[1] In 2024, the Group completed the purchase of the €520 million share buyback programme whereby the Group repurchased 53.23 million shares for cancellation, 5.04% of the count outstanding at 1 January 2024, at a weighted average price of €9.753 per share.
[2] Other reserves includes the amalgamation of the merger reserve €17 million and revaluation reserve €20 million, offset by liability credit reserve of €5 million. There is a net €nil impact due to the repurchase and cancellation of shares as part of the share buyback programme.

The notes on pages 296 to 428 form an integral part of these consolidated financial statements.

Consolidated financial statements *(continued)*

Consolidated cash flow statement *(for the year ended 31 December 2025)*

	Note	2025 €m	2024 €m
Cash flows from operating activities			
Profit before tax		1,393	1,855
Share of results of associates and joint ventures	15	(25)	(34)
Gain on disposal / liquidation of business activities	16	–	(7)
Depreciation and amortisation	8,11,19	325	311
Net impairment losses on financial instruments, excluding cash recoveries	14	222	168
Impairment of property, plant and equipment	11	–	2
Impairment of intangible assets and goodwill	29	–	100
Revaluation of investment property	30	–	40
Interest expense on subordinated liabilities	5	92	92
Interest expense on lease liabilities	5	11	10
Charge for pension and similar obligations	42	14	34
Net change in accruals and interest payable		31	34
Net change in prepayments and interest receivable		(161)	(12)
Charge for provisions	39	341	231
Non-cash and other items		(12)	(30)
Cash inflows from operating activities before changes in operating assets and liabilities		**2,231**	**2,794**
Net change in items in the course of collection from other banks		77	(92)
Net change in trading securities		(78)	(94)
Net change in derivative financial instruments		(330)	(40)
Net change in fair value changes due to interest rate risk of the hedged items in portfolio hedges		(101)	508
Net change in other financial assets at FVTPL		(1,583)	(3,101)
Net change in loans and advances to banks		–	109
Net change in loans and advances to customers		(1,282)	(1,937)
Net change in other assets		(148)	2
Net change in deposits from banks		(399)	(1,391)
Net change in customer accounts		5,175	2,201
Net change in debt securities in issue		(1,085)	553
Net change in liabilities to customers under investment contracts		976	1,511
Net change in insurance and reinsurance contracts		637	1,533
Net change in other operating liabilities		26	196
Net cash inflows / (outflows) from operating assets and liabilities		**1,885**	**(42)**
Net cash inflows from operating activities before tax		**4,116**	**2,752**
Tax paid		(123)	(113)
Net cash inflows from operating activities		**3,993**	**2,639**
Investing activities (section a below)		(12,450)	(557)
Financing activities (section b below)		(1,222)	(1,483)
Effect of exchange translation and other adjustments		124	(66)
Net change in cash and cash equivalents		**(9,555)**	**533**
Opening cash and cash equivalents		34,174	33,641
Closing cash and cash equivalents	47	**24,619**	**34,174**

Consolidated financial statements *(continued)*

Consolidated cash flow statement *(for the year ended 31 December 2025) (continued)*

	Note	2025 €m	2024 €m
(a) Investing activities			
Additions to debt securities at amortised cost	23	(12,470)	(736)
Disposal / redemption of financial assets at FVOCI	24	621	533
Additions to intangible assets	29	(310)	(380)
Additions to financial assets at FVOCI	24	(194)	–
Additions to property, plant and equipment - owned assets	31	(160)	(140)
Disposal / redemption of debt securities at amortised cost		110	128
Additions to investment property	30	(84)	(24)
Proceeds from disposal of property, plant and equipment		42	39
Net change in interest in associates	28	(40)	(20)
Dividends received from joint ventures	28	27	36
Proceeds from disposal of investment property		9	11
Additions to joint ventures	28	(1)	(4)
Cash outflows from investing activities		**(12,450)**	**(557)**
(b) Financing activities			
Issuance of other-equity interests - AT1 securities	45	595	595
Share buyback - Repurchase of shares	44	(589)	(520)
Dividend paid to ordinary shareholders		(513)	(973)
Redemption of other-equity interests - AT1 securities	45	(469)	–
Interest paid on subordinated liabilities	48	(108)	(136)
Distribution on other equity instruments - AT1 coupon		(81)	(62)
Payment of lease liabilities	48	(46)	(57)
Interest paid on lease liabilities	38	(11)	(10)
Repurchase of other-equity interests - AT1 securities		–	(518)
Net proceeds from issue of subordinated liabilities	48	–	498
Redemption of subordinated liabilities	48	–	(300)
Cash outflows from financing activities		**(1,222)**	**(1,483)**

Net cash flows from operating activities includes interest received of €5,556 million (2024: €6,969 million) and interest paid of €1,824 million (2024: €3,112 million).

The notes on pages 296 to 428 form an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

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1 Group accounting policies

Basis of preparation

These consolidated financial statements are the financial statements of the Bank of Ireland Group plc ('BoIG plc' or the 'Company') and its subsidiaries (collectively the 'BoIG plc Group' or the 'Group').

The financial statements comprise the Consolidated income statement, the Consolidated statement of comprehensive income, the Consolidated and Company balance sheets, the Consolidated and Company statements of changes in equity, the Consolidated cash flow statement, the notes to the consolidated financial statements on pages 296 to 428 and the notes to the Company financial statements on pages 432 to 435.

The financial statements include the information that is described as being an integral part of the audited financial statements contained in:

- sections 3.2, 3.4, 3.5, 3.6 and 3.7 of the Risk Management Report as described further on the bottom of page 223; and
- the Remuneration Report as described further on page 103.

The amounts presented in the financial statements are rounded to millions.

The consolidated financial statements of the Group are prepared in accordance with IFRS as adopted by the EU and with those parts of the Companies Act 2014 applicable to companies reporting under IFRS and with the EU (Credit Institutions: Financial Statements) Regulations 2015 and the Asset Covered Securities Acts 2001 and 2007.

The financial statements have been prepared under the historical cost convention as modified to include the fair valuation of certain financial instruments and land and buildings.

The preparation of the financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. A description of the critical estimates and judgements applied in the consolidated financial statements is set out in note 2.

The accounting policies and critical accounting estimates applied by the Company are included in note a to the Company financial statements.

FX rates used during the year are as follows:

	2025		2024	
	Average	Closing	Average	Closing
€ / Stg£	0.8568	0.8726	0.8466	0.8292
€ / US$	1.1300	1.1750	1.0824	1.0389

References to the 'State' throughout this document should be taken to refer to the Republic of Ireland (RoI), its Government and, where and if relevant, Government departments, agencies and local Government bodies.

Going concern

The time period that the Directors have considered in evaluating the appropriateness of the going concern basis in preparing the financial statements for 2025 is a period of twelve months from the date of approval of these financial statements (the 'period of assessment').

In making this assessment, the Directors considered the Group's business, profitability projections, funding and capital plans, together with a range of other factors such as the economic outlook for the Irish economy and the current global macroeconomic and geopolitical environment.

The matters of primary consideration by the Directors are set out below:

Capital

The Group has developed capital plans under base and stress scenarios and the Directors believe that the Group has sufficient capital to meet its regulatory capital requirements throughout the period of assessment.

Funding and liquidity

The Directors have considered the Group's funding and liquidity position and are satisfied that the Group has sufficient funding and liquidity throughout the period of assessment.

Conclusion

On the basis of the above, the Directors consider it appropriate to prepare the financial statements on a going concern basis having concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern over the period of assessment.

Comparatives

Comparative figures have been restated where necessary, to conform with changes in presentation or where additional analysis has been provided in the current period. Any adjustments to comparatives are disclosed in the relevant note.

Adoption of new and amended accounting standards

There have been no new standards or amendments to standards, adopted by the Group during the year ended 31 December 2025 which have had a material impact on the Group.

The accounting policies set out below are the Group's material accounting policies:

Interest income and expense

Interest income and expense are recognised in the income statement using the effective interest method for financial instruments measured at amortised cost and financial assets which are debt instruments measured at FVOCI, in accordance with IFRS 9.

1 Group accounting policies *(continued)*

The Group presents interest resulting from negative effective interest rates on financial liabilities as interest income. The Group presents interest resulting from negative effective interest rates on financial assets as interest expense.

The effective interest method is the method that is used in the calculation of the amortised cost of a financial asset or liability and in the allocation and recognition of interest revenue or interest expense in profit or loss over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the ECL (except, in accordance with IFRS 9 in the case of POCI financial assets where ECL is included in the calculation of a 'credit-adjusted effective interest rate'). The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

In the case of a financial asset that is neither credit-impaired nor a POCI financial asset, interest revenue is calculated by applying the effective interest rate to the gross carrying amount.

In the case of a financial asset that is not a POCI financial asset but is credit-impaired at the reporting date, interest revenue is calculated by applying the effective interest rate to the amortised cost, which is the gross carrying amount adjusted for any impairment loss allowance.

In the case of a POCI financial asset, interest revenue is recognised by applying the credit-adjusted effective interest rate to the amortised cost.

Where the Group revises its estimates of payments or receipts on a financial instrument (excluding modifications of a financial asset and changes in ECL), it recalculates the gross carrying amount of the financial asset or amortised cost of the financial liability as the present value of the estimated future contractual cash flows that are discounted at the financial instrument's original effective interest rate (or credit-adjusted effective interest rate for POCI financial assets). The adjustment is recognised as interest income or expense.

Interest income or expense on derivatives designated as hedging instruments are presented in net interest income, in line with the underlying hedged asset or liability.

For portfolio fair value hedges of financial liabilities and portfolio fair value hedges and cash flow hedges of financial assets, the Group aggregates the interest income or expense on the hedged assets or liabilities with the interest income or expense on the related derivatives designated as hedging instruments. Where the resulting total is an expense, the amount is presented as interest expense on the assets or liabilities. Where the resulting total is income, it is presented as interest income on the assets or liabilities.

For micro fair value hedges of financial assets or liabilities, the Group aggregates, for each hedged asset or liability separately, the interest income or expense on the asset or liability with the interest income or expense on the related derivative or derivatives designated as hedging instruments. Where the resulting total for an asset or liability is an expense, the amount is presented as interest expense on the asset or liability. Where the resulting total is income, it is presented as interest income on the asset or liability.

Interest income or expense on derivatives that are held with hedging intent, but for which hedge accounting is not applied (economic hedges) is included in other interest income or expense. Interest income or expense on derivatives held with trading intent is included in trading income.

Interest income on debt financial assets measured at FVTPL, excluding assets held for trading and those within the Group's life assurance operations, is recognised when earned and presented within other interest income.

Interest expense on debt financial liabilities measured at FVTPL, excluding liabilities held for trading, is recognised when incurred and presented in other interest expense.

Modifications

Where the contractual cash flows of a financial asset are modified and the modification does not result in derecognition of the financial asset, the Group recalculates the gross carrying amount of the financial asset as the present value of the modified contractual cash flows that are discounted at the financial asset's original effective interest rate and recognises a modification gain or loss in the income statement. Where a modification is a forbearance measure which does not result in derecognition, the modification gain or loss is included in the income statement within net impairment gains or losses. Otherwise, the modification gain or loss is included within interest income.

As a result of the Interest Rate Benchmark Reform (BMR), on transition to an alternative benchmark rate, changes in the basis of determining the contractual cash flows of a financial instrument are treated in the same way as changes to market rates for a floating rate instrument by updating the effective interest rate, without the recognition of a modification gain or loss. This practical expedient was only applied where:

- the change to the contractual cash flows was necessary as a direct consequence of the BMR reform; and
- the new basis for determining the contractual cash flows was economically equivalent to the previous basis.

Where additional changes to the basis for determining the contractual cash flows of a financial instrument were made at the same time as changes required by the BMR reform, the Group first applied the practical expedient noted above to the changes arising as a direct consequence of the BMR reform and then applied its existing policy to account for the additional modifications.

Financial assets

Recognition, classification and measurement

A financial asset is recognised in the balance sheet when and only when, the Group becomes a party to its contractual provisions.

At initial recognition, a financial asset is measured at fair value (plus, in the case of a financial asset not at FVTPL, directly attributable transaction costs) and is assigned one of the following classifications for the purposes of subsequent measurement:

- financial assets at amortised cost;
- financial assets at FVOCI; or
- financial assets at FVTPL.

1 Group accounting policies *(continued)*

The Group determines the appropriate classification based on the contractual cash flow characteristics of the financial asset and the objective of the business model within which the financial asset is held.

In determining the business model for a group of financial assets, the Group considers factors such as how performance is evaluated and reported to key management personnel (KMP); the risks that affect performance and how they are managed; how managers are compensated; and the expected frequency, value and timing of sales of financial assets.

In considering the contractual cash flow characteristics of a financial asset, the Group determines whether the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. In this context, 'principal' is the fair value of the financial asset on initial recognition and 'interest' is consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In making the determination, the Group assesses whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making this assessment, the Group considers contingent events, leverage features, prepayment and term extensions, terms which limit the Group's recourse to specific assets and features that modify consideration of the time value of money.

Financial assets at amortised cost

Debt instruments

A debt instrument is measured, subsequent to initial recognition, at amortised cost where it meets both of the following conditions and has not been designated as measured at FVTPL:

- the financial asset has contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; and
- the financial asset is held within a business model whose objective is achieved by holding financial assets to collect contractual cash flows.

Purchases and sales of debt securities at amortised cost are recognised on trade date: the date on which the Group commits to purchase or sell the asset.

Loans measured at amortised cost are recognised when cash is advanced to the borrowers.

Interest revenue using the effective interest method is recognised in the income statement. An impairment loss allowance is recognised for ECL with corresponding impairment gains or losses recognised in the income statement.

Debt instruments at fair value through other comprehensive income

A debt instrument is measured, subsequent to initial recognition, at FVOCI where it meets both of the following conditions and has not been designated as measured at FVTPL:

- the financial asset has contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; and
- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Purchases and sales of debt instruments at FVOCI are recognised on trade date. Gains and losses arising from changes in fair value are included in other comprehensive income (OCI). Interest revenue using the effective interest method and FX gains and losses on the amortised cost of the financial asset are recognised in the income statement.

The impairment loss allowance for ECL does not reduce the carrying amount but an amount equal to the allowance is recognised in OCI as an accumulated impairment amount, with corresponding impairment gains or losses recognised in the income statement. On derecognition, the cumulative gain or loss previously recognised in OCI is reclassified to the income statement.

Regular way purchases and sales of financial assets measured at FVOCI are recognised on trade date.

Financial assets at fair value through profit or loss

All other financial assets are measured, subsequent to initial recognition, at FVTPL. Financial assets at FVTPL comprise:

Financial assets mandatorily measured at fair value through profit or loss

Financial assets meeting either of the conditions below are mandatorily measured at FVTPL:

- financial assets with contractual terms that do not give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; and
- financial assets held within a business model whose objective is achieved neither by collecting contractual cash flows nor both collecting contractual cash flows and selling financial assets. This includes financial assets held within a portfolio that is managed and whose performance is evaluated on a fair value basis, such as investments held by the Group's life assurance business. It further includes portfolios of financial assets which are 'held for trading', which includes financial assets acquired principally for the purpose of selling in the near term and financial assets that on initial recognition are part of an identified portfolio where there is evidence of a recent pattern of short-term profit-taking.

Financial assets designated as measured at fair value through profit or loss

A financial asset may be designated at FVTPL only if doing so eliminates or significantly reduces measurement or recognition inconsistencies (an 'accounting mismatch') that would otherwise arise from measuring financial assets or liabilities or recognising gains and losses on them on different bases.

The Group designates certain investments in associates at FVTPL as set out in note 28.

Regular way purchases and sales of financial assets at FVTPL are recognised on trade date. They are carried on the balance sheet at fair value, with all changes in fair value included in the income statement.

1 Group accounting policies *(continued)*

Reclassification
When and only when, the Group changes its business model for managing financial assets, it reclassifies all affected financial assets. Reclassification is applied prospectively.

Derecognition
A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or the Group has transferred substantially all the risks and rewards of ownership. Where the Group retains the obligation to service the transferred financial asset, the transferred asset is derecognised if it meets the derecognition criteria and an asset or liability is recognised for the servicing contract if the servicing fee is more than adequate (an asset) or is less than adequate (a liability) for performing the servicing.

Where a modification results in a substantial change on a quantitative or qualitative basis, to the contractual cash flows of a financial asset, it may be considered to represent expiry of the contractual cash flows, resulting in derecognition of the original financial asset and recognition of a new financial asset at fair value.

The Group reduces the gross carrying amount of a financial asset and the associated impairment loss allowance when it has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

Impairment of financial instruments

Scope
The Group recognises impairment loss allowances for ECL on the following categories of financial instruments unless measured at FVTPL:
- financial assets that are debt instruments;
- loan commitments;
- lease receivables recognised under IFRS 16 'Leases';
- financial guarantee contracts issued and not accounted for under IFRS 4 'Insurance Contracts'; and
- receivables and contract assets recognised under IFRS 15 'Revenue from Contracts with Customers'.

Basis for measuring impairment
The Group allocates financial instruments into the following categories at each reporting date to determine the appropriate accounting treatment.

Stage 1: 12-month expected credit losses (not credit-impaired)
These are financial instruments where there has not been a significant increase in credit risk since initial recognition. An impairment loss allowance equal to 12-month ECL is recognised.

This is the portion of lifetime ECL resulting from default events that are possible within the next 12 months.

Stage 2: Lifetime expected credit losses (not credit-impaired)
These are financial instruments where there has been a significant increase in credit risk since initial recognition, but which are not credit-impaired. An impairment loss allowance equal to lifetime ECL is recognised. Lifetime ECL are the ECL resulting from all possible default events over the expected life of the financial instrument.

Stage 3: Lifetime expected credit losses (credit-impaired)
These are financial instruments which are credit-impaired at the reporting date but were not credit-impaired at initial recognition. An impairment loss allowance equal to lifetime ECL is recognised.

Purchased or Originated Credit-impaired financial assets
These are financial assets that were credit-impaired at initial recognition. They are not subject to any initial impairment loss allowance but an impairment loss allowance is subsequently recognised for the cumulative changes in lifetime ECL since initial recognition. A POCI financial asset remains classified as such until it is derecognised, even if assessed as no longer credit-impaired at a subsequent reporting date.

With the exception of POCI financial assets, a financial instrument may migrate between stages from one reporting date to the next.

Significant increase in credit risk
In determining if a financial instrument has experienced a significant increase in credit risk since initial recognition, the Group assesses whether the risk of default over the remaining expected life of the financial instrument is significantly higher than had been anticipated at initial recognition, taking into account changes in prepayment expectations where relevant.

The Group uses reasonable and supportable information available without undue cost or effort at the reporting date, including forward-looking information. A combination of quantitative, qualitative and backstop indicators are generally applied in making the determination. For certain portfolios, the Group assumes that no significant increase in credit risk has occurred if credit risk is 'low' at the reporting date.

Credit-impaired
A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:
- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties; or
- the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event - instead, the combined effect of several events may have caused financial assets to become credit-impaired.

Measurement of expected credit losses and presentation of impairment loss allowances
ECL are measured in a way that reflects:
- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

ECL are measured as follows:
- financial assets that are not credit-impaired at the reporting date: the present value of the difference between all contractual cash flows due to the Group in accordance with the contract and all the cash flows the Group expects to receive;

1 Group accounting policies *(continued)*

- financial assets that are credit-impaired at the reporting date: the difference between the gross carrying amount and the present value of estimated future cash flows;
- undrawn loan commitments: the present value difference between the contractual cash flows that are due to the Group if the commitment is drawn and the cash flows that the Group expects to receive; and
- financial guarantee contracts: the expected payments to reimburse the holder less any amounts that the Group expects to recover, discounted at an appropriate risk-free rate.

Expected cash flows arising from the sale on default of a loan are included in the measurement of expected credit losses under IFRS 9 where the following conditions are met:

- selling the loan is one of the recovery methods that the Group expects to pursue in a default scenario;
- the Group is neither legally nor practically prevented from realising the loan using that recovery method; and
- the Group has reasonable and supportable information upon which to base its expectations and assumptions.

For financial assets, the discount rate used in measuring ECL is the effective interest rate (or 'credit-adjusted effective interest rate' for a POCI financial asset) or an approximation thereof. For undrawn loan commitments, it is the effective interest rate, or an approximation thereof, that will be applied when recognising the financial asset resulting from the loan commitment.

Impairment loss allowances for ECL are presented in the financial statements as follows:

Financial assets at amortised cost: as a deduction from the gross carrying amount in the balance sheet.

Loan commitments and financial guarantee contracts: generally, as a provision in the balance sheet.

Debt instruments at fair value through other comprehensive income: an amount equal to the allowance is recognised in OCI as an accumulated impairment amount.

Utilisation of impairment loss allowances

The Group reduces the gross carrying amount of a financial asset and the associated impairment loss allowance when it has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. Indicators that there is no reasonable expectation of recovery include the collection process having been exhausted or it becoming clear during the collection process that recovery will fall short of the amount due to the Group.

The Group considers, on a case-by-case basis, whether enforcement action in respect of an amount that has been written off from an accounting perspective is or remains appropriate. Any subsequent recoveries are included in the income statement as an impairment gain.

Forbearance

Forbearance occurs when a borrower is granted a concession or agreed change to a loan ('forbearance measure') for reasons relating to the actual or apparent financial stress or distress of that borrower. Forbearance has not occurred if the concession or agreed change to a loan granted to a borrower is not related to the actual or apparent financial stress or distress of that borrower.

Prior to any decision to grant forbearance, the Group performs an assessment of a customer's financial circumstances and ability to repay and assesses whether the loan is credit-impaired. Where the loan is credit-impaired, it is allocated to Stage 3 (unless a POCI financial asset). If a forborne loan has a variable interest rate, the discount rate for measuring ECL is the current effective interest rate determined under the contract before the modification of terms.

Financial assets to which forbearance has been applied continue to be reported as forborne until such time as they satisfy conditions to exit forbearance in line with EBA guidance on non-performing and forborne classifications. Forborne financial assets which are not credit-impaired are generally classified as Stage 2. A financial asset can only be reclassified from Stage 3 when certain conditions are met over a pre-defined period of time or probation period, in line with regulatory requirements.

Where the cash flows from a forborne loan are considered to have expired, due to the loan being restructured in such a way that results in a substantial modification, the original financial asset is derecognised and a new financial asset is recognised, initially measured at fair value. Any difference between the carrying value of the original financial asset and the fair value of the new financial asset on initial recognition are recognised in the income statement. The new financial asset may be initially allocated to Stage 1 or, if credit-impaired, be categorised as a POCI financial asset.

Where a forbearance measure represents a modification of the contractual cash flows of a financial asset and does not result in its derecognition, the Group recalculates the gross carrying amount of the financial asset as the present value of the modified contractual cash flows that are discounted at the financial asset's original effective interest rate (before any modification of terms) and a modification gain or loss is included in the income statement within net impairment gains or losses.

Financial liabilities

The Group classifies its financial liabilities as being measured at amortised cost unless it has designated liabilities at FVTPL or is required to measure liabilities mandatorily at FVTPL, such as derivative liabilities. Financial liabilities are initially recognised at fair value, (normally the issue proceeds i.e. the fair value of consideration received) less, in the case of financial liabilities subsequently carried at amortised cost, transaction costs. For financial liabilities carried at amortised cost, any difference between the proceeds, net of transaction costs and the redemption value is recognised in the income statement using the effective interest method.

When a financial liability that is measured at amortised cost is modified without resulting in derecognition, a gain or loss is recognised in profit or loss. The gain or loss is calculated as the difference between the original contractual cash flows and the modified contractual cash flows discounted at the original effective interest rate.

Preference shares which carry a mandatory coupon are classified as financial liabilities. The dividends on these preference shares are recognised in the income statement as interest expense using the effective interest method.

1 Group accounting policies *(continued)*

A financial liability may be designated as at FVTPL only when:
- it eliminates or significantly reduces a measurement or recognition inconsistency (an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases; or
- a group of financial assets, financial liabilities or both is managed and its performance is evaluated on a fair value basis in accordance with documented risk management or investment strategy; or
- a contract contains one or more embedded derivatives that significantly changes the cash flows of the contract and the separation of the embedded derivative(s) is not prohibited.

The Group designates certain financial liabilities at FVTPL as set out in note 54 to the financial statements.

The movement in own credit risk related to financial liabilities designated at FVTPL is recorded in OCI unless this would create or enlarge an accounting mismatch in profit or loss for the Group (in which case all gains or losses are recognised in profit or loss).

Financial liabilities are derecognised when they are extinguished, that is when the obligation is discharged, cancelled or expires.

Sale and repurchase agreements and lending of assets

Assets sold subject to repurchase agreements ('repos') are retained on the balance sheet and reclassified as pledged assets when the transferee has the right by contract or custom to sell or repledge the collateral; the counterparty liability is included in deposits from banks or customer accounts, as appropriate.

Securities purchased under agreements to resell ('reverse repos') are treated as collateralised loans and recorded as loans and advances to banks or customers, as appropriate.

The difference between sale and repurchase price is treated as interest and recognised in the income statement over the life of the agreement using the effective interest method.

Securities lent to counterparties are also retained on the balance sheet. Securities borrowed are not recognised in the financial statements, unless these are sold to third parties, in which case the purchase and sale are recorded with the gain or loss included in trading income. The obligation to return the securities is recorded at fair value as a trading liability.

Issued debt and equity securities

The classification of instruments as a financial liability or an equity instrument is dependent upon the substance of the contractual arrangement. Instruments which carry a contractual obligation to deliver cash or another financial asset to another entity are classified as financial liabilities. The coupons on these instruments are recognised in the income statement as interest expense using the effective interest method.

Where the Group has absolute discretion in relation to the payment of coupons and repayment of principal, the instrument is classified as equity and any coupon payments are classified as distributions in the period in which they are made.

If the Group purchases its own debt, it is removed from the balance sheet and the difference between the carrying amount of the liability and the consideration paid is included in other operating income, net of any costs or fees incurred.

Derivative financial instruments and hedge accounting

The Group has made the accounting policy choice allowed under IFRS 9 to continue to apply the hedge accounting requirements of IAS 39.

Derivatives are initially recognised at fair value on the date on which the contract is entered into and are subsequently remeasured at their fair value at each reporting date. All derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative.

Certain derivatives embedded in other financial instruments that are not financial assets are separated from the host contract and accounted for as derivatives, when their economic characteristics and risks are not closely related to those of the host contract and the entire host contract is not carried at FVTPL.

Fair value gains or losses on derivatives are normally recognised in the income statement. However where they are designated as hedging instruments, the treatment of the fair value gains and losses depends on the nature of the hedging relationship.

The Group designates certain derivatives as either:
- hedges of the exposure to changes in the fair value of recognised assets or liabilities that is attributable to a particular risk (fair value hedge); or
- hedges of highly probable future cash flows attributable to a recognised asset or liability, or a forecast transaction (cash flow hedge).

Hedge accounting is applied to these derivatives provided certain criteria are met. The Group documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items. Hedge relationships are concluded to be effective if the hedging instruments that are used in hedging transactions offset the changes in fair value or cash flow of the hedged items within a range of 80% to 125%.

Where a hedging instrument is novated to a clearing counterparty, the Group does not discontinue hedge accounting where the following criteria are met:
- the novation arises due to laws or regulations, or the introduction of laws and regulations;
- the parties to the hedging instrument agree that one or more clearing counterparties replace their original counterparty to become the new counterparty to each of the parties; and
- the novation does not result in changes to the terms of the original instrument except for those changes necessary to effect the change in counterparty.

1 Group accounting policies *(continued)*

Hedges directly affected by the BMR reform
All hedge accounting relationships subject to BMR reform were transitioned before 30 June 2023.

Fair value hedge
Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

The hedged item in a micro fair value hedge is a single specified item e.g. a fixed rate commercial loan or a FVOCI bond.

The hedged item in a portfolio fair value hedge is a pool of assets or liabilities with similar risk characteristics and profiles, such as a pool of fixed rate mortgages. Unlike micro fair value hedge accounting, portfolio fair value hedge accounting is not discontinued if an individual asset or liability within the pool of hedged items is sold, so long as the overall pool of hedged items retains its characteristics as documented at inception of the hedge.

In addition, hedge effectiveness testing is performed on a portfolio basis rather than on an individual hedge relationship by hedge relationship basis.

For micro fair value hedges, the hedge adjustment is presented as an adjustment to the carrying amount of the hedged item.

For portfolio fair value hedges, the hedge adjustment is presented on the balance sheet as a separate line item "Fair value changes due to interest rate risk of the hedged items in portfolio hedges." Where the underlying hedged item is an asset, the portfolio hedge adjustment is presented separately within assets. Where the underlying hedged item is a liability, the portfolio hedge adjustment is presented separately within liabilities.

The Group also avails of the relaxed hedge accounting provisions permitted by IAS 39 'Financial Instruments: recognition and measurement' as adopted by the EU. The Group applies these relaxed provisions to portfolio fair value hedges of interest rate risk on its demand deposit and mortgage lending books. The Group resets portfolio fair value hedges of its demand deposit book on a weekly basis and other portfolio fair value hedges are reset either fortnightly or on a monthly basis.

If the criteria for hedge accounting cease to be met, no further adjustments are made to the hedged item for fair value changes attributable to the hedged risk. The cumulative adjustment to the carrying amount of a hedged item is amortised to profit or loss over the period to maturity using the straight line method for macro hedges and the effective interest method for micro hedges.

When a hedged item held at amortised cost that is designated in a micro fair value hedge or included in a repricing time period of a portfolio hedge is derecognised, the unamortised fair value adjustment included in the carrying value of that hedged item is immediately reclassified to the income statement.

Cash flow hedge
The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in OCI. The gain or loss relating to the ineffective portion is recognised immediately in the income statement.

Amounts accumulated in OCI are reclassified to the income statement in the periods in which the hedged item affects profit or loss.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in OCI at that time remains in OCI and is recognised in the income statement when the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately reclassified to the income statement.

Embedded derivatives
An embedded derivative is a component of a hybrid contract that also includes a non-derivative host, with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative.

If a hybrid contract contains a host that is not a financial asset within the scope of IFRS 9, an embedded derivative is separated from the host and accounted for as a derivative if and only if, its economic characteristics and risks are not closely related to those of the host, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative and the hybrid contract is not measured at FVTPL.

Financial guarantees
Financial guarantees are contracts that require the issuer to make specified payments to reimburse the holder for a loss that it incurs because a specified debtor fails to make payment when it is due in accordance with the original or modified terms of a debt instrument.

Financial guarantees held by the Group
A financial guarantee contract requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due. Where the Group is the holder of such a guarantee and it is considered integral to the contractual terms of the guaranteed debt instrument(s), the guarantee is not accounted for separately but is considered in the determination of the impairment loss allowance for ECL of the guaranteed instrument(s). Where the Group is the holder of such a guarantee and it is not considered integral to the contractual terms of the guaranteed debt instrument(s), the Group recognises a reimbursement asset when it recognises the expected credit losses (ECLs) on the guaranteed instrument, if it is considered virtually certain that a reimbursement would be received if the specified debtor fails to make payment when due in accordance with the terms of the debt instrument. Gains and losses on such reimbursement assets are presented in the income statement, within net impairment gains/losses on financial instruments.

Where the Group issues a financial liability in the form of a credit-linked note, which contains an embedded financial guarantee held by the Group, the Group considers that there are two units of account, with the host financial liability measured initially at fair value and subsequently at amortised cost, and the financial guarantee measured as set out above.

1 Group accounting policies *(continued)*

Financial guarantees issued by the Group
The Group issues financial guarantees to banks, financial institutions and other bodies on behalf of customers to secure loans, overdrafts and other banking facilities and in connection with the performance of customers under payment obligations related to contracts and the payment of import duties. The Group's liability under an issued financial guarantee contract is initially measured at fair value.

The liability is subsequently measured at the higher of the amount of the impairment loss allowance for ECL determined in accordance with the requirements of IFRS 9 and the initial measurement less the cumulative amount of income recognised in accordance with the principles of IFRS 15.

Any change in the liability is taken to the income statement and recognised on the balance sheet within provisions. Where the Group issues a financial liability which contains a financial guarantee, the liability is measured at amortised cost using the effective interest method.

Offsetting
Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is currently a legally enforceable right of set off and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. No impairment loss allowance for ECL is recognised on a financial asset, or portion thereof, which has been offset.

Valuation of financial instruments
The Group recognises trading securities, other financial assets and liabilities designated at FVTPL, derivatives and financial assets at FVOCI at fair value in the balance sheet. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal, or in its absence, the most advantageous market to which the Group has access at that date.

The fair values of financial assets and liabilities traded in active markets are based on unadjusted bid and offer prices respectively. If an active market does not exist, the Group establishes fair value using valuation techniques. These include the use of recent arm's length transactions, DCF analysis, option pricing models and other valuation techniques commonly used by market participants. To the extent possible, these valuation techniques use observable market data. Where observable data does not exist, the Group uses estimates based on the best information available.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price in an arm's length transaction, unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique which uses only observable market inputs. When such evidence exists, the initial valuation of the instrument may result in the Group recognising a profit on initial recognition. In the absence of such evidence, the instrument is initially valued at the transaction price. Any day one profit is deferred and recognised in the income statement to the extent that it arises from a change in a factor that market participants would consider in setting a price. Straight line amortisation is used where it approximates to that amount. Subsequent changes in fair value are recognised immediately in the income statement without the reversal of deferred day one profits or losses.

Where a transaction price in an arm's length transaction is not available, the fair value of the instrument at initial recognition is measured using a valuation technique.

For liabilities designated at FVTPL, the fair values reflect changes in the Group's own credit spread.

Transfers between levels of the fair value hierarchy
The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change occurred.

Group accounts
Subsidiaries
Subsidiary undertakings are investees controlled by the Group. The Group controls an investee when it has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The Group reassesses whether it controls an investee when facts and circumstances indicate that there are changes to one or more elements of control. The existence and effect of potential voting rights are considered when assessing whether the Group controls an investee only if the rights are substantive.

A structured entity is an entity designed so that its activities are not governed by way of voting rights. The Group assesses whether it has control over such entities by considering factors such as: the purpose and design of the entity; the nature of its relationship with the entity; and the size of its exposure to the variability of returns from the entity.

Assets, liabilities and results of all Group undertakings have been included in the Group financial statements on the basis of financial statements or, where relevant, additional financial information, made up to the end of the financial year.

Business combinations
Except for where predecessor accounting applies, subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases. The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree, over the fair value of the Group's share of the identifiable net assets acquired, is recorded as goodwill.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred. In addition, FX gains and losses which arise on the retranslation to functional currency of intercompany monetary assets and liabilities are not eliminated.

1 Group accounting policies *(continued)*

Accounting policies of subsidiaries have been changed, where necessary, to ensure consistency with the policies adopted by the Group.

Associates and Joint Ventures
Associates are all entities over which the Group has significant influence, but not control, over the entity's financial and operating decisions, generally accompanying a shareholding of between 20% and 50% of the voting rights.

A joint arrangement is an arrangement of which two or more parties have joint control. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Those parties are called joint ventures.

Investments in associates and joint ventures are accounted for using the equity method of accounting and are initially recognised at cost.

The Group utilises the venture capital exemption for investments where significant influence is present and the business operates as a venture capital business. These investments are designated at initial recognition at FVTPL.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the arrangement. Those parties are called joint operators.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in joint operations in accordance with the IFRSs applicable to the particular assets, liabilities, revenues and expenses.

Accounting policies of associates and joint ventures have been changed, where necessary, to ensure consistency with the policies adopted by the Group.

Non-controlling interests
Non-controlling interests comprise equity in a subsidiary that is not directly or indirectly attributable to the Parent. Transactions with non-controlling interests where the Group has control over the entity are accounted for using the Economic entity model. This accounting model requires that any surplus or deficit that arises on any transaction(s) with non-controlling interests to dispose of or to acquire additional interests in the entity that does not result in loss of control is recognised in equity.

Securitisations
Certain Group undertakings have entered into securitisation transactions in order to finance specific loans and advances to customers.

All financial assets continue to be held on the Group balance sheet and a liability recognised for the proceeds of the funding transaction, unless:
- the rights to the cash flows have expired or been transferred;
- substantially all the risks and rewards associated with the financial instruments have been transferred outside the Group, in which case the assets are derecognised in full; or
- a significant portion, but not all, of the risks and rewards have been transferred outside the Group. In this case the asset is derecognised entirely if the transferee has the ability to sell the financial asset. Otherwise the asset continues to be recognised only to the extent of the Group's continuing involvement.

Where the above conditions apply to a fully proportionate share of all or specifically identified cash flows, the relevant accounting treatment is applied to that proportion of the asset.

Foreign currency translation
Items included in the financial statements of each entity of the Group are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The consolidated financial statements of the Group and the financial statements of the Company are presented in euro.

Foreign currency transactions are translated into functional currency at the exchange rates prevailing at the dates of the transactions.

FX gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Non-monetary assets and liabilities denominated in foreign currencies that are measured at historical cost are translated into the appropriate functional currency using the exchange rate at the transaction date and those measured at fair value are translated at the exchange rate at the date the fair value was determined. Exchange rate differences on non-monetary items are recognised based on the classification of the underlying items.

Assets, liabilities and equity of all the Group entities that have a functional currency different from the presentation currency ('foreign operations') are translated at the closing rate at the reporting date and items of income and expense are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions). All resulting exchange differences are recognised in OCI and accumulated in a separate component of equity.

On disposal of a foreign operation the amount accumulated in the separate component of equity is reclassified from equity to profit or loss. The Group may dispose of its interest in a foreign operation through sale, liquidation, repayment of share capital, abandonment or through loss of control or significant influence.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Fee and commission income
The Group accounts for fee and commission income when the contract with the customer is agreed and each party's rights under the contract, together with the payment terms, are identified. In addition it must be probable that the Group will collect the consideration to which it is entitled. Fee and commission income is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer. Fee income on the provision of current accounts to customers is recognised as the service is provided. Portfolio and other management advisory and service fees are recognised based on the applicable service contracts usually on a time apportioned basis.

1 Group accounting policies *(continued)*

Asset management fees related to investment funds are recognised rateably over the period the service is provided. The same principle is applied for wealth management, financial planning and custody services that are continuously provided over an extended period of time.

Loan syndication and arrangement fees are recognised at a point in time when the performance obligation is completed. Stockbroking commission income arising from the Davy Stockbroking business is recognised as earned in the period in which the related deals are executed on behalf of clients and the performance obligation is satisfied. Other fees including interchange income, ATM fees and FX fees are recognised on completion of the transaction and once the Group has completed its performance obligations under the contract.

Leases

Identifying a lease

Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

A Group company is the lessee

The Group recognises a Right of Use (RoU) asset and lease liability at the lease commencement date. RoU assets are initially measured at cost and subsequently measured at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurement of lease liabilities. The recognised RoU assets are depreciated on a straight-line basis over the shorter of their estimated useful lives and the lease term. RoU assets are subject to impairment under IAS 36 'Impairment of Assets'.

The Group has elected not to recognise RoU assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

RoU assets, comprised of leases of buildings which do not meet the definition of investment properties and computer equipment, are presented in property, plant and equipment. RoU assets which meet the definition of investment properties are presented within investment properties.

Lease liabilities are initially measured at the present value of lease payments that are not paid at the commencement date, discounted using the Incremental Borrowing Rate (IBR) if the interest rate implicit in the lease is not readily determinable. Lease payments include fixed rental payments. Generally, the Group uses its IBR as the discount rate. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made.

It is remeasured if there is a change in future lease payments, a change in the lease term, or as appropriate, a change in the assessment of whether an extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

When the lease liability is remeasured a corresponding adjustment is made to the RoU asset and / or profit or loss, as appropriate.

The Group has applied judgement in determining the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and RoU assets recognised.

The Group has a number of leases which contain break options and applies judgement in evaluating whether it is reasonably certain not to exercise the option. That is, on commencement of a lease the Group considers all relevant factors that create an incentive for it to exercise the option. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option.

Under IFRS 16, where the Group is an intermediate lessor the subleases are classified with reference to the RoU asset arising from the head lease, not with reference to the underlying asset. Where the Group continues to retain the risks and rewards of ownership as the intermediate lessor, it retains the lease liability and the RoU asset relating to the head lease in its balance sheet. If the Group does not retain the risks and rewards of ownership as the intermediate lessor, these subleases are deemed finance leases. During the term of the sublease, the Group recognises both finance lease income on the sublease and interest expense on the head lease.

A Group company is the lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

When assets are held under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income.

Lease income is included within net interest income and is recognised over the term of the lease reflecting a constant periodic rate of return on the net investment in the lease.

Assets leased to customers under operating leases are included within property, plant and equipment on the statement of financial position and depreciation is provided on the depreciable amount of these assets on a systematic basis over their estimated useful lives. Depreciation on assets acquired for the purpose of leasing under operating leases is recognised in other leasing expense. Lease income is recognised on a straight line basis over the period of the lease unless another systematic basis is more appropriate.

Property, plant and equipment

Freehold land and buildings are initially recognised at cost and subsequently are revalued annually to fair value by independent external valuers. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from the open market value at the reporting date.

RoU assets recognised as property, plant and equipment are measured at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurement of lease liabilities.

1 Group accounting policies *(continued)*

All other property, plant and equipment, including freehold and leasehold adaptations, are stated at historical cost less accumulated depreciation.

Increases in the carrying amount arising on the revaluation of land and buildings, are recognised in OCI. Decreases that offset previous increases on the same asset are recognised in OCI: all other decreases are charged to the income statement.

The Directors consider that residual values of freehold and long leasehold property based on prices prevailing at the time of acquisition or subsequent valuation are such that depreciation is not material.

Depreciation is calculated on the straight line method to write down the carrying value of other items of property, plant and equipment to their residual values over their estimated useful lives as follows:

- adaptation works on freehold and leasehold property - fifteen years, or the remaining period of the lease;
- computer and other equipment - maximum of ten years; and
- the recognised RoU assets are depreciated on a straight-line basis over the earlier of the end of the useful life of the RoU asset or the end of the lease term.

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at each reporting date. Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An asset's carrying amount is written down immediately to its recoverable amount if its carrying amount is greater than its estimated recoverable amount. The estimated recoverable amount is the higher of the asset's fair value less costs to sell or its Value in Use (VIU).

Gains and losses on the disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining profit before tax. If the asset being disposed of had previously been revalued then any amount in OCI relating to that asset is reclassified directly to retained earnings on disposal rather than the income statement.

Investment property

Property held for long-term rental yields and capital appreciation is classified as investment property, except where the property is used by the Group for administrative purposes or the supply of services, in which case it is classified as owner occupied property. Investment property comprises freehold and long leasehold land and buildings.

It is carried at fair value in the balance sheet based on annual revaluations at open market value as determined by external qualified property surveyors and is not depreciated. Changes in fair values are recorded in the income statement. Rental income from investment properties is recognised as it becomes receivable over the term of the lease.

Intangible assets

Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on the basis of the expected useful lives, which is normally five years.

Costs associated with research activities or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Group and which will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include software development, employee costs and an appropriate portion of relevant overheads. Computer software development costs recognised as assets are amortised using the straight line method over their useful lives, which is normally between five and ten years.

Other intangible assets

Other intangible assets are carried at cost less amortisation and impairment, if any and are amortised on a straight line basis over their useful lives, which range from five years to twenty years.

Computer software and other intangible assets are assessed for impairment indicators annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such indicators exist, the asset's recoverable amount is estimated. An asset's carrying amount is written down immediately to its recoverable amount if its carrying amount is greater than its estimated recoverable amount. The estimated recoverable amount is the higher of the asset's fair value less costs to sell and its VIU.

Goodwill

Goodwill represents the excess of consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree, over the fair value of the Group's share of identifiable net assets acquired. Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill is tested annually for impairment or more frequently if there is any indication that it may be impaired and carried at cost less accumulated impairment losses.

Goodwill is allocated to cash generating units (CGU) for the purpose of impairment testing. An impairment loss arises if the carrying value of the CGU exceeds the recoverable amount.

The recoverable amount of a CGU is the higher of its fair value less costs to sell and its VIU, where the VIU is the present value of the future cash flows expected to be derived from the CGU.

Client property

In the normal course of business, the Group (through Davy) provides the following services to certain of its clients:

- investment of funds at the sole discretion of the Group in securities and the placing of deposits in separately designated accounts with recognised banks and building societies, the income from which accrues for the benefit of these clients, and
- custodianship of securities held on behalf of clients.

Client property placed with third parties is not recognised on the Group's balance sheet as the Group does not have any rights to the benefits from this property nor have any control over the property and therefore the property is not considered an asset of the Group.

1 Group accounting policies *(continued)*

Where the client property is placed on deposit with the Group, these are considered liabilities of the Group and are recognised in customer accounts

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

Provision is made for the anticipated costs of restructuring, including related redundancy costs, when an obligation exists. An obligation exists when the Group has a detailed formal plan for restructuring a business and has raised valid expectations in those affected by the restructuring by starting to implement the plan or announcing its main features. A levy payable to a Government is provided for on the occurrence of the event identified by the legislation that triggers the obligation to pay the levy.

Contingent liabilities are not recognised but are disclosed unless the probability of their occurrence is remote.

Employee benefits

Pension obligations

The Group operates both defined contribution and defined benefit plans. A defined benefit plan is a pension plan that defines an amount of pension benefit to be provided, usually as a function of one or more factors such as age, years of service or compensation. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees' benefits relating to employee service in the current and prior periods.

The asset or liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date minus the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates on high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension liability. Plans in surplus are shown as assets and plans in deficit are shown as liabilities. A surplus is only recognised as an asset to the extent that it is recoverable through a refund from the plan or through reduced contributions in the future.

Where a plan amendment, curtailment or settlement occurs and the net defined benefit liability is remeasured to determine past service cost or the gain or loss on settlement, the current service cost and net interest for the remainder of the period are remeasured using the same assumptions.

Service cost and net interest on the net defined benefit liability / (asset) are recognised in profit or loss, within operating expenses. Remeasurements of the net defined benefit liability / (asset) that are recognised in OCI include:

- actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions; and
- the return on plan assets, excluding amounts included in net interest on the net defined benefit liability / (asset).

A settlement is a transaction that eliminates all further legal and constructive obligations for part or all of the benefits provided under a defined benefit plan, other than a payment of benefits to, or on behalf of, employees that is set out in the terms of the plan and included in the actuarial assumptions.

For defined contribution plans, contributions are recognised as employee benefit expense when they are due.

Short-term employee benefits

Short-term employee benefits, such as salaries and other benefits, are accounted for on an accruals basis over the period in which the employees' service is rendered.

Termination payments

Termination payments are recognised as an expense at the earlier of:

- when the Group can no longer withdraw the offer of those benefits; and
- when the Group recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits.

For this purpose, in relation to termination benefits for voluntary redundancies, the Group is considered to be no longer able to withdraw the offer on the earlier of the following dates:

- when the employee accepts the offer; and
- when a restriction (e.g. a legal, regulatory or contractual requirement) on the Group's ability to withdraw the offer takes effect.

Income taxes

Current income tax

Income tax payable on profits, using the tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date, is recognised as an expense in the period in which profits arise.

Tax provisions are provided on a transaction by transaction basis using either the 'most likely amount' method or the 'expected value' method as appropriate for the particular uncertainty and by management assessing the relative merits and risks of tax treatments assumed, taking into account statutory, judicial and regulatory guidance and, where appropriate, external advice.

A current tax provision is recognised when the Group has a present obligation as a result of a past event and it is probable that there will be a future outflow of funds to a fiscal authority to settle the obligation. Interest on tax liabilities is recognised as interest expense.

The Group has determined that the global minimum top-up tax - which it is required to pay under Pillar 2 legislation - is an income tax in the scope of IAS 12. The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

1 Group accounting policies *(continued)*

Deferred income tax is determined using tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

The tax effects of income tax losses available for carry forward are recognised as DTAs to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised and by reference to the expiry dates (if any) of the relevant unused tax losses or tax credits. DTAs and deferred tax liabilities are not discounted.

Deferred income tax is provided on temporary differences arising from investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the difference will not reverse in the foreseeable future.

Deferred tax on items taken to OCI is also recognised in OCI and is subsequently reclassified to the income statement together with the deferred gain or loss. Income tax on items recognised directly in equity is recognised directly in equity, except for the income tax consequences of dividends on a financial instrument classified as equity, which are recognised according to where the previous transactions or events that generated distributable profits were recognised.

Uncertain tax positions
The Group considers uncertain tax positions together or separately depending on which approach better predicts how the uncertainties will be resolved. Where the Group concludes it is not probable that a tax authority will accept its assessment of an uncertain tax position, it reflects the effect of the uncertainty using either the 'most likely amount' method or the 'expected value' method, as appropriate for the particular uncertainty.

Where the Group concludes it is probable that a tax authority will accept its assessment of an uncertain tax position, the taxable profit or loss, the tax bases, unused tax losses, unused tax credits and the tax rates are determined consistently with the tax treatment used or planned to be used in the income tax filing.

Life Insurance operations
An insurance contract is a contract under which one party (the issuer) accepts significant insurance risk from another party (the policy holder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder.

The Group issues insurance contracts through its subsidiary NIAC, which forms part of the Wealth and Insurance operating segment.

On transition to IFRS 17, the Group applied the fully retrospective approach (FRA) to contracts issued on or after 1 January 2019. The fair value approach has been applied to contracts which were issued before 1 January 2019, as it was considered impracticable to apply the FRA prior to this date as a result of material changes to cash flow models due to data limitations. Under the fair value approach, the CSM or loss component is calculated as the difference between the fair value of a group of insurance contracts, applying IFRS 13 (income approach) and the present value of the fulfilment cash flows (best estimate plus risk adjustment) , applying IFRS 17, at the transition date.

Contracts within the scope of IFRS 17 must apply the prescribed measurement models. IFRS 17 permits three possible measurement models: the General Measurement Model (GMM), the Premium Allocation Approach (PAA) and the Variable Fee Approach (VFA). The GMM is the default measurement model in IFRS 17 and the PAA is a simplified approach which may be applied where certain eligibility criteria are met. The VFA must be applied to contracts with direct participation features. On transition to IFRS 17, the Group has measured insurance contracts issued and reinsurance contracts held using the GMM, except where the VFA is applied. The Group applies the VFA to insurance contracts in the unit-linked life and pension portfolio. Further detail is provided below as to how a portfolio is defined.

The Group has elected to apply the following accounting policies on first time adoption of IFRS 17:
- changes in the risk adjustment for non-financial risk have been disaggregated between the insurance services result and the insurance finance income or expenses (IFIE);
- the IFIE has not been disaggregated between amounts included in profit or loss and amounts included in other comprehensive income; and
- the financial performance of groups of reinsurance contracts held is presented on a net basis in net income / (expense) from reinsurance contracts held.

Investment components
IFRS 17 requires the identification and separation of distinct investment components from contracts within the scope of IFRS 17, unless it is an investment contract with discretionary participation features.

For contracts that include both insurance coverage and investment-related service the Group has separated distinct investment components that are not highly inter-related to the insurance component. The distinct investment components are measured in accordance with IFRS 9 and presented as financial instruments.

Contract boundary
The measurement of a group of insurance contracts includes all of the future cash flows within the boundary of each contract in the group. Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay the premiums, or in which the Group has a substantive obligation to provide the policyholder with services. The Group has determined that expected future single premium injections and regular premium increases for unit-linked life and pensions contracts, even though at the discretion of policyholders, are within the contract boundaries as the Group may not adjust the terms and conditions for such increases.

Level of aggregation (LoA)
IFRS 17 requires an entity to determine the LoA for applying its requirements. The LoA for the Group has been determined firstly by dividing the business written into portfolios. Portfolios as described by IFRS 17 comprise groups of contracts with similar risks which are managed together.

1 Group accounting policies *(continued)*

Portfolios have been further divided based on expected profitability at inception into three categories: onerous contracts, contracts with no significant possibility of becoming onerous, and the remainder.

Contracts issued more than one year apart have not been allocated to the same group, except for contracts measured using the fair value approach at transition to IFRS 17.

Measurement
Under IFRS 17 the carrying value of insurance contracts comprises the present value of future cash flows (separated into liability for remaining coverage (LRC) and liability for incurred claims (LIC), a risk adjustment for non-financial risk, and the CSM, which is calculated retrospectively and represents expected future profits to be recognised over the lifetime of contracts. In estimating future cash flows, the Group has incorporated, in an unbiased way, all reasonable and supportable information that is available at the reporting date. This information includes both internal and external historical data about claims and other experience, updated to reflect current expectations of future events. The estimates of future cash flows reflects the Group's view of current conditions at the reporting date, as long as the estimates of any relevant market variables are consistent with observable market prices.

GMM
Changes in LIC and LRC are reflected in insurance revenue, insurance service expense, IFIE, or by adjusting the CSM. The amount of CSM recognised in profit or loss for services in the period is determined by the allocation of the CSM remaining at the end of the reporting period over the current and remaining expected coverage period of the group of insurance contracts based on coverage units. Services provided are estimated using coverage units, which reflect the quantity of benefits and the coverage duration.

VFA
For insurance contracts under the VFA there are adjustments that relate to future service which change the CSM. These include changes in the Group's share of the fair value of underlying items and changes in the fulfilment cash flows that would not vary based on the returns of underlying items and relate to future service. Other changes in cash flows are reflected in profit or loss.

Coverage units
The Group determines coverage units applying equal weight to the expected benefits resulting from insurance coverage to which policyholders may become entitled, investment-return service and investment-related service. Coverage units for future years are discounted at rates determined at the inception of a group of contacts (locked-in rates), except for the unit-linked life and pensions portfolio, where current discount rates are used.

Reinsurance
The measurement of reinsurance contracts held follows the same principles as those for insurance contracts issued, with the exception of the following:

- measurement of the cash flows includes an allowance on a probability-weighted basis for the effect of any non-performance by the reinsurers, including allowing for the effects of collateral and losses from disputes;
- the Group determines the risk adjustment for non-financial risk so that it represents the amount of risk being transferred to the reinsurer;
- the Group recognises both day 1 gains and day 1 losses at initial recognition in the balance sheet as a CSM and this is released to profit or loss as the reinsurer renders services, except for any portion of a day 1 loss that relates to events before initial recognition. The amount of the CSM recognised in profit or loss for services in the period is determined by the allocation of the CSM remaining at the end of the reporting period over the current and remaining expected coverage period of the group of insurance contracts based on coverage units, representing the proportion of insurance coverage and investment gains and losses of underlying contracts that is reinsured. Equal weights are applied to insurance coverage and investment-return service;
- changes in the fulfilment cash flows are recognised in profit or loss if the related changes arising from the underlying ceded contracts have been recognised in profit or loss. Alternatively, changes in the fulfilment cash flows adjust the CSM; and
- the VFA does not apply to reinsurance contracts.

Risk adjustment for non-financial risk
The risk adjustment reflects the compensation that the Group requires to compensate for the risk in the level and timing of future cash flows arising from non-financial risks. The Group determines the risk adjustment for non-financial risk as follows:

- a value at risk approach (also referred to as a confidence interval approach) is applied at a confidence interval of 90% over one year, which reflects the Group's risk appetite for insurance business. In addition to the disclosure of the one year confidence interval of 90% the Group discloses the approximate confidence interval over the run-off of the in force business (ultimate confidence interval of 70.7%);
- the effect of assumed adverse experience is determined as a one-off sensitivity at the reporting date that persists for the duration of contracts;
- the Group allows for diversification of non-financial risks with financial risks and with investment contracts, based on the Solvency II (the prudential regime for insurance and reinsurance undertakings in the EU) standard formula diversification factors;
- the risk adjustment for contracts issued allows for the effect of sensitivities net of reinsurance plus the expected cost of reinsurance; and
- the risk adjustment for reinsurance contracts held is based on the reinsured proportions of risks included in the risk adjustment for contracts issued.

Discount rates
Discount rates are based on market information where available and are determined using the top-down approach for the annuity portfolios and the bottom-up approach for other contracts. For long durations where there is no observable market information interest rates are estimated applying a small excess return of between 0.5% and 1% above expected long-term inflation rates, based on the excess return above expected long-term inflation rates at long durations where the market is liquid. An illiquidity premium, depending on the nature of contracts, is included in discount rates except for contracts in the unit-linked life and pensions portfolio, as these contracts are considered to be liquid. The reference portfolios for the top down approach are based on assets backing the liabilities with characteristics similar to the liabilities.

1 Group accounting policies *(continued)*

The implied investment gains and losses on these assets are adjusted to allow for credit risk based on Solvency II fundamental spreads. The bottom-up risk-free discount rate curve is based on a similar methodology as the Solvency II risk-free curve, but non-market constraints are removed and the ultimate forward rate reduced.

Directly Attributable Expenses
Directly Attributable Expenses (DAE), which include both acquisition and maintenance costs, are incorporated in actual and estimated future cash flows and recognised in the result of insurance services. Acquisition costs are amortised, and for contracts not measured under the PAA, this amortisation is equal to the amount of insurance revenue recognised in the year that relates to recovering insurance acquisition cash flows. Costs that are not directly attributable remain in operating expenses.

DAE, in accordance with IFRS 17, are incorporated in the CSM and recognised in the result of insurance services as a reduction in reported revenue, as profit is recognised over the duration of insurance contracts. Costs that are not directly attributable remain in operating expenses.

Difference between IFRS and Solvency II
Solvency II is NIAC's capital and regulatory framework and the Solvency II ratio of NIAC is unchanged as a result of the Group's transition to IFRS 17. NIAC's ability to pay dividends to its parent company within the Group will therefore not be affected. As a general principle the Solvency II cash flows and IFRS 17 best estimate of future cash flows are aligned to the extent appropriate. IFRS 17 best estimate of future cash flows deviate from Solvency II best estimate mainly due to the following key differences:

- level of aggregation of projected cash flows;
- contract boundaries; and
- directly attributable and non-directly attributable expenses.

Share capital and reserves

Equity transaction costs
Incremental external costs directly attributable to equity transactions, including the issue of new equity shares or options, are shown as a deduction from the component of equity in which the equity transaction is recognised, net of tax.

Dividends on ordinary shares
Final dividends on ordinary shares are recognised in equity in the period in which they are approved by the Company's shareholders on the recommendation of the Board of Directors, or approved by the Board of Directors, as appropriate. Interim dividends are recognised in equity in the period in which they are paid.

Treasury shares
Where the Company or its subsidiaries purchase the Company's equity share capital, the consideration paid is deducted from total shareholders' equity as treasury shares until they are cancelled. Where such shares are subsequently sold or reissued, any consideration received is included in shareholders' equity. Any changes in the value of treasury shares held are recognised in equity at the time of the disposal and dividends are not recognised as income or distributions.

Capital reserve
The capital reserve represents transfers from share capital, retained earnings and other reserves in accordance with relevant legislation. The capital reserve is not distributable.

Foreign exchange reserve
The FX reserve represents the cumulative gains and losses on the translation of the Group's net investment in its foreign operations since the date of transition to IFRS (1 April 2004). Gains and losses accumulated in this reserve are reclassified to the income statement when the Group loses control, joint control or significant influence over the foreign operation or on disposal or partial disposal of the operation.

Revaluation reserve
The revaluation reserve represents the cumulative gains and losses on the revaluation of property occupied by Group businesses, included within property, plant and equipment and non-financial assets classified as held for sale. The revaluation reserve is not distributable.

Share premium account
Where the Company issues shares at a premium, a sum equal to the aggregate amount or value of the premiums on those shares is transferred to the share premium account.

Where, pursuant to Section 84 of the Companies Act 2014, there has been a reduction of the Company's share capital by the cancellation of share premium, the resulting profits available for distribution, as defined by Section 117 of the Companies Act 2014, are reclassified from the share premium account to retained earnings.

Cash flow hedge reserve
The cash flow hedge reserve represents the cumulative changes in fair value, excluding any ineffectiveness, of cash flow hedging derivatives. These are transferred to the income statement when hedged transactions impact the Group's profit or loss.

Merger reserve
In the Company balance sheet, the merger reserve represents the difference between the carrying value of the Company's initial investment in the Bank arising from the corporate reorganisation in 2017 and the nominal value of the shares issued as part of that reorganisation, less amounts capitalised as share premium. In the Consolidated balance sheet, the merger reserve also includes an adjustment to eliminate the capital stock, share premium, capital reserve and retained earnings of the Bank at the date of corporate reorganisation, which do not carry forward to the balance sheet of the Group.

Debt instruments at fair value through other comprehensive income reserve
The debt instruments at FVOCI reserve comprises the cumulative net change in the fair value of debt securities measured at FVOCI together with the impact of fair value hedge accounting, less the ECL allowance recognised in profit or loss.

Liability credit reserve
The liability credit reserve represents the cumulative changes in the fair value of financial liabilities designated as at FVTPL that are attributable to changes in the credit risk of those liabilities, other than those recognised in profit or loss.

Collateral

The Group enters into master agreements with counterparties, to ensure that if an event of default occurs, all amounts outstanding with those counterparties will be settled on a net basis. The Group obtains collateral in respect of customer liabilities where this is considered appropriate.

1 Group accounting policies *(continued)*

The collateral normally takes the form of a lien over the customers' assets and gives the Group a claim on these assets for both existing and future liabilities. The collateral is, in general, not recorded on the Group balance sheet.

The Group also receives collateral in the form of cash or securities in respect of other credit instruments, such as stock borrowing contracts and derivative contracts, in order to reduce credit risk. Collateral received in the form of securities is not recorded on the balance sheet. Collateral received in the form of cash is recorded on the balance sheet, with a corresponding liability recognised within deposits from banks or deposits from customers. Any interest payable arising is recorded as interest expense.

In certain circumstances, the Group pledges collateral in respect of liabilities or borrowings. Collateral pledged in the form of securities or loans and advances continues to be recorded on the balance sheet. Collateral placed in the form of cash is recorded in loans and advances to banks or customers. Any interest receivable arising is recorded as interest income.

Operating segments

The Group's reportable operating segments have been identified on the basis that the chief operating decision maker uses information based on these segments to make decisions about assessing performance and allocating resources. The analysis of results by operating segment is based on management accounts information.

Impact of new accounting standards not yet adopted

The following standards will be relevant to the Group but were not effective at 31 December 2025 and have not been applied in preparing these financial statements.

There are no other standards that are not yet effective and that would have a material impact on the Group in future reporting periods. The Group's current view of the impact of these standards is outlined below.

Pronouncement: IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures. Amendments to the Classification and Measurement of Financial Instruments

Nature of change

The amendments clarify the date of recognition and derecognition of some financial assets and liabilities with a new exception for some financial liabilities settled through an electronic cash transfer system. In addition, they clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion. New disclosures are added for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets) and the amendment updates disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The amendments were endorsed on 27 May 2025.

Effective date

The effective date is for financial periods beginning on or after 1 January 2026, with early application permitted.

Impact

The amendments are not expected to have a significant impact on the Group.

Pronouncement: IFRS 18 'Presentation and Disclosure in Financial Statements'

Nature of change

IFRS 18 aims to give users of financial statements more transparent and comparable information about an entity's financial performance. The new standard will replace IAS 1 'Presentation of Financial Statements' but will retain many of the requirements from that standard. The key new concepts introduced in IFRS 18 relate to:

- the structure of Income Statement;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (management-defined performance measures); and
- enhance principles on aggregation and disaggregation which apply to the primary statements and notes.

The amendments were endorsed on 13 February 2026.

Effective date

The effective date is for financial periods beginning on or after 1 January 2027.

Impact

While IFRS 18 will not change recognition criteria or measurement basis, it may have a significant impact on presenting information in the financial statements. The Group is currently assessing any impact.

Pronouncement: Amendments to IFRS 19 'Subsidiaries without Public Accountability: Disclosures'

Nature of change

The objective of IFRS 19 is to allow eligible entities to apply the reduced disclosure requirements set out in the standard, while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards to its financial records for group reporting.

The amendments are subject to endorsement by the EU

Effective date

The effective date is for financial periods beginning on or after 1 January 2027.

Impact

The amendments are not expected to have a significant impact on the Group.

2 Critical accounting estimates and judgements

In preparing the financial statements, the Group makes estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Due to the inherent uncertainty involved in estimating the likelihood of future events, actual results could differ from those estimates, which could affect the future reported amounts of assets and liabilities. The estimates and judgements that have had the most significant effect on the amounts recognised in the Group's financial statements are set out below.

Impairment loss allowance on financial assets

The measurement of impairment loss allowance requires significant judgement and estimation and is dependent on complex impairment models.

In arriving at impairment loss allowances, accounting estimates which could change and have a material influence on the quantum of impairment loss allowance and net impairment charge within the next financial year include:

- generation of forward-looking macroeconomic scenarios and their probability weightings which are used in both the assessment of 'significant increase in credit risk' and in the measurement of impairment loss allowances;
- valuing property collateral (including residential property); and
- the selection of appropriate methodologies and model factors for internal risk rating and impairment models.

Accounting judgements which could change and have a material influence on the quantum of impairment loss allowance and net impairment charge within the next financial year include determining if Group / PMAs may be necessary to impairment model outputs to address impairment model / data limitations or late breaking events.

Other key accounting estimates which are not expected to change and materially influence the quantum of impairment loss allowance and net impairment charge within the next financial year, include:

- determining the period over which to measure ECL for uncommitted RCF; and
- determining timeframes to realisation and likely net sale proceeds.

Other key accounting judgements which are not expected to change and materially influence the quantum of impairment loss allowance and net impairment charge within the next financial year, include:

- the Group's criteria for assessing if there has been a significant increase in credit risk since initial recognition such that a loss allowance for lifetime rather than 12 month ECL is required;
- the approximation made at transition to IFRS 9 of the residual lifetime PD expectations for most exposures originated prior to adoption of IFRS 9; and
- selection of the most relevant macroeconomic variables for particular portfolios and determining associations between those variables and model components such as PD and LGD.

The Group's approach to measurement of impairment loss allowances and associated methodologies is set out in the credit risk methodologies section on pages 251 to 257.

Changes in estimates

Forward-looking Information

FLI refers to probability weighted future macroeconomic scenarios approved semi-annually by the ERC and used in the assessment of 'significant increase in credit risk' and in the measurement of impairment loss allowances under IFRS 9.

The Group has used four RoI FLI scenarios and four UK FLI scenarios at 31 December 2025, comprising a central scenario, an upside scenario, and two downside scenarios, all extending over a five year forecast period, with reversion to long run averages for property for years beyond the forecast period. The Group keeps under review the number of FLI scenarios and the need to produce projections for other jurisdictions.

The central scenario forecasts are based on expert judgement and draw on economic analysis and research published by external organisations (e.g. central banks, research institutes etc). This was changed for the 2025 FLI scenarios as previously an average of external forecasts was used to develop the central scenario. This enables the use of the latest macroeconomic data in developing the central scenario, and avoids including forecasts which are out of date and make already outdated assumptions on geopolitical and macroeconomic events. The alternative scenarios, comprising one upside and two downside scenarios, are narrative-driven and have been constructed incorporating available reasonable and supportable information. This was the same approach as used in prior years.

The FLI methodology framework was leveraged to assign an initial set of probability weightings to the narrative-driven scenarios. The FLI methodology is a simulation tool that uses recent actual observed values and historical data to produce a number of possible paths for the relevant economic variables based on their historical relationships and volatilities. The FLI model is used for scenario generation for a defined probability weighting and for assessing probability weights for a given scenario.

The narrative-driven scenarios were assessed relative to the simulated distribution.

The probability weightings attached to the scenarios are a function of their relative position on the distribution, with a lower probability weighting attached to the scenarios that were assessed to be more distant from the centre of the distribution.

The final set of probability weightings used in ECL estimates are less weighted to the upside scenario than at 31 December 2024, and reflect the application of management judgement to the initial modelled probability weightings, with increased weight assigned to the central scenario, and an offsetting decrease in the modelled upside scenario weight.

External economic and market indicators and ongoing economic uncertainty at 31 December 2025 including the potential impact of escalating geopolitical risk and tariff policy uncertainty informed the application of this management judgement. The estimated ECL impact of this judgement was a c.€12 million (2024: c.€7 million) increase in reported impairment loss allowance.

2 Critical accounting estimates and judgements *(continued)*

The table below shows the mean average forecast values for the key macroeconomic variables under each scenario for the forecast period 2026 to 2030, together with the scenario weightings for both the RoI and the UK used in the ECL models.

	Republic of Ireland				United Kingdom			
			Downside				Downside	
2025	Central scenario	Upside scenario	Scenario 1	Scenario 2	Central scenario	Upside scenario	Scenario 1	Scenario 2
Scenario probability weighting	**50%**	**20%**	**20%**	**10%**	**50%**	**20%**	**20%**	**10%**
Modified Domestic Demand - annual growth rate	2.2%	2.9%	1.5%	0.02%	n/a	n/a	n/a	n/a
Gross Domestic Product - annual growth rate	3.1%	3.7%	2.3%	0.8%	1.3%	2.0%	0.5%	(0.5%)
Gross National Product - annual growth rate	2.6%	3.2%	1.8%	0.3%	n/a	n/a	n/a	n/a
Unemployment - average yearly rate	4.8%	3.9%	7.3%	10.3%	4.9%	4.4%	7.0%	9.0%
Employment - average yearly rate	n/a	n/a	n/a	n/a	0.6%	1.0%	0.1%	(0.5%)
ECB Deposit Rate and BoE Base Rate - year end rate	2.4%	3.4%	1.0%	1.2%	3.9%	4.4%	2.1%	1.8%
Residential property price growth - annual growth rate	2.6%	4.6%	(1.0%)	(3.1%)	2.2%	4.3%	(1.9%)	(4.3%)
Commercial property price growth - annual growth rate	2.2%	3.7%	(2.0%)	(4.7%)	2.5%	3.8%	(1.8%)	(4.8%)

	Republic of Ireland				United Kingdom			
			Downside				Downside	
2024	Central scenario	Upside scenario	Scenario 1	Scenario 2	Central scenario	Upside scenario	Scenario 1	Scenario 2
Scenario probability weighting	**45%**	**25%**	**20%**	**10%**	**45%**	**25%**	**20%**	**10%**
Modified Domestic Demand - annual growth rate	2.8%	3.5%	2.0%	0.6%	n/a	n/a	n/a	n/a
Gross Domestic Product - annual growth rate	3.2%	3.9%	2.4%	1.1%	1.4%	2.1%	0.7%	(0.3%)
Gross National Product - annual growth rate	2.7%	3.4%	1.9%	0.6%	n/a	n/a	n/a	n/a
Unemployment - average yearly rate	4.5%	3.9%	6.8%	9.5%	4.1%	3.6%	6.1%	8.1%
Employment - average yearly rate	n/a	n/a	n/a	n/a	0.6%	1.0%	0.1%	(0.4%)
ECB Deposit Rate and BoE Base Rate - year end rate	2.2%	2.7%	1.6%	3.5%	3.9%	4.3%	2.4%	2.2%
Residential property price growth - annual growth rate	2.8%	5.0%	(0.7%)	(3.0%)	2.5%	4.5%	(1.4%)	(3.7%)
Commercial property price growth - annual growth rate	1.9%	3.3%	(1.4%)	(3.7%)	2.4%	3.6%	(1.2%)	(3.6%)

2 Critical accounting estimates and judgements *(continued)*

The tables below set out the forecast values for 2026 and 2027 and the average forecast values for the period 2028 to 2030 for the key macroeconomic variables which underpin the mean average values for the period of 2026 to 2030.

	Republic of Ireland			United Kingdom		
	2026	2027	2028-2030	2026	2027	2028-2030
Central scenario - 50% weighting						
Modified Domestic Demand - annual growth rate	2.6%	2.4%	2.1%	n/a	n/a	n/a
Gross Domestic Product - annual growth rate	3.1%	3.2%	3.0%	0.9%	1.2%	1.4%
Gross National Product - annual growth rate	2.6%	2.7%	2.5%	n/a	n/a	n/a
Unemployment - average yearly rate	4.8%	4.9%	4.7%	5.1%	5.0%	4.8%
Employment - average yearly rate	n/a	n/a	n/a	0.4%	0.7%	0.6%
ECB Deposit Rate and BoE Base Rate - year end rate	2.0%	2.3%	2.6%	3.5%	3.8%	4.0%
Residential property price growth - annual growth rate	3.5%	3.0%	2.2%	1.5%	2.0%	2.5%
Commercial property price growth - annual growth rate	1.5%	2.0%	2.5%	2.0%	2.0%	2.8%
Upside scenario - 20% weighting						
Modified Domestic Demand - annual growth rate	3.6%	3.1%	2.6%	n/a	n/a	n/a
Gross Domestic Product - annual growth rate	4.1%	3.9%	3.5%	1.8%	2.0%	2.0%
Gross National Product - annual growth rate	3.6%	3.4%	3.0%	n/a	n/a	n/a
Unemployment - average yearly rate	4.3%	4.0%	3.8%	4.7%	4.5%	4.2%
Employment - average yearly rate	n/a	n/a	n/a	1.0%	1.2%	0.8%
ECB Deposit Rate and BoE Base Rate - year end rate	2.8%	3.3%	3.7%	3.5%	4.3%	4.7%
Residential property price growth - annual growth rate	6.2%	5.7%	3.7%	4.7%	4.6%	4.1%
Commercial property price growth - annual growth rate	3.5%	3.5%	3.8%	3.5%	3.5%	4.0%
Downside scenario 1 - 20% weighting						
Modified Domestic Demand - annual growth rate	1.0%	1.1%	1.7%	n/a	n/a	n/a
Gross Domestic Product - annual growth rate	1.6%	1.8%	2.7%	(1.0%)	(0.6%)	1.4%
Gross National Product - annual growth rate	1.1%	1.3%	2.2%	n/a	n/a	n/a
Unemployment - average yearly rate	6.1%	7.4%	7.7%	6.3%	7.1%	7.2%
Employment - average yearly rate	n/a	n/a	n/a	(0.8%)	(0.1%)	0.4%
ECB Deposit Rate and BoE Base Rate - year end rate	1.0%	1.0%	1.0%	2.5%	2.0%	2.0%
Residential property price growth - annual growth rate	(5.5%)	(2.5%)	1.0%	(7.4%)	(4.8%)	0.9%
Commercial property price growth - annual growth rate	(7.5%)	(3.5%)	0.3%	(6.5%)	(3.0%)	0.2%
Downside scenario 2 - 10% weighting						
Modified Domestic Demand - annual growth rate	(2.0%)	(1.8%)	1.3%	n/a	n/a	n/a
Gross Domestic Product - annual growth rate	(1.4%)	(1.1%)	2.2%	(2.8%)	(2.0%)	0.7%
Gross National Product - annual growth rate	(1.9%)	(1.6%)	1.7%	n/a	n/a	n/a
Unemployment - average yearly rate	7.6%	10.3%	11.2%	7.5%	9.2%	9.5%
Employment - average yearly rate	n/a	n/a	n/a	(1.9%)	(1.3%)	0.2%
ECB Deposit Rate and BoE Base Rate - year end rate	2.8%	1.3%	0.6%	4.3%	2.0%	0.8%
Residential property price growth - annual growth rate	(10.0%)	(6.5%)	0.3%	(11.6%)	(8.0%)	(0.7%)
Commercial property price growth - annual growth rate	(14.5%)	(7.0%)	(0.7%)	(13.5%)	(7.0%)	(1.2%)

The central, upside and downside scenarios are described below for both the RoI and the UK:

Central scenario - RoI

In the central scenario Irish GDP growth is 10.7% in 2025 and 3.1% in 2026. Modified domestic demand expands by 3.4% and 2.6% respectively in 2025 and 2026. The GDP growth rate in 2025 reflects that the recent surge in exports reflects new pharmaceutical production facilities coming online, not only front running of US tariffs. Crucially, the majority of Irish goods exports to the United States remain exempt from tariffs. Following the White House's recent deal with Pfizer and Astra Zeneca it now looks less likely that tariffs will be imposed on pharmaceutical imports in the near future. Consumer spending has continued to grow robustly. Non-residential construction investment and government spending have also supported demand. Budget 2026 plans a sharp 8% rise in public spending to €118 billion next year, still likely to make a strong contribution to demand. For some time, Irish job creation has exceeded 3% per annum, sustained by high net inward migration and rising participation. However, bottlenecks and labour shortages are being felt. Hence, the central scenario is for employment growth to slow to 1.5% in 2026, the unemployment rate rising gradually to 4.8%.

2 Critical accounting estimates and judgements *(continued)*

House prices are expected to rise by 6% in 2025 but then slow to 3.5% in 2026. This view reflects signs stretched affordability is weighing on house price inflation. MyHome asking prices fell by 0.4% in Q3 2025, up 5.7% on the year. So, the central scenario sees house price inflation moderating, closer to the pace of pay growth.

Key features - Economy to remain resilient, unemployment rising marginally over next few years before easing back, moderate house and CRE price growth.

Central scenario - UK
Despite a robust GDP out-turn for Q1 this year, expectations for UK growth in 2025 (and to a lesser extent 2026) have softened of late on foot of weak survey and sentiment data. This has become evident in the unemployment rate, which has increased towards 5%. A substantial fiscal adjustment in the November 26th budget, primarily via tax rises, will also weigh on demand in 2026. Hence, GDP is now expected to expand by 1.3% in 2025, slowing to 0.9% growth in 2026. This will be accompanied by a period of weak employment growth, so the unemployment rate rises further to average 5.1% in 2026 and 5% in 2027. A decline in the current elevated household savings rate at 10% will help cushion the impact of the fiscal adjustment. Inflation at 3.8% in September is expected to fall back to 2.2% by end-2026, helped by the build-up of spare capacity in the labour market and a deceleration in pay growth. This will allow the Bank of England room to cut the base rate by 50 basis points over the next 12-months to 3.5%. However, with affordability stretched house price inflation is expected to remain subdued over the forecast horizon, 1.5% in both 2025 and 2026 then rising towards 2.5%. In relation to CRE, activity is anticipated to be slightly more subdued, leading to slower price recovery.

Key features – Slightly lower growth near term, declining inflation, unemployment rising marginally over next few years before easing back, moderate house and CRE price gains.

Upside scenario
The Upside Scenario is a plausible scenario, representing a more favourable outlook than the central scenario. Econometric modelling shows that such a scenario has been a relatively frequent event. A qualitative description of how such a scenario as the upside scenario might emerge is as follows: The impact of US tariffs on global growth proves to be less negative than feared, while geopolitical tensions ease globally. These developments provide a boost to consumer and business confidence. Irish and UK exports are stronger than in the central scenario, as is investment, particularly Foreign Direct Investment (FDI) and business investment. In addition, new technologies, including AI, boost productivity growth. Stronger growth pushes unemployment down and it remains low throughout the forecast horizon. Better labour market conditions lead to stronger house price inflation, while CRE price growth is also more robust. Central banks, including both the ECB and BoE, increase policy interest rates to a greater degree than is assumed in the central scenario.

Key features – Smaller tariff impact, AI productivity boost, low unemployment, higher house price inflation.

Downside scenario 1
Downside 1 is a plausible scenario. Econometric modelling shows that in the past the quantum of such a negative shock has been a relatively frequent event. A qualitative description of how such a scenario as downside 1 might emerge is as follows: Following several years of strong gains - particularly for technology stocks - equity markets experience a correction, with stock prices falling materially. This is accompanied by stress in the global financial system more widely, with rising risk premia. These shocks lead to lower investment, particularly business investment related to new technologies such as AI, and dent global consumer and business confidence. In addition, US tariffs have a somewhat more negative impact on global trade than assumed in the central scenario. As a result of these shocks global growth slows. The public finances in the UK also come under strain, requiring fiscal consolidation. The UK economy falls into recession and growth in Ireland is subdued, while unemployment rises in both economies. Spare capacity in labour and product markets leads to lower inflation, allowing the ECB and BoE to reduce policy interest rates. With weak labour market conditions in both Ireland and the UK housing markets in both economies come under pressure and house prices fall. CRE markets are also weaker, and prices decline over the course of the next few years. Later in the forecast period the global economy rebounds – this along with supportive monetary policy leads to a pickup in growth in Ireland and the UK while unemployment stabilises before starting to decline, and house and CRE prices begin to recover.

Key features – Financial market stress, weak growth, rising unemployment, house price declines.

Downside scenario 2
Downside 2 is a severe but plausible scenario. Econometric modelling shows that in the past the quantum of such a negative shock has been an infrequent, low probability event. A qualitative description of how such a scenario as downside 2 might emerge is as follows: After several years of strong gains, particularly for technology stocks, equity markets experience a prolonged correction and stock prices fall significantly. The risks associated with a rapidly deflating AI 'bubble' crystallise and while the epicentre would likely be the US, the significant exposure of major pension funds to US technology stocks impacts retirement savings and the cost and availability of finance for households and businesses. Asset prices fall on forced selling with a rapid liquidation of related assets which cascades into a broader financial crisis across global markets, with sharply rising risk premia in multiple asset classes. Emerging losses and defaults in the non-bank or 'shadow banking sector' compound the stresses across financial markets with some contagion to larger global banks. These shocks lead to much lower investment, particularly business investment related to new technologies such as AI, while negative wealth effects weigh on consumer spending. US tariffs also prove to have a much more negative impact on global trade than assumed in the central scenario. In addition, geopolitical tensions escalate further, including between the US and China, with negative implications for trade and supply chains, while energy prices rise. There is also a climate stress related rise in the price of carbon in Europe. These shocks lead to sharp declines in global consumer and business confidence and global growth slows sharply. The situation is compounded by a slowdown in pharma and tech sector FDI inflows to Ireland, with some production relocated back to the US. The Irish public finances come under pressure as corporation tax and other tax revenues fall, necessitating spending cuts and/or tax increases. The public finances in the UK also come under significant strain, requiring a large fiscal adjustment, while UK business investment declines sharply. In the near-term disruption to global trade and supply chains, and higher prices for carbon permits, pushes up inflation, leading central banks including the ECB and BoE to increase policy interest rates.

2 Critical accounting estimates and judgements *(continued)*

Both economies enter deep recessions and unemployment increases significantly, remaining high over the entire forecast period. Household finances are put under significant pressure, and this pushes house price inflation well into negative territory in both economies.

CRE markets are also significantly weaker, and prices decline sharply. Eventually inflation falls back, and monetary policy is eased significantly globally – as a result confidence rebounds and growth recovers. Economic activity starts to expand again, picking up towards the end of the forecast horizon, and unemployment stabilises before beginning to decline. House and CRE prices also begin to recover, albeit gradually.

Key features – Financial market stress from sharply deflating technology financial bubble, geopolitical tensions, climate stress, GDP/MDD declines, elevated unemployment, sharper house price declines.

Property price growth, all scenarios

In the central scenario, both RoI and UK experience growth in 2025. RoI growth of 6.0% comes as supply remains low and demand remains high, while the UK manages more moderate growth of 1.5% as it continues to recover from a period of high mortgage rates and cost of living pressures. Growth will cool off in RoI over the rest of the forecast period, stabilising at 2% by 2029 and 2030, while growth will remain consistent at 2.5% growth per annum from 2028 in the UK. RoI commercial prices will show no growth in 2025 before seeing growth of 1.5% in 2026 rising to 3.0% by 2030. Commercial prices in the UK will show a return to growth in 2025, at 1.0% before rising up to 3% by 2029 and maintaining that growth in 2030. For RoI this is predicated on growth in all sectors from 2026 on, while the leisure and office markets sees a decline in 2025. UK commercial prices across all sectors are expected to see growth bar leisure and office in 2025.

In the upside scenario, RoI property price growth will gradually cool off over the forecast period, to reach below 3% growth by 2030. UK price growth will also cool off after reaching over 4.5% in 2026-28, down to 3.6% in 2030. Commercial prices in both RoI and UK will see 3.5% growth in 2026 and will rise to a stable 4% growth by 2029/30, with UK reaching that level a year earlier in 2028.

In the downside 1 scenario, property prices will see a sharp reversal in growth, reaching a trough of -5.5% and -7.4% in RoI and UK respectively in 2026, before a quick recovery within two years to return to moderate growth by 2029-2030. Commercial prices will see further negative growth, dropping to -7.5% and -6.5% respectively in 2026 before gradually returning to zero growth in 2029 and 2.5% and 2% growth respectively by 2030.

In the downside 2 scenario, property prices will see a deeper negative price growth than in downside 1, reaching troughs of -10% in RoI and -11.6% in the UK territories in 2026 before a slower recovery into moderate growth in 2029-30 in RoI and 2030 in the UK.

Commercial prices will also decline by further levels than downside 1, as far as -14.5% in RoI and -13.5% in UK in 2026 before recovering to moderate growth in 2030 of 2% in RoI and level growth in the UK.

The quantum of impairment loss allowance is impacted by the application of four probability weighted future macroeconomic scenarios.

The following table indicates the approximate extent to which the impairment loss allowance at 31 December 2025, excluding PMAs to impairment loss allowances for loans and advances to customers, was increased by virtue of applying multiple scenarios rather than only a central scenario. This analysis excludes PMAs, as such PMAs to impairment loss allowance are applied using management judgement outside of the macroeconomic conditioned ECL model framework (refer to the management judgement in impairment measurement section on page 319).

Comparative figures at 31 December 2024 are also outlined on the following page (and in subsequent tables in this section). Changes in the figures at 31 December 2025 compared to the previous reporting date reflect a number of inter-related dynamics including changes in forward-looking scenarios and associated probability weights; impairment model methodology updates since 31 December 2024; and the composition of the underlying portfolios at the respective reporting dates.

2025 Impact of applying multiple scenarios rather than only central scenario	Additional impairment loss allowance							
	Stage 1		Stage 2		Stage 3		Total	
	Impact €m	Impact %	Impact €m	Impact %	Impact €m	Impact %	Impact €m	Impact %
Residential mortgages	9	32%	21	114%	6	6%	36	27%
Retail Ireland	*6*	*32%*	*13*	*288%*	*5*	*7%*	*24*	*27%*
Retail UK	*3*	*33%*	*8*	*55%*	*1*	*5%*	*12*	*26%*
Non-property SME and corporate	8	14%	43	31%	4	1%	55	10%
Property and construction	10	54%	25	99%	6	9%	41	37%
Consumer	3	11%	1	7%	–	–	4	4%
Total	**30**	**23%**	**90**	**45%**	**16**	**3%**	**136**	**15%**

2 Critical accounting estimates and judgements *(continued)*

2024 Impact of applying multiple scenarios rather than only central scenario	Additional impairment loss allowance							
	Stage 1		Stage 2		Stage 3		Total	
	Impact €m	Impact %	Impact €m	Impact %	Impact €m	Impact %	Impact €m	Impact %
Residential mortgages	6	25%	20	119%	6	6%	32	22%
Retail Ireland	*4*	*22%*	*14*	*230%*	*4*	*7%*	*22*	*25%*
Retail UK	*2*	*33%*	*6*	*57%*	*2*	*4%*	*10*	*17%*
Non-property SME and corporate	8	10%	33	23%	3	1%	44	8%
Property and construction	2	17%	20	43%	2	2%	24	16%
Consumer	2	6%	3	16%	–	–	5	5%
Total	**18**	**13%**	**76**	**34%**	**11**	**2%**	**105**	**11%**

The following table indicates the approximate extent to which impairment loss allowance, excluding PMAs, would be higher or lower than reported were a 100% weighting applied to the central, upside and downside future macroeconomic scenarios respectively:

2025 Impact of applying only a central, upside or downside scenarios rather than multiple probability weighted scenarios	Multiple scenarios	Central scenario		Upside scenario		Downside scenario 1		Downside scenario 2	
	Impairment loss allowance €m	Impairment loss allowance €m	Impact %	Impairment loss allowance €m	Impact %	Impairment loss allowance €m	Impact %	Impairment loss allowance €m	Impact %
Residential mortgages	169	(36)	(21%)	(59)	(35%)	266	157%	622	368%
Retail Ireland	*111*	*(24)*	*(22%)*	*(43)*	*(39%)*	*149*	*134%*	*379*	*341%*
Retail UK	*58*	*(12)*	*(21%)*	*(16)*	*(28%)*	*117*	*202%*	*243*	*419%*
Non-property SME and corporate	614	(55)	(9%)	(111)	(18%)	124	20%	412	67%
Property and construction	150	(41)	(27%)	(47)	(31%)	91	61%	353	235%
Consumer	110	(4)	(4%)	(10)	(9%)	9	8%	27	25%
Total	**1,043**	**(136)**	**(13%)**	**(227)**	**(22%)**	**490**	**47%**	**1,414**	**136%**

2024 Impact of applying only a central, upside or downside scenarios rather than multiple probability weighted scenarios	Multiple scenarios	Central scenario		Upside scenario		Downside scenario 1		Downside scenario 2	
	Impairment loss allowance €m	Impairment loss allowance €m	Impact %	Impairment loss allowance €m	Impact %	Impairment loss allowance €m	Impact %	Impairment loss allowance €m	Impact %
Residential mortgages	181	(32)	(22%)	(55)	(30%)	318	175%	592	326%
Retail Ireland	*111*	*(22)*	*(25%)*	*(41)*	*(37%)*	*190*	*171%*	*361*	*325%*
Retail UK	*70*	*(10)*	*(17%)*	*(14)*	*(20%)*	*128*	*182%*	*231*	*327%*
Non-property SME and corporate	515	(44)	(8%)	(103)	(18%)	124	22%	356	63%
Property and construction	167	(24)	(16%)	(38)	(23%)	44	26%	180	108%
Consumer	108	(5)	(5%)	(12)	(11%)	12	11%	35	33%
Total	**971**	**(105)**	**(11%)**	**(208)**	**(20%)**	**498**	**49%**	**1,163**	**113%**

The table on the following page indicates the approximate extent to which impairment loss allowances for the residential mortgage portfolios, excluding PMAs, would be higher or lower than the application of a central scenario if there was an immediate change in residential property prices at the reporting date. Although such changes would not be observed in isolation, as economic indicators tend to be correlated in a coherent scenario, this gives insight into the sensitivity of the Group's impairment loss allowance to a once-off change in residential property values.

2 Critical accounting estimates and judgements *(continued)*

2025 Impact of an immediate change in residential property prices compared to central scenario impairment loss allowances	Impairment loss allowance-central scenario €m	Residential property price reduction of 10%		Residential property price reduction of 5%		Residential property price increase of 5%		Residential property price increase of 10%	
		Impact €m	Impact %	Impact €m	Impact %	Impact €m	Impact %	Impact €m	Impact %
Residential mortgages	133	13	10%	6	5%	(5)	(4%)	(10)	(8%)
Retail Ireland	*87*	*2*	*2%*	*1*	*1%*	*–*	*–*	*(1)*	*(1%)*
Retail UK	*46*	*11*	*24%*	*5*	*11%*	*(5)*	*(11%)*	*(9)*	*(20%)*

2024 Impact of an immediate change in residential property prices compared to central scenario impairment loss allowances	Impairment loss allowance-central scenario €m	Residential property price reduction of 10%		Residential property price reduction of 5%		Residential property price increase of 5%		Residential property price increase of 10%	
		Impact €m	Impact %	Impact €m	Impact %	Impact €m	Impact %	Impact €m	Impact %
Residential mortgages	149	15	10%	5	3%	(10)	(7%)	(15)	(10%)
Retail Ireland	*89*	*2*	*2%*	*1*	*1%*	*(1)*	*(1%)*	*(1)*	*(2%)*
Retail UK	*60*	*13*	*22%*	*4*	*7%*	*(9)*	*(15%)*	*(14)*	*(23%)*

The sensitivity of impairment loss allowances to stage allocation is such that, based on the respective impairment cover ratios, a transfer of 1% of Stage 1 balances at 31 December 2025 to Stage 2 would increase the Group's impairment loss allowance by c.€22 million excluding PMAs.

Management judgement in impairment measurement
Management judgement has been incorporated into the Group's impairment measurement process for the year end. The Group's management overlay framework considers credit risks which may require in-model adjustments, PMAs and/or significant increase in credit risk assessments.

Credit risk assessment for tariff risk
Targeted evaluations of tariff related risks have been conducted within relevant corporate and SME lending portfolios. Where exposures were identified as high risk, appropriate credit downgrades were applied, resulting in reclassification to Stage 2 or, where required, Stage 3.

Credit risk assessment for significant increase in credit risk
As outlined on page 254 of the Risk Management report, the Group considers other reasonable and supportable information that would not otherwise be taken into account that would indicate that a significant increase in credit risk had occurred. In this regard, at 31 December 2025, the Group has assessed the impact of elevated affordability risk including impacts on UK residential mortgage interest only loans nearing scheduled maturity and the possible lag effect of higher interest rates passing through on both RoI and UK residential mortgage customers rolling off fixed rate contracts.

Accordingly, credit risk assessments have been implemented across the residential mortgage portfolios. Where appropriate, outputs have been utilised to identify significant increases in credit risk and the classification of assets in Stage 2.The credit risk assessments, which leveraged qualitative information not already captured in impairment models, resulted in a management decision to reclassify €1.2 billion of Stage 1 assets to Stage 2 at the reporting date, with an associated €11 million increase in impairment loss allowance.

Management judgement in impairment model parameters
RoI GDP and RoI GNP were removed as primary risk drivers from PD macro-economic regression models in 2025 due to the inherent volatility and potential risk of restatement for these macroeconomic indicators.

Post-model adjustments (PMAs)
To ensure that the measurement of impairment reflects reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions, the need for a PMA to the outputs of the Group's staging and impairment measurement methodologies is considered at each reporting date in arriving at the final impairment loss allowance. Such a need may arise, for example, due to a model limitation or late breaking event.

At 31 December 2025, the Group's stock of impairment loss allowance of €1.1 billion (2024: €1.0 billion) includes a €106 million total PMA (2024: €57 million). Details of the components of the PMAs are outlined on the following pages with a table providing an overview of Group PMAs.

2 Critical accounting estimates and judgements *(continued)*

2025	Impairment loss allowance-before PMAs €m	Post - model adjustments								Total impairment loss allowance €m
		Retail Ireland residential mortgages NPEs €m	Geo-political Risk €m	Climate risk €m	Loss Given Default in Retail UK residential mortgage portfolio €m	Planned impairment model updates €m	Investment property €m	Retail UK mortgage potential affordability risk assessment €m	Total PMAs €m	
Residential mortgages	169	46	–	5	4	2	–	–	57	226
Retail Ireland	*111*	*46*	*–*	*2*	*–*	*2*	*–*	*–*	*50*	*161*
Retail UK	*58*	*–*	*–*	*3*	*4*	*–*	*–*	*–*	*7*	*65*
Non-property SME and corporate	614	–	40	6	–	2	–	–	48	662
Property and construction	150	–	–	1	–	–	–	–	1	151
Consumer	110	–	–	–	–	–	–	–	–	110
Total loans and advances to customers	**1,043**	**46**	**40**	**12**	**4**	**4**	**–**	**–**	**106**	**1,149**
Other financial instruments	101	–	–	–	–	–	–	–	–	101
Total financial assets	**1,144**	**46**	**40**	**12**	**4**	**4**	**–**	**–**	**106**	**1,250**

2024	Impairment loss allowance-before PMAs €m	Post - model adjustments								Total impairment loss allowance €m
		Retail Ireland residential mortgages NPEs €m	Geo-political Risk €m	Climate risk[1] €m	Loss Given Default in Retail UK residential mortgage portfolio €m	Planned impairment model updates €m	Investment property €m	Retail UK mortgage potential affordability risk assessment €m	Total PMAs €m	
Residential mortgages	181	5	–	3	–	–	–	1	9	190
Retail Ireland[1]	*111*	*5*	*–*	*–*	*–*	*–*	*–*	*–*	*5*	*116*
Retail UK	*70*	*–*	*–*	*3*	*–*	*–*	*–*	*1*	*4*	*74*
Non-property SME and corporate	515	–	–	–	–	–	–	–	–	515
Property and construction	167	–	–	–	–	–	48	–	48	215
Consumer	108	–	–	–	–	–	–	–	–	108
Total loans and advances to customers	**971**	**5**	**–**	**3**	**–**	**–**	**48**	**1**	**57**	**1,028**
Other financial instruments	87	–	–	–	–	–	–	–	–	87
Total financial assets	**1,058**	**5**	**–**	**3**	**–**	**–**	**48**	**1**	**57**	**1,115**

[1] *The table above includes a €0.3 million PMA for climate risk within Retail Ireland mortgages.*

2 Critical accounting estimates and judgements *(continued)*

Post-model adjustment for Retail Ireland Residential Mortgage NPEs

The impairment loss allowance at 31 December 2025 includes a €46 million PMA (2024: €5 million) to reflect the Group's updated assessment of resolution strategies for a specific cohort of long term NPEs in the Retail Ireland residential mortgage portfolio. The quantum of the PMA was calculated for the identified cohort of NPEs following in-depth profiling and segmentation analysis. The full PMA is applied to credit-impaired assets within the Retail Ireland residential mortgage portfolio.

Post-model adjustment for Geopolitical Risk

A €40 million PMA has been applied at 31 December 2025 to recognise the potential second order economic impacts arising from the recent escalation in prevailing geopolitical risk which may not be fully captured by current internal PD ratings. The PMA has been dimensioned by applying an overlay to the FLI weightings in respect of the Corporate Non-Property portfolios only (shifting 20% from upside/central to downside scenarios).

The PMA has been applied primarily to Stage 2 exposures in the Corporate Non-property portfolio reflecting the increased credit risk that may arise within these internationally focused lending portfolios as a result of broader macroeconomic uncertainty.

Post-model adjustment for Climate Risk

The Group has considered the impact of physical and transitional climate-related risks within its residential mortgage and RoI SME non-property portfolios.

The PMA was quantified through separate scenario analysis for each portfolio using the Group's internal climate risk scenario analysis framework combined with external climate risk analysis. Accordingly a €12 million (2024: €3 million) PMA has been recognised to reflect the estimated ECL impact of climate-related risks within these portfolios.

This PMA is recognised in the residential mortgage portfolios in Retail Ireland (€2 million) and Retail UK (€3 million), the RoI SME non-property portfolio (€6 million) and the RoI SME property portfolio (€1 million).

Post-model adjustment for Loss Given Default in Retail UK Residential Mortgage Portfolio

A €4 million PMA has been applied at 31 December 2025 to reflect the estimated impact of enhancements to the Retail UK residential mortgage impairment models planned in 2026.

Accordingly, the Group considered that it was appropriate to recognise the estimate impact of these planned enhancements at 31 December 2025. The requirement for this adjustment is expected to expire upon the implementation of impairment model updates in 2026.

Post-model adjustment for planned impairment model updates

A €4 million PMA has been applied at 31 December 2025 to reflect the estimated impact of planned enhancements to impairment models in 2026 to address observations identified as part of the Group's internal model validation process.

Planned model updates in 2026 include enhancements to the PD and LGD components of the Retail Ireland residential mortgage impairment models and to the Unsecured Recovery Rate model parameter within the Corporate non-property portfolio.

Accordingly, the Group considered that it was appropriate to recognise the estimate impact of these planned enhancements at 31 December 2025. The requirement for this adjustment is expected to expire upon the implementation of impairment model updates in 2026.

The PMA is recognised in the Retail Ireland residential mortgage portfolio (€2 million) and Corporate non-property portfolio (€2 million).

Retirement benefit obligations

The Group sponsors a number of defined benefit pension schemes. In determining the actual pension cost, the actuarial values of the liabilities of the schemes are calculated by external actuaries. This involves modelling their future development and requires management to make assumptions as to discount rates, price inflation, salary and pensions increases, member mortality and other demographic assumptions.

Sources of estimation uncertainty

There are acceptable ranges in which these estimates can validly fall. The impact on the results for the period and financial position could be materially different if alternative assumptions were used. A quantitative analysis of the sensitivity of the defined benefit pension liability to changes in the key assumptions is set out in note 42.

Life assurance operations

The Group accounts for its insurance and reinsurance contracts in accordance with IFRS 17. Under IFRS 17, the expected future cash flows used to measure insurance contracts are estimated using best estimate and market consistent assumptions. The expected future profits are captured in the CSM and are then released over time in line with the provision of insurance contract services.

Judgement

Management have made judgements in applying IFRS 17 which have a significant effect on the amounts recognised in the financial statements.

These key judgements are:

- as IFRS 17 does not prescribe an approach to calculation of risk adjustment for non-financial risk, the Group has applied judgement to determine the most appropriate approach to the calculation of this key component of insurance contract measurement. Similarly, judgement has been applied to determine the confidence level to apply to this calculation;
- judgement has been applied to the construction of an appropriate IFRS 17 discount rate for use in discounting insurance contracts. Furthermore, IFRS 17 does not prescribe an approach to the determination of an appropriate illiquidity premium and management have made judgements in calculating this premium;
- determination of coverage units for each contract type, which influence the recognition of revenue for insurance contracts, is not prescribed by IFRS 17. Management have made judgements to determine a suitable approach to deriving coverage units; and
- judgements were made during the assessment of directly attributable expenses for inclusion in estimates of future cash flows used in measuring insurance contracts.

2 Critical accounting estimates and judgements *(continued)*

Sources of estimation uncertainty

The calculation of insurance contract liabilities relies on the estimation of future cash flows which depend on experience in a number of areas such as investment gains and losses, lapse rates, mortality and investment expenses.

Also involved in the calculation of insurance contract liabilities are projections determined by making assumptions about future experience, having regard to both actual experience and projected long-term economic trends.

Changes to these assumptions may cause the present value of future cash flows to differ from those modelled at the reporting date and could significantly affect the changes in the assumptions underlying the calculation of the liabilities impacts the present value of the future cash flows and the value attributed to the business. In addition, the extent to which actual experience is different from expectations will be recognised in the income statement for the period. A quantitative analysis of the sensitivity of insurance related liabilities and assets to changes in the key assumptions is set out in note 19.

UK motor finance business

At 31 December 2025, in line with the requirements of IAS 37, the Group's provision has increased to €419 million (2024: €172 million) with an income statement charge of €264 million recognised, offset by administration costs and foreign exchange movements of €17 million. The increase is due to consideration of an expected higher number of eligible cases, the construct of the proposed redress methodology and the customer engagement approach.

The provision represents the Group's best estimate of the redress and compensation that may be payable to impacted customers, along with programme costs that may be incurred by the Group in connection with the FCA consumer redress scheme. It includes, inter alia, estimates for the potentially impacted customer population, redress amounts, opt-in rates and operational costs.

In establishing the provision estimate, the Group has modelled the requirements of the scheme as presented in the FCA consultation, including the population of customers impacted and the redress amounts. The Group continues to utilise a probability-weighted approach across a range of scenarios, including one in which the FCA amends the scheme following the consultation.

The key areas of estimation uncertainty are the percentage of eligible customers who opt-in to the scheme and consideration of amendments to the proposed FCA redress scheme.

Given the significant uncertainties described above, the ultimate financial impact could materially differ from the amount the Group has provided. For more detail on this, including information on assumptions and sensitivities, see note 39 provisions.

3 Operating segments

The Group has five reportable operating segments which reflect the internal financial and management reporting structure and are organised as follows:

Retail Ireland

Retail Ireland serves its customers delivering day-to-day services, products, propositions and a financial wellbeing programme tailored to meet customers' individual needs. Customers use their preferred channels to request and fulfil their banking requirements. These channels include our branches, 24/7 ATMs, digital, contact centre and our post office partnership for day-to-day banking services.

Wealth and Insurance

Wealth and Insurance includes the Group's life assurance subsidiary NIAC and Davy, Ireland's leading provider of wealth management and capital markets services. NIAC distributes protection, investment and pension products to the Irish market, across three core channels made up of the Group's distribution channels, independent financial brokers and its own financial advisor network as well as corporate partners.

Retail UK

Retail UK incorporates the UK residential mortgage business, the Group's branch network in Northern Ireland (NI), the Group's business banking business in NI, asset finance and contract hire, vehicle leasing and fleet management, incorporating Northridge Finance, as well as the financial services partnership and FX joint venture with the UK Post Office. The Retail UK division includes the activities of Bank of Ireland (UK) plc, the Group's wholly owned UK licensed banking subsidiary.

Corporate and Commercial

The Corporate and Commercial division provides a full range of lending, banking and treasury risk management services to the Group's national and international corporate and business customers, many of which are at the heart of the Irish economy. Our relationship teams are based across Ireland and the UK, in addition to niche international businesses. Teams have a wealth of experience across a broad range of segments and sectors, including corporate and business banking, commercial real estate, acquisition finance, foreign direct investment and treasury solutions.

Group Centre

Group Centre incorporates the Group's central support and control functions. Core responsibilities of the segment include overseeing the Group-wide Customer Strategy, establishing clear governance and control frameworks with appropriate oversight, providing management services to the Group, and managing the key processes and IT delivery platforms for the trading divisions.

Basis of preparation of segmental information

The analysis of results by operating segment is based on the information used by the chief operating decision maker to allocate resources and assess performance.

The CEO and CFO are considered to be the chief operating decision makers for the Group. The Group's operating segments reflect its organisational and management structures. The CEO and CFO review the Group's internal reporting based around these segments to assess performance and allocate resources. Transactions between the business segments are on normal commercial terms and conditions. Internal charges and transfer pricing adjustments have been reflected in the performance of each business. Revenue sharing agreements are used to allocate external customer revenues to a business segment on a reasonable basis.

The measures of segmental assets and liabilities provided to the chief operating decision makers are not adjusted for transfer pricing adjustments or revenue sharing agreements as the impact on the measures of segmental assets and liabilities is not significant.

Capital expenditure comprises additions to property, plant and equipment and intangible assets.

Non-current assets comprises intangible assets and goodwill and property, plant and equipment.

On an ongoing basis, the Group reviews the methodology for allocating funding and liquidity costs in order to ensure that the allocations continue to reflect each division's current funding requirement.

External revenue comprises interest income, insurance revenue, net income / (expense) from reinsurance contracts held, insurance investment and finance result, fee and commission income, net trading income / (expense), other operating income, other leasing income and share of results of associates and joint ventures.

There were no revenues deriving from transactions with a single external customer that amounted to 10% or more of the Group's revenues.

The Group measures the performance of its operating segments through a measure of segment profit or loss which is referred to as 'underlying profit or loss' in its internal management reporting systems. Underlying profit or loss excludes the impact of non-core items which are outlined in the table on the following page.

Other reconciling items

In the tables below, 'Other reconciling items' represent transactions between operating segments which are eliminated upon consolidation and the application of hedge accounting at Group level.

3 Operating segments *(continued)*

2025	Retail Ireland[1] €m	Wealth and Insurance €m	Retail UK[1] €m	Corporate and Commercial[1] €m	Group Centre €m	Other reconciling items €m	Group €m
Net interest income[1]	1,843	(9)	551	980	6	–	3,371
Other income	265	400	22	182	(72)	(14)	783
Total operating income	**2,108**	**391**	**573**	**1,162**	**(66)**	**(14)**	**4,154**
Other operating expenses	(585)	(223)	(265)	(325)	(515)	2	(1,911)
Other operating expenses (before levies and regulatory charges)	*(585)*	*(217)*	*(261)*	*(325)*	*(396)*	*2*	*(1,782)*
Levies and regulatory charges	–	*(6)*	*(4)*	–	*(119)*	–	*(129)*
Depreciation and amortisation	(99)	(17)	(25)	(16)	(96)	1	(252)
Total operating expenses	**(684)**	**(240)**	**(290)**	**(341)**	**(611)**	**3**	**(2,163)**
Underlying operating profit / (loss) before impairment charges on financial instruments	**1,424**	**151**	**283**	**821**	**(677)**	**(11)**	**1,991**
Net impairment (losses) / gains on financial instruments	(70)	–	(29)	(94)	–	–	(193)
Share of results of associates and joint ventures	–	–	25	–	–	–	25
Gain on disposal / liquidation of business activities	–	–	–	–	–	–	–
Underlying profit / (loss) before tax	**1,354**	**151**	**279**	**727**	**(677)**	**(11)**	**1,823**

[1] *In 2025, net interest income in Corporate and Commercial reflects additional income of €69 million, arising from an updated interest allocation between segments in the year, with offsetting decreases in Retail Ireland and Retail UK of €52 million and €17 million respectively.*

2025 Reconciliation of underlying profit before tax to profit before tax	Group €m
Underlying profit before tax	1,823
Customer redress charges	(268)
Transformation programme costs	(153)
Acquisition costs	(22)
Gross-up for policyholder tax in the Wealth and Insurance business	13
Portfolio divestments (net)	5
Investment loss on treasury shares held for policyholders	(5)
Impairment of internally generated computer software	–
Gain on disposal / liquidation of business activities	–
Liability management exercises	–
Profit before tax	**1,393**

3 Operating segments *(continued)*

Restated[1,2] 2024	Retail Ireland[1] €m	Wealth and Insurance €m	Retail UK €m	Corporate and Commercial[1,2] €m	Group Centre[2] €m	Other reconciling items €m	Group €m
Net interest income	**2,035**	**(9)**	**577**	**961**	**1**	**–**	**3,565**
Other income	276	349	2	162	(31)	(11)	747
Total operating income	**2,311**	**340**	**579**	**1,123**	**(30)**	**(11)**	**4,312**
Other operating expenses	(558)	(208)	(256)	(338)	(492)	9	(1,843)
Other operating expenses (before levies and regulatory charges)	*(558)*	*(203)*	*(249)*	*(338)*	*(381)*	*9*	*(1,720)*
Levies and regulatory charges	*–*	*(5)*	*(7)*	*–*	*(111)*	*–*	*(123)*
Depreciation and amortisation	(112)	(27)	(26)	(16)	(68)	(3)	(252)
Total operating expenses	**(670)**	**(235)**	**(282)**	**(354)**	**(560)**	**6**	**(2,095)**
Underlying operating profit / (loss) before impairment charges on financial instruments	**1,641**	**105**	**297**	**769**	**(590)**	**(5)**	**2,217**
Net impairment (losses) / gains on financial instruments	(37)	–	29	(115)	–	–	(123)
Share of results of associates and joint ventures	–	–	29	5	–	–	34
Gain on disposal / liquidation of business activities	–	2	–	–	–	–	2
Underlying profit / (loss) before tax	**1,604**	**107**	**355**	**659**	**(590)**	**(5)**	**2,130**

[1] *Comparative figures have been restated to reflect the SB&A transfer from Corporate and Commercial to Retail Ireland. As a result, there is an increase of €545 million in underlying profit before tax in Retail Ireland and a corresponding decrease in Corporate and Commercial. See page 29 for further details.*
[2] *Comparative figures for business income have been restated to reflect €8 million loss transferred from Corporate and Commercial to Group Centre, which is made up of movements in the fair value of derivatives that economically hedge the Group's banking book exposures net of hedge accounting effects, relating to hedging activities managed within Group Centre.*

2024 Reconciliation of underlying profit before tax to profit before tax	Group €m
Underlying profit before tax	2,130
Customer redress charges	(182)
Transformation programme costs	(57)
Acquisition costs	(39)
Gross-up for policyholder tax in the Wealth and Insurance business	27
Portfolio divestments (net)	85
Investment loss on treasury shares held for policyholders	(2)
Impairment of internally generated computer software	(108)
Gain on disposal / liquidation of business activities	5
Liability management exercises	(4)
Profit before tax	**1,855**

2025 Income statement analysis by operating segment	Retail Ireland €m	Wealth and Insurance €m	Retail UK €m	Corporate and Commercial €m	Group Centre €m	Other reconciling items €m	Group €m
Gross external revenue	**1,768**	**813**	**1,429**	**2,308**	**453**	**(2)**	**6,769**
Inter segment revenue	2,047	63	(9)	4,569	1,538	(8,208)	–
Total revenue	**3,815**	**876**	**1,420**	**6,877**	**1,991**	**(8,210)**	**6,769**
Capital expenditure	**130**	**22**	**136**	**38**	**150**	**–**	**476**

3 Operating segments *(continued)*

Restated[1,2,3] 2024 Income statement analysis by operating segment	Retail Ireland[1,2] €m	Wealth and Insurance €m	Retail UK[2] €m	Corporate and Commercial[1,2,3] €m	Group Centre[3] €m	Other reconciling items[2] €m	Group €m
Gross external revenue[1]	**1,752**	**852**	**1,413**	**3,242**	**995**	**76**	**8,330**
Inter segment revenue[1,2,3]	2,289	55	157	5,769	1,623	(9,893)	–
Total revenue	**4,041**	**907**	**1,570**	**9,011**	**2,618**	**(9,817)**	**8,330**
Capital expenditure	**86**	**16**	**136**	**63**	**224**	**–**	**525**

[1] *Comparative figures have been restated to reflect the SB&A transfer from Corporate and Commercial to Retail Ireland. As a result, there is an increase of €229 million in gross external revenue and an increase of €955 million in inter segment revenue in Retail Ireland and a corresponding decrease in Corporate and Commercial. See page 29 for further details.*
[2] *Comparative figures for inter segment revenues has been restated due to a misallocation of revenues between segments in 2024, resulting in a €191 million increase in Retail Ireland, €20 million increase in Retail UK, €326 million increase in Corporate and Commercial, offset by a €537 million increase in Other reconciling items expense.*
[3] *Comparative figures for business income have been restated to reflect €8 million loss transferred from Corporate and Commercial to Group Centre, which is made up of movements in the fair value of derivatives that economically hedge the Group's banking book exposures net of hedge accounting effects, relating to hedging activities managed within Group Centre.*

2025 Balance sheet analysis by operating segment	Retail Ireland €m	Wealth and Insurance €m	Retail UK €m	Corporate and Commercial €m	Group Centre €m	Other reconciling items €m	Group €m
Total assets	**157,453**	**29,629**	**25,878**	**234,370**	**62,454**	**(344,985)**	**164,799**
Total liabilities	**153,828**	**28,427**	**23,614**	**233,501**	**57,461**	**(344,952)**	**151,879**
Investment in associates and joint ventures	88	–	68	85	7	–	248

Restated[1] 2024 Balance sheet analysis by operating segment	Retail Ireland[1] €m	Wealth and Insurance €m	Retail UK €m	Corporate and Commercial[1] €m	Group Centre €m	Other reconciling items €m	Group €m
Total assets	**139,110**	**28,075**	**26,176**	**228,749**	**83,103**	**(343,400)**	**161,813**
Total liabilities	**134,672**	**26,898**	**23,750**	**228,480**	**78,391**	**(343,387)**	**148,804**
Investment in associates and joint ventures	57	–	74	76	6	–	213

[1] *Comparative figures have been restated to reflect the SB&A transfer from Corporate and Commercial to Retail Ireland. As a result, there is an increase of €23,950 million in total assets and an increase of €23,423 million in total liabilities in Retail Ireland and a corresponding decrease in Corporate and Commercial. See page 29 for further details.*

2025 Geographical analysis	Republic of Ireland €m	United Kingdom €m	Rest of World €m	Total €m
Gross external revenue	**5,033**	**1,589**	**147**	**6,769**
Non-current assets	**1,967**	**435**	**7**	**2,409**

2024 Geographical analysis	Republic of Ireland €m	United Kingdom €m	Rest of World €m	Total €m
Gross external revenue	**6,455**	**1,715**	**160**	**8,330**
Non-current assets	**1,871**	**435**	**5**	**2,311**

4 Interest income

	2025 €m	2024 €m
Financial assets measured at amortised cost		
Loans and advances to customers	3,325	4,104
Loans and advances to banks	747	1,269
Debt securities at amortised cost	335	251
Interest income on financial assets measured at amortised cost	**4,407**	**5,624**
Financial assets at fair value through other comprehensive income		
Debt securities at fair value through other comprehensive income	89	168
Interest income on financial assets at fair value through other comprehensive income	**89**	**168**
Interest income calculated using the effective interest method	**4,496**	**5,792**
Other interest income		
Non-trading derivatives (not in hedge accounting relationships - economic hedges)	402	645
Finance leases and hire purchase receivables	340	294
Loans and advances to customers at FVTPL	7	8
Other financial assets at FVTPL	2	3
Other interest income	**751**	**950**
Interest income	**5,247**	**6,742**

Interest income on loans and advances to customers

In 2025, interest income of €74 million (2024: €87 million) was recognised and €104 million was received (2024: €102 million) on credit-impaired loans and advances to customers.

In 2025, interest income of €133 million (2024: €219 million) was recognised and €156 million (2024: €229 million) was received on total forborne loans and advances to customers.

For 2025, interest income was reduced by €35 million (2024: €65 million) relating to changes in the fair value of derivative financial instruments which economically hedge the performing mortgage book of KBC Bank Ireland (KBCI) acquired by the Group, which partly offsets interest income earned and recognised on these derivative financial instruments.

Transferred from cash flow hedge reserve

Interest income is presented net of a charge of €181 million (2024: €143 million) transferred from the cash flow hedge reserve (note 17).

Interest income recognised on non-trading derivatives

Interest income on non-trading derivatives was earned principally on pay fixed, receive floating interest rate swaps which are held with hedging intent, but for which hedge accounting is not applied.

5 Interest expense

	2025 €m	2024 €m
Financial liabilities measured at amortised cost		
Customer accounts	875	1,618
Debt securities in issue	393	573
Subordinated liabilities	106	139
Deposits from banks	40	120
Lease liabilities	11	10
Interest expense calculated using the effective interest rate method	**1,425**	**2,460**
Other interest expense		
Non-trading derivatives (not in hedge accounting relationships - economic hedges)	441	669
Customer accounts at FVTPL	10	12
Other interest expense	**451**	**681**
Interest expense	**1,876**	**3,141**

Interest expense recognised on customer accounts

Interest expense on customer accounts included interest expense of €265 million (2024: €1,061 million) arising on related derivatives which are in a hedge relationship with the relevant liability. The year on year decrease was caused by lower interest rates.

Interest expense recognised on debt securities in issue

Interest expense on debt securities in issue includes €59 million of interest expense (2024: €198 million) on derivatives which are in a hedge relationship with the relevant liability.

Interest expense recognised on subordinated liabilities

Interest expense on subordinated liabilities includes €14 million of interest expense (2024: €47 million) on derivatives which are in a hedge relationship with the relevant liability.

Interest expense recognised on non-trading derivatives

Interest expense on non-trading derivatives was incurred principally on receive fixed, pay floating interest rate swaps which are held with hedging intent, but for which hedge accounting is not applied.

6 Fee and commission income and expense

2025 Income	Retail Ireland €m	Wealth and Insurance €m	Retail UK €m	Corporate and Commercial €m	Group Centre €m	Group €m
Retail banking customer fees	317	–	32	92	–	441
Asset management fees	–	193	–	–	–	193
Credit related fees	4	–	2	20	–	26
Insurance commissions	–	11	–	–	–	11
Other	26	31	4	31	–	92
Fee and commission income	**347**	**235**	**38**	**143**	**–**	**763**

Net fee and commission income included €183 million (2024: €167 million) arising from trust and other fiduciary activities.

Expense

Fee and commission expense of €201 million (2024: €212 million) primarily comprises brokerage fees, sales commissions and other fees paid to third parties.

6 Fee and commission income and expense *(continued)*

Restated[1] 2024 Income	Retail Ireland[1] €m	Wealth and Insurance €m	Retail UK €m	Corporate and Commercial[1] €m	Group Centre €m	Group €m
Retail banking customer fees[1]	300	–	33	110	–	443
Asset management fees	–	173	–	–	–	173
Credit related fees	5	–	2	15	–	22
Insurance commissions	–	11	–	–	–	11
Other[1]	20	26	4	30	–	80
Fee and commission income	**325**	**210**	**39**	**155**	**–**	**729**

[1] *Comparative figures have been restated to reflect the SB&A transfer from Corporate and Commercial to Retail Ireland. As a result, fee and commission income of €105 million has been reallocated from Corporate and Commercial to Retail Ireland.*

7 Net trading income

Net trading income includes the gains and losses on financial instruments mandatorily measured at FVTPL and those designated at FVTPL (other than unit-linked life assurance assets and investment contract liabilities). It includes the fair value movement on these instruments and the realised gains and losses arising on the purchase and sale. It also includes €14 million (2024: €12 million) related to FX transaction and translation gains and losses on financial instruments held for trading.

It does not include interest income on debt financial assets mandatorily measured at FVTPL, interest expense on financial liabilities designated at FVTPL and interest income or expense on derivatives that are held with hedging intent, but for which hedge accounting is not applied (economic hedges).

Net income from financial instruments mandatorily measured at FVTPL includes dividend income from equities, realised and unrealised gains and losses. Non-trading equities and debt securities mandatorily measured at FVTPL are reported in the balance sheet under the caption 'other financial assets at fair value through profit or loss'. The income from life assurance investments which also comprise other financial assets at FVTPL is reported in note 21.

Net fair value hedge ineffectiveness reflects a net gain from hedged items of €68 million (2024: €456 million) offsetting a net loss from hedging instruments of €67 million (2024: €456 million).

	2025 €m	2024 €m
Net income from financial instruments designated at FVTPL		
Financial liabilities designated at fair value	5	(25)
Related derivatives held for trading	(7)	26
	(2)	**1**
Net income from financial instruments mandatorily measured at FVTPL		
Other financial instruments held for trading	50	58
Equities	13	39
Non-trading debt securities	6	3
Loans and advances	3	4
	70	**105**
Net fair value hedge ineffectiveness	1	–
Net trading income	**71**	**105**

8 Other leasing income and expense

Other leasing income and expense relate to the business activities of Marshall Leasing, which is a car and commercial leasing and fleet management business based in the UK.

	2025 €m	2024 €m
Other leasing income	**121**	**109**
Operating lease payments	*71*	*64*
Sale of leased assets	*43*	*38*
Other income	*7*	*7*
Other leasing expense	**(93)**	**(87)**
Depreciation of rental vehicles	*(50)*	*(51)*
Other selling and disposal costs	*(43)*	*(36)*
Net other leasing income	**28**	**22**

9 (Loss) / gain on derecognition of financial assets

During 2025, the Group sold a share of corporate loans with a net carrying value of €235 million. The loss on disposal and derecognition was €3 million (2024: €1 million).

In 2024, the Group disposed of its UK personal loans portfolio, with a net carrying value of €0.8 billion, recognising a gain of €39 million after transaction and migration-related costs. Retail UK also sold a small portfolio of UK mortgages with a carrying value of €21 million, resulting in a loss on derecognition of €5 million.

	2025 €m	2024 €m
(Loss) / gain on derecognition of financial assets		
Corporate loans	(3)	(1)
Retail UK personal loans portfolio	–	39
Retail UK mortgage portfolio	–	(5)
(Loss) / gain on derecognition of financial assets	**(3)**	**33**

10 Other operating income

	2025 €m	2024 €m
Other insurance income	65	79
Elimination of investment return on treasury shares held for the benefit of policyholders in the Wealth and Insurance business	(2)	(1)
Loss on liability management exercises	–	(4)
Other operating income	**63**	**74**

Other insurance income relates to investment classified business consisting of investment business income, change in policyholder investment contract liabilities, actual investment premiums and claims, gain / loss on disposal and revaluation of investment properties.

No expenses were incurred on liability management exercises during the year. In 2024, the Group recognised a €4 million cost reflecting the repurchase of certain Group perpetual non-call instruments.

11 Other operating expenses

Administrative expenses and staff costs	Note	2025 €m	2024 €m
Staff costs excluding transformation programme staff costs		992	979
Amortisation of intangible assets	29	211	193
Levies and regulatory charges		129	125
Irish bank levy		*85*	*85*
Other		*44*	*40*
Depreciation of property, plant and equipment	31	52	60
Lease expenses	38	25	31
Impairment of intangible assets	29	–	100
Impairment of property, plant and equipment	31	–	2
Other administrative expenses		1,063	945
Total		**2,472**	**2,435**
Total staff costs are analysed as follows:			
Wages and salaries		831	854
Social security costs		98	92
Retirement benefit costs (defined benefit plans)	42	14	31
Retirement benefit costs (defined contribution plans)		62	58
Other staff expenses		58	15
		1,063	**1,050**
Staff costs capitalised		(71)	(71)
Staff costs excluding transformation programme staff costs		**992**	**979**
Other staff expenses included in transformation programme costs	12	81	24
Total staff costs recognised in the income statement		**1,073**	**1,003**

Pension costs

Pension costs of €76 million for 2025 were €13 million lower than 2024. Defined benefit pension costs have decreased by €17 million due to lower service costs and higher interest income on the surplus. New joiners are added to the Group's defined contribution plans, the cost of which has increased by €4 million compared to 2024.

Staff numbers *S1-6, S3-4*

At 31 December 2025, the number of staff FTE was 11,287 (2024: 11,188). The average number of FTE for the Group for the year ended 31 December 2025 was 11,326 (2024: 11,131). The increase in FTEs was primarily due to in-sourcing of IT capability and additional resourcing required to support key business initiatives. The table below outlines the increase in the average number of staff employed by the Group.

Customer redress charges

During the year, the Group recognised €264 million (£231 million) (2024: €176 million) customer redress charges in connection with historical commission arrangements in the Group's UK motor finance business. The Group's total provision held at 31 December 2025 amounted to €419 million (2024: €172 million) with an income statement charge of €264 million, reflecting an increase in the provision. The cumulative charge incurred by 31 December 2025 is €429 million (£374 million). The provision represents the Group's best estimate of the redress and compensation that may be payable to impacted customers, along with programme costs that may be incurred by the Group in connection with the FCA consumer redress scheme. It includes, inter alia, estimates for the potentially impacted customer population, redress amounts, opt-in rates and operational costs. For more details see note 39 provisions.

Average number of staff (full time equivalents)	2025	*Restated*[1] 2024
Retail Ireland[1]	3,699	3,667
Retail UK	1,454	1,398
Wealth and Insurance	1,904	1,855
Corporate and Commercial[1]	1,109	1,171
Group Centre	3,160	3,040
Total	**11,326**	**11,131**

[1] *Comparative figures have been restated to reflect the SB&A transfer from Corporate and Commercial to Retail Ireland. As a result, 99 full time equivalents have been reallocated from Corporate and Commercial to Retail Ireland.*

12 Cost of restructuring programme

In 2025, the Group recognised a restructuring charge of €133 million (2024: €57 million).

	2025 €m	2024 €m
Transformation programme costs		
Staff costs	81	24
Programme management costs	52	25
UK Strategic review costs	–	7
Property-related costs	–	1
Total	**133**	**57**

13 Auditor's remuneration (excluding Value Added Tax)

Audit and assurance services	Note	RoI (i) €m	Overseas (ii) €m	2025 €m	*Restated*[1] 2024
Statutory audit of financial statements		3.6	3.1	6.7	6.5
Other assurance services	iii	1.6	0.2	1.8	2.4
Total Auditor's remuneration		**5.2**	**3.3**	**8.5**	**8.9**

[1] *Comparative figures have been restated to reflect additional other assurance services recognised in the 2025 income statement for incremental fees related to the 2024 CSRD assurance engagement.*

Disclosure of Auditor's fees is made in accordance with Section 322 of the Companies Act which mandates the disclosure of fees in particular categories and that fees payable to the Group Auditor (KPMG) for services provided to the Group be disclosed in this format. All years presented are on that basis.

The GAC has reviewed the level of fees and is satisfied that it has not affected the independence of the auditors.

i. Fees paid to the Statutory Auditor, KPMG.
ii. Fees paid to overseas auditors consist of fees paid to KPMG UK in the UK.
iii. Other assurance services consist primarily of the CSRD assurance engagement, J&E Davy assurance services, Solvency II return, letters of comfort, ESG related reporting, fees in connection with reporting to regulators including the CBI and review of compliance with the Government Guarantee Schemes.

14 Net impairment (losses) / gains on financial instruments

	2025 €m	2024 €m
Loans and advances to customers at amortised cost	(289)	(90)
Movement in impairment loss allowances (note 25)	*(319)*	*(151)*
Cash recoveries	*30*	*61*
Loan commitments	(15)	(18)
Guarantees and irrevocable letters of credit	2	1
Other financial assets	(1)	–
Net impairment losses on financial instruments before reimbursement asset movements	**(303)**	**(107)**
Reimbursement asset movements	111	–
Net impairment losses on financial instruments	**(192)**	**(107)**

Net impairment losses on financial instruments have been partially offset by reimbursement asset movements of €111 million (2024: €nil), arising from financial guarantee contracts relating to corporate and residential mortgage portfolios.

14 Net impairment (losses) / gains on financial instruments *(continued)*

Net impairment (losses) / gains on loans and advances to customers at amortised cost

	2025 €m	2024 €m
Residential mortgages	(57)	31
Retail Ireland	*(45)*	*13*
Retail UK	*(12)*	*18*
Non-property SME and corporate	(225)	(95)
Republic of Ireland SME	*(15)*	*(44)*
UK SME	*(4)*	*22*
Corporate	*(206)*	*(73)*
Property and construction	14	1
Investment	*29*	*5*
Development	*(15)*	*(4)*
Consumer	(21)	(27)
Total	**(289)**	**(90)**

During 2025, the Group completed the sale of a portfolio of UK non-performing loans whereby it derecognised €149 million (2024: €58 million) of loans and advances to customers (after an impairment loss allowance of €16 million (2024: €125 million)). Expected cash flows arising from the sale of a loan are included in the measurement of expected credit losses under IFRS 9, where certain conditions are met. As the transaction satisfied these conditions, the cash flows have been included in the impairment calculation.

As a result, net impairment (losses) / gains on financial instruments includes a net impairment loss of €2 million (2024: €21 million gain) arising on the transaction. See note 25 for further information.

15 Share of results of associates and joint ventures (after tax)

	2025 €m	2024 €m
First Rate Exchange Services (note 28)	25	29
Associates (note 28)	–	5
Share of results of associates and joint ventures (after tax)	**25**	**34**

16 Gain on disposal / liquidation of business activities

There was no gain or loss recognised on disposals or liquidations of business activities during the year. The €7 million gain recognised in 2024, related to the liquidation of Midasgrange Limited (2024: €5 million) and the sale of a business within Davy (2024: €2 million).

	2025 €m	2024 €m
Transfer of foreign exchange reserve to income statement on liquidation of non-trading entities	–	5
Other disposals	–	2
Gain on disposal / liquidation of business activities	**–**	**7**

17 Taxation

The taxation charge for the year is €192 million (2024: €324 million) with an effective statutory taxation rate of 14% (2024: 17%). The effective tax rate was influenced by changes in the jurisdictional mix of profits including customer redress charges in the UK and the Irish bank levy.

Recognised in income statement	2025 €m	2024 €m
Current tax		
Irish corporation tax		
Current year	32	31
Adjustments in respect of prior year	(2)	(2)
Foreign tax		
Current year	20	67
Adjustments in respect of prior year	(9)	6
Current tax charge[1]	**41**	**102**
Deferred tax		
Utilisation of brought forward tax losses	155	221
Adjustments in respect of prior year	4	(2)
Origination and reversal of temporary differences	(8)	3
Deferred tax charge	**151**	**222**
Taxation charge	**192**	**324**

[1] *The Group is within the scope of the OECD 15% minimum effective tax rate Model Rules (Pillar 2). However, the impact of Pillar 2 on the tax charge in the current period is €nil. This is because the Pillar Two effective tax rate in Ireland, and in each of the jurisdictions in which the Group operates, is above 15% or transitional exemptions apply. The UK jurisdiction has a current year loss, due to the customer redress charges, and thus no Pillar 2 considerations arise. See note 32 for further details.*

Reconciliation of tax on the profit before taxation at the standard Irish corporation tax rate to actual tax charge	2025 €m	2024 €m
Profit before tax multiplied by the standard rate corporation tax in Ireland of 12.5% (2024: 12.5%)	174	232
Effects of:		
Foreign earnings subject to different rates of tax	17	69
Non-deductible bank levy	11	11
Adjustments in respect of prior year	(7)	2
Share of results of associates and joint ventures shown post tax in the income statement	(3)	(2)
Wealth and Insurance companies - different basis of accounting	(2)	11
Other adjustments for tax purposes	2	1
Taxation charge	**192**	**324**

17 Taxation *(continued)*

Analysis of selected other comprehensive income	2025 Pre-tax €m	2025 Tax €m	2025 Net of Tax €m	2024 Pre-tax €m	2024 Tax €m	2024 Net of Tax €m
Debt instruments at FVOCI reserve						
Changes in fair value	20	(2)	18	(1)	–	(1)
Net change in debt instruments at FVOCI reserve	**20**	**(2)**	**18**	**(1)**	**–**	**(1)**
Remeasurement of the net defined benefit pension asset	**(149)**	**20**	**(129)**	**314**	**(43)**	**271**
Cash flow hedge reserve						
Changes in fair value	323	(32)	291	(520)	72	(448)
Transfer to income statement	(292)	29	(263)	524	(74)	450
Net trading (expense) / income	*(473)*	*47*	*(426)*	*381*	*(54)*	*327*
Net interest income	*181*	*(18)*	*163*	*143*	*(20)*	*123*
Net change in cash flow hedge reserve	**31**	**(3)**	**28**	**4**	**(2)**	**2**
Net change in foreign exchange reserve	**(164)**	**–**	**(164)**	**125**	**–**	**125**
Net change in revaluation reserve	**3**	**(1)**	**2**	**(2)**	**–**	**(2)**
Liability credit reserve						
Changes in fair value of liabilities designated at FVTPL due to own credit risk	8	1	9	–	–	–
Other comprehensive income for the year	**(251)**	**15**	**(236)**	**440**	**(45)**	**395**

18 Earnings per share

The calculation of basic earnings per ordinary share is based on the profit attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue excluding treasury shares. Diluted earnings per share is based on the profit attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue excluding treasury shares adjusted for the effect of all dilutive potential ordinary shares. For 2025 and 2024, there was no difference in the weighted average number of units of share used for basic and diluted earnings per share.

	2025 €m	2024 €m
Basic and diluted earnings per share		
Profit attributable to shareholders	1,201	1,531
Distributions on other equity instruments - AT1 coupon	(81)	(62)
Adjustment for redemption of AT1 securities	(5)	–
Adjustment for repurchase of AT1 securities	–	(16)
Profit attributable to ordinary shareholders	**1,115**	**1,453**
	Shares	**Shares**
Weighted average number of shares in issue excluding treasury shares (millions)	971	1,024
Basic and diluted earnings per share (€ cent)	114.8	141.9

19 Insurance contracts

Under IFRS 17, there are three financial statement line items within insurance service result in the income statement which comprises insurance revenue, insurance service expense and net expense from reinsurance contracts held. The insurance finance income or expense is presented separately for both insurance and reinsurance in the notes to the financial statements, and aggregated together with total investment gains as insurance investment and finance result in the income statement. Disclosure is provided for both insurance contracts issued and reinsurance contracts held.

Insurance investment and finance result

The table below comprises the investment gains and losses, realised gains and losses and unrealised gains and losses which accrue to the Group on all investment assets held by the Wealth and Insurance division (excluding Davy), other than those held for the benefit of policyholders whose contracts are considered to be investment contracts. These instruments are mandatorily measured at FVTPL.

Total investment gains of €657 million in 2025 (2024: €1,526 million) were consistent with positive investment market performance during the year, due in large part to external economic environmental factors. The gains on the assets held on behalf of the insurance policyholders were consistent with the increase in the insurance contract liabilities.

Insurance investment and finance result	2025 €m	2024 €m
Gains on other financial assets held on behalf of Wealth and Insurance policyholders	638	1,526
Gains on investment property held on behalf of Wealth and Insurance policyholders	19	–
Total investment gains	**657**	**1,526**
Finance (expense) / income from insurance contracts issued	**(632)**	**(1,536)**
Effect of changes in interest rates and other financial assumptions	*(609)*	*(1,517)*
Interest accreted using locked-in rate	*(23)*	*(19)*
Finance (expense) / income from reinsurance contracts held	**(15)**	**36**
Effect of changes in interest rates and other financial assumptions	*(25)*	*28*
Interest accreted using locked-in rate	*10*	*8*
Net insurance and reinsurance finance result	**(647)**	**(1,500)**
Total insurance investment and finance result	**10**	**26**

Insurance revenue

The table below provides a breakdown of the composition of insurance revenue for all insurance contracts issued. Key components of revenue are the release of expected incurred claims and expenses in 2025 of €383 million (2024: €405 million) and the release of CSM in 2025 €74 million (2024: €74 million).

Insurance revenue	2025 €m	2024 €m
Expected incurred claims and other expenses	383	405
CSM recognised in income statement for services	74	74
Recovery of insurance acquisition cash flows	39	31
Change in risk adjustment for non-financial risk expired	12	14
Premium variance	13	12
Total insurance revenue	**521**	**536**

19 Insurance contracts *(continued)*

Insurance contract liabilities

The table below provides a comprehensive reconciliation from opening to closing balance of insurance contract liabilities, disaggregated between the LRC and the LIC. Included in the total insurance service result is an allocation of depreciation expense of €12 million (2024: €7 million) and an allocation of defined benefit pension costs of €2 million (2024: €3 million) attributable to insurance contracts.

	2025				2024			
	Liability for remaining coverage		Liability for incurred claims		Liability for remaining coverage		Liability for incurred claims	
Insurance contract liabilities	**Excluding loss component €m**	**Loss component €m**	**€m**	**Total €m**	**Excluding loss component €m**	**Loss component €m**	**€m**	**Total €m**
Opening liabilities	**(15,994)**	**(55)**	**(636)**	**(16,685)**	**(14,499)**	**(40)**	**(574)**	**(15,113)**
Insurance revenue	**521**	**–**	**–**	**521**	**536**	**–**	**–**	**536**
Contracts measured using the fair value approach that existed at transition date	*280*	*–*	*–*	*280*	*296*	*–*	*–*	*296*
New business and all other contracts	*241*	*–*	*–*	*241*	*240*	*–*	*–*	*240*
Insurance service expense	**(39)**	**12**	**(379)**	**(406)**	**(31)**	**(14)**	**(431)**	**(476)**
Incurred claims and other insurance service expenses	*(1)*	*14*	*(422)*	*(409)*	*–*	*16*	*(460)*	*(444)*
Insurance acquisition cash flows amortisation	*(38)*	*–*	*–*	*(38)*	*(31)*	*–*	*–*	*(31)*
Changes that relate to future service - losses on onerous groups of contracts and reversal of such losses	*–*	*(2)*	*–*	*(2)*	*–*	*(30)*	*–*	*(30)*
Changes that relate to past service - adjustment to the LIC	*–*	*–*	*43*	*43*	*–*	*–*	*29*	*29*
Total insurance service result	**482**	**12**	**(379)**	**115**	**505**	**(14)**	**(431)**	**60**
Finance expense from insurance contracts issued	(632)	(1)	1	(632)	(1,524)	(1)	(11)	(1,536)
Investment components	1,600	–	(1,600)	–	1,613	–	(1,613)	–
Total amounts recognised in comprehensive income	**1,450**	**11**	**(1,978)**	**(517)**	**594**	**(15)**	**(2,055)**	**(1,476)**
Cash flows								
Premiums received	(2,082)	–	–	(2,082)	(2,166)	–	–	(2,166)
Claims and other directly attributable expenses	–	–	2,005	2,005	–	–	1,993	1,993
Insurance acquisition cash flows	82	–	–	82	77	–	–	77
Total cash flows	**(2,000)**	**–**	**2,005**	**5**	**(2,089)**	**–**	**1,993**	**(96)**
Closing liabilities	**(16,544)**	**(44)**	**(609)**	**(17,197)**	**(15,994)**	**(55)**	**(636)**	**(16,685)**

19 Insurance contracts *(continued)*

Reinsurance contract assets

The table below provides a comprehensive reconciliation from opening to closing balance of reinsurance contract assets, disaggregated between the remaining coverage and the incurred claims components.

	2025				2024			
	Assets for remaining coverage				Assets for remaining coverage			
Reinsurance contract assets	Excluding loss recovery component €m	Loss recovery component €m	Assets for incurred claims €m	Total €m	Excluding loss recovery component €m	Loss recovery component €m	Assets for incurred claims €m	Total €m
Opening assets	**1,175**	**34**	**244**	**1,453**	**1,159**	**28**	**227**	**1,414**
Net (expense) / income from reinsurance contracts held								
Reinsurance expenses	(21)	–	–	(21)	(23)	–	–	(23)
Claims recovered and other directly attributable expenses	(163)	(3)	142	(24)	(172)	(5)	171	(6)
Changes relating to past service - adjustments to incurred claims	–	–	(4)	(4)	–	–	(7)	(7)
Changes in recoveries of (losses) / gains on onerous underlying contracts	–	(3)	–	(3)	–	11	–	11
Total net (expense) / income from reinsurance contracts held	**(184)**	**(6)**	**138**	**(52)**	**(195)**	**6**	**164**	**(25)**
Finance income from reinsurance contracts held	(15)	–	–	(15)	32	–	4	36
Investment components	(3)	–	3	–	(4)	–	4	–
Total amounts recognised in comprehensive income	**(202)**	**(6)**	**141**	**(67)**	**(167)**	**6**	**172**	**11**
Cash flows								
Premiums paid net of ceding commissions and other deferred acquisition costs paid	97	–	–	97	183	–	–	183
Recoveries from reinsurance	–	–	(155)	(155)	–	–	(155)	(155)
Total cash flows	**97**	**–**	**(155)**	**(58)**	**183**	**–**	**(155)**	**28**
Closing assets	**1,070**	**28**	**230**	**1,328**	**1,175**	**34**	**244**	**1,453**

19 Insurance contracts *(continued)*

Analysis of insurance contracts by measurement component

The analysis below provides a reconciliation from opening to closing balance for each of the key measurement components of insurance contract liabilities.

2025 Insurance contract liabilities	Estimates of present value of future cash flows €m	Risk adjustment for non-financial risk €m	CSM		Total €m
			Contracts measured using the fair value approach at transition date €m	New business and all other contracts €m	
Opening liabilities	**(15,864)**	**(103)**	**(572)**	**(146)**	**(16,685)**
Changes relating to current services					
CSM recognised in income statement for services	–	–	59	15	74
Change in risk adjustment for non-financial risk expired	–	12	–	–	12
Experience adjustments	(12)	–	–	–	(12)
Changes relating to future services					
Contracts initially recognised in the year	30	(12)	–	(17)	1
Changes in estimates that adjust the contractual service margin	46	5	(55)	3	(1)
Changes in estimates that result in loss on onerous contracts	(1)	(1)	–	–	(2)
Changes relating to past services					
Adjustments to liabilities for incurred claims	43	–	–	–	43
Insurance service result	**106**	**4**	**4**	**1**	**115**
Finance expense from insurance contracts issued	(631)	1	(1)	(1)	(632)
Total amounts recognised in comprehensive income	**(525)**	**5**	**3**	**–**	**(517)**
Cash flows					
Premiums received	(2,082)	–	–	–	(2,082)
Claims and other directly attributable expenses	2,005	–	–	–	2,005
Insurance acquisition cash flows	82	–	–	–	82
Total cash flows	**5**	**–**	**–**	**–**	**5**
Closing liabilities	**(16,384)**	**(98)**	**(569)**	**(146)**	**(17,197)**

19 Insurance contracts *(continued)*

2024 Insurance contract liabilities	Estimates of present value of future cash flows €m	Risk adjustment for non-financial risk €m	CSM Contracts measured using the fair value approach at transition date €m	CSM New business and all other contracts €m	Total €m
Opening liabilities	**(14,265)**	**(99)**	**(639)**	**(110)**	**(15,113)**
Changes relating to current services					
CSM recognised in income statement for services	–	–	61	13	74
Change in risk adjustment for non-financial risk expired	–	14	–	–	14
Experience adjustments	(27)	–	–	–	(27)
Changes relating to future services					
Contracts initially recognised in the year	31	(12)	–	(19)	–
Changes in estimates that adjust the contractual service margin	25	(2)	7	(30)	–
Changes in estimates that result in loss on onerous contracts	(27)	(3)	–	–	(30)
Changes relating to past services					
Adjustments to liabilities for incurred claims	29	–	–	–	29
Insurance service result	**31**	**(3)**	**68**	**(36)**	**60**
Finance expense from insurance contracts issued	(1,534)	(1)	(1)	–	(1,536)
Total amounts recognised in comprehensive income	**(1,503)**	**(4)**	**67**	**(36)**	**(1,476)**
Cash flows					
Premiums received	(2,166)	–	–	–	(2,166)
Claims and other directly attributable expenses	1,993	–	–	–	1,993
Insurance acquisition cash flows	77	–	–	–	77
Total cash flows	**(96)**	**–**	**–**	**–**	**(96)**
Closing liabilities	**(15,864)**	**(103)**	**(572)**	**(146)**	**(16,685)**

19 Insurance contracts *(continued)*

Analysis of reinsurance contracts by measurement component

The analysis below provides a reconciliation from opening to closing balance for each of the key measurement components of reinsurance contract assets.

2025 Reinsurance contract assets	Estimates of present value of future cash flows €m	Risk adjustment for non-financial risk €m	CSM		Total €m
			Underlying contracts measured using the fair value approach €m	New business and all other underlying contracts €m	
Opening assets	**1,303**	**6**	**165**	**(21)**	**1,453**
Changes relating to current services					
CSM recognised in income statement for services	–	–	(14)	1	(13)
Change in risk adjustment for non-financial risk expired	–	(1)	–	–	(1)
Experience adjustments	(31)	–	–	–	(31)
Changes relating to future services					
Contracts initially recognised in the year	10	–	–	(10)	–
Changes in estimates that adjust the contractual service margin	(17)	–	(9)	26	–
Changes in recoveries of gains / (losses) on onerous underlying contracts that adjust the CSM	–	–	1	(4)	(3)
Changes relating to past services					
Adjustments to liabilities for incurred claims	(4)	–	–	–	(4)
Net expenses from reinsurance contracts	**(42)**	**(1)**	**(22)**	**13**	**(52)**
Finance expense from reinsurance contracts held	(15)	–	–	–	(15)
Total amounts recognised in comprehensive income	**(57)**	**(1)**	**(22)**	**13**	**(67)**
Cash flows					
Premiums paid net of ceding commissions and other deferred acquisition costs paid	97	–	–	–	97
Recoveries from reinsurance	(155)	–	–	–	(155)
Total cash flows	**(58)**	**–**	**–**	**–**	**(58)**
Closing assets	**1,188**	**5**	**143**	**(8)**	**1,328**

19 Insurance contracts *(continued)*

2024 Reinsurance contract assets	Estimates of present value of future cash flows €m	Risk adjustment for non-financial risk €m	CSM: Underlying contracts measured using the fair value approach €m	CSM: New business and all other underlying contracts €m	Total €m
Opening assets	**1,248**	**6**	**182**	**(22)**	**1,414**
Changes relating to current services					
CSM recognised in income statement for services	–	–	(16)	–	(16)
Change in risk adjustment for non-financial risk expired	–	(1)	–	–	(1)
Experience adjustments	(12)	–	–	–	(12)
Changes relating to future services					
Contracts initially recognised in the year	9	1	–	(10)	–
Changes in estimates that adjust the contractual service margin	1	–	(1)	–	–
Changes in recoveries of gains on onerous underlying contracts that adjust the CSM	–	–	–	11	11
Changes relating to past services					
Adjustments to liabilities for incurred claims	(7)	–	–	–	(7)
Net expenses from reinsurance contracts	**(9)**	**–**	**(17)**	**1**	**(25)**
Finance income from reinsurance contracts held	36	–	–	–	36
Total amounts recognised in comprehensive income	**27**	**–**	**(17)**	**1**	**11**
Cash flows					
Premiums paid net of ceding commissions and other deferred acquisition costs paid	183	–	–	–	183
Recoveries from reinsurance	(155)	–	–	–	(155)
Total cash flows	**28**	**–**	**–**	**–**	**28**
Closing assets	**1,303**	**6**	**165**	**(21)**	**1,453**

New business analysis

The table below provides an analysis of the measurement components of insurance contracts newly issued or acquired during the year. There were no acquisitions of insurance contracts in current or prior year.

Insurance contracts issued during 2025 and 2024	2025 Contracts issued: Profitable €m	2025 Contracts issued: Onerous €m	2025 Total €m	2024 Contracts issued: Profitable €m	2024 Contracts issued: Onerous €m	2024 Total €m
Insurance acquisition cash flows	(60)	(22)	(82)	(59)	(18)	(77)
Claims and other directly attributable expenses	(167)	(71)	(238)	(240)	(93)	(333)
Total estimates of present value of future cash outflows	**(227)**	**(93)**	**(320)**	**(299)**	**(111)**	**(410)**
Estimates of present value of future cash inflows	256	84	340	330	102	432
Risk adjustment for non-financial risk	(12)	(2)	(14)	(12)	(2)	(14)
Contractual service margin	(17)	–	(17)	(19)	–	(19)
Effect at initial recognition of contracts issued during the year	**–**	**(11)**	**(11)**	**–**	**(11)**	**(11)**

19 Insurance contracts *(continued)*

The table below provides an analysis of the measurement components of reinsurance contracts which have been newly originated during the year.

	2025			2024		
	Newly originated contracts			Newly originated contracts		
Reinsurance contracts originated during 2025 and 2024	Net gain €m	Net loss €m	Total €m	Net gain €m	Net loss €m	Total €m
Estimates of present value of future cash outflows	(56)	–	(56)	(98)	–	(98)
Estimates of present value of future cash inflows	65	–	65	107	–	107
Risk adjustment for non-financial risk	1	–	1	1	–	1
Contractual service margin	(4)	–	(4)	(4)	–	(4)
Effect at initial recognition of contracts newly originated during the year	**6**	**–**	**6**	**6**	**–**	**6**

Expected recognition of contractual service margin

The table below provides information on the expected release of the CSM over time.

Expected recognition of CSM at 31 December 2025	Year 1 €m	Year 2 €m	Year 3 €m	Year 4 €m	Years 5-9 €m	Years 10+ €m	Total €m
Insurance contracts issued	73	67	61	55	207	252	715
Reinsurance contracts held	(12)	(11)	(10)	(9)	(36)	(56)	(134)

Expected recognition of CSM at 31 December 2024	Year 1 €m	Year 2 €m	Year 3 €m	Year 4 €m	Years 5-9 €m	Years 10+ €m	Total €m
Insurance contracts issued	70	64	59	54	207	264	718
Reinsurance contracts held	(14)	(12)	(11)	(10)	(39)	(58)	(144)

The Wealth and Insurance division writes the following life assurance contracts that contain insurance risk:

Non unit-linked life assurance contracts
These contracts provide the policyholder with insurance in the event of death, critical illness or permanent disability (principally mortality and morbidity risk).

Non unit-linked annuity contracts
These contracts provide the policyholder with an income until death (principally longevity and market risk).

Unit-linked insurance contracts
These contracts include both policies primarily providing life assurance protection and policies providing investment but with a level of insurance risk deemed to be significant (principally mortality and market risk).

Underwriting risk management

The Group is exposed to different elements of insurance risk for life insurance policies:

- mortality risk is the risk of losses arising from death of life insurance policyholders being earlier than expected;
- morbidity risk is the risk of losses from medical claims occurring higher than expected; and
- longevity risk is the risk of losses arising from longer life of policyholders than expected.

For life assurance contracts where death is the insured risk, the most significant factors that could adversely affect the frequency and severity of claims are the incidence of disease and general changes in lifestyle. Where the insured risk is longevity, advances in medical care is the key factor that increases longevity. The Group manages its exposures to insurance risks through a combination of applying strict underwriting criteria, asset and liability matching, transferring risk to reinsurers and the establishment of insurance contract liabilities. Further details on life insurance risk can be found in the Risk Management Report on page 270.

Regulatory risk

The Solvency II framework came into effect from 1 January 2016 and introduced new capital, risk management, governance and reporting requirements for all European insurance entities. Under this regime, insurance entities are required to hold technical provisions to meet liabilities to policyholders using best estimate assumptions plus a risk margin as well as a risk based solvency capital requirement which is calculated by considering the capital required to withstand a number of shock scenarios. In addition, the Group's Isle of Man insurance entity is required to hold shareholder equity that exceeds the solvency requirements specified by the Isle of Man Financial Services Authority.

19 Insurance contracts *(continued)*

As part of the disclosure requirements, the Group's life assurance entity, NIAC, annually publishes a public document called the Solvency and Financial Condition Report setting out more detail on its solvency and capital management.

Sudden or unexpected changes in the regulatory or legal environment may result in losses for the Group or an increase in solvency requirements.

This may arise from a number of sources such as interpretations of, or changes to, the Solvency II Directive or other relevant obligations, changes in definitions of the risks that the Group insures or more structural impacts on the markets in which the Group participates, for example pensions regulations.

It is likely that such changes would impact the insurance industry as a whole, as opposed to being necessarily specific to the Group.

As the Group develops new products, processes and systems and employs new technologies, it is of increasing importance that the Group anticipates known regulatory developments in ensuring that it is sufficiently well placed to meet current and likely future regulatory demands. This is a key part, and base enabler, of the Group's strategy.

Concentration of insurance risk

The Group monitors insurance risk relating to insurance contracts and for insurance contracts issued, insurance risk is geographically concentrated in the Republic of Ireland.

Insurance risk is also highly concentrated along product lines, with 85% of insurance contracts being unit-linked and the remaining 15% non unit-linked. Concentrations of credit risk relating to insurance contracts can arise through the Group's reinsurance arrangements where the Group has a large exposure to a single counterparty. This credit exposure is mitigated by collateralisation agreements where the Company has access to assets which would compensate the Company should the reinsurer fail to meet its obligations. Please refer to note 26 for more information on credit risk exposures.

Other information related to insurance contracts

Additional information relevant to the understanding of insurance and reinsurance contracts, as well as their exposure to credit and liquidity risk, can be found in the following places:

- assets underlying insurance contracts with direct participation features in notes 21, 22 and 30;
- credit risk exposures in note 26; and
- liquidity risk in note 53.

Sensitivities

The following table provides a downside sensitivity analysis or the key insurance and market risks, used for the purpose of risk management. Profit before tax and CSM have been selected as benchmarks due to contribution toward Group earnings. The sensitivity calculations are not cumulative, each is considered and calculated separately. The changes in the profit before tax and CSM incorporate the impact on the insurance related liabilities and assets of the Group and are net of reinsurance. The movement in CSM is after amortisation in the current reporting year and will impact profits in future reporting periods.

The method used to calculate these sensitivities involves a recalculation of insurance related liabilities and assets at 31 December 2025 and 31 December 2024, incorporating one of the variable changes noted below in each recalculation.

Sensitivities: impact net of reinsurance on annual profit before tax and on the contractual service margin	2025		2024	
	Profit before tax €m	Contractual service margin €m	Profit before tax €m	Contractual service margin €m
Insurance risks				
10% increase in mortality rates	(8)	(15)	(9)	(14)
10% improvement in mortality rates for business exposed to longevity risk	4	(31)	(1)	(28)
10% increase in morbidity rates	(4)	(6)	(8)	(6)
10% deterioration in persistency stress	(3)	(23)	(2)	(22)
5% increase in maintenance expenses	(2)	(20)	(3)	(20)
Market risks				
10% unfavourable change in non-Euro currency exchange rates	(14)	(29)	(12)	(23)
1% increase in interest rates and unit growth rates[1]	(43)	3	(36)	2
10% decrease in equity and property markets	(17)	(36)	(16)	(33)
0.5% widening in bond yields	(49)	–	(49)	–

[1] *Excludes the impact of pension scheme.*

19 Insurance contracts *(continued)*

Discount Rates

The discount rates provided in the table below represent the yield curves to discount insurance and reinsurance cash flows. Discount rates have been constructed through either the bottom-up or top-down approach as required by IFRS 17. Please refer to note 1 for more information on discount rates under IFRS 17.

2025 Discount rates	Currency	1 year %	5 years %	10 years %	20 years %	30 years %
Bottom-up rates						
Unit-linked products including unit-linked protection	EUR	2.1%	2.5%	2.9%	3.2%	3.1%
Other non-linked protection products	EUR	2.2%	2.6%	3.0%	3.3%	3.2%
Permanent health insurance claims	EUR	2.3%	2.7%	3.1%	3.4%	3.3%
Top-down rates						
Standard annuities	EUR	2.8%	3.2%	3.6%	3.9%	3.8%
Sovereign annuities	EUR	2.5%	3.0%	3.3%	3.6%	3.5%

2024 Discount rates	Currency	1 year %	5 years %	10 years %	20 years %	30 years %
Bottom-up rates						
Unit-linked products including unit-linked protection	EUR	2.3%	2.2%	2.3%	2.3%	2.3%
Other non-linked protection products	EUR	2.5%	2.4%	2.5%	2.5%	2.4%
Permanent health insurance claims	EUR	2.5%	2.4%	2.6%	2.5%	2.5%
Top-down rates						
Standard annuities	EUR	3.1%	3.0%	3.1%	3.1%	3.1%
Sovereign annuities	EUR	2.6%	2.5%	2.6%	2.6%	2.6%

20 Derivative financial instruments

The notional amounts and fair values of derivative instruments held by the Group are set out in the table below.

	2025			2024		
	Contract notional amounts €m	Fair values		Contract notional amounts €m	Fair values	
		Assets €m	Liabilities €m		Assets €m	Liabilities €m
Derivatives held for trading						
Foreign exchange derivatives						
Currency swaps	3,819	16	31	3,922	47	45
Currency forwards	3,479	42	21	4,612	72	61
Over-the-counter currency options	220	2	2	274	4	4
Total foreign exchange derivatives held for trading	**7,518**	**60**	**54**	**8,808**	**123**	**110**
Interest rate derivatives						
Interest rate swaps	200,210	862	899	179,411	1,319	1,399
Over-the-counter interest rate options	10,296	14	14	14,170	60	54
Cross currency interest rate swaps	386	7	7	886	7	7
Interest rate futures	116	–	1	95	–	1
Total interest rate derivatives held for trading	**211,008**	**883**	**921**	**194,562**	**1,386**	**1,461**
Equity contracts						
Equity index-linked contracts held	1,874	98	7	2,127	95	10
Total equity contracts	**1,874**	**98**	**7**	**2,127**	**95**	**10**
Total derivative assets / liabilities held for trading	**220,400**	**1,041**	**982**	**205,497**	**1,604**	**1,581**
Derivatives held for hedging						
Derivatives designated as fair value hedges						
Interest rate swaps	124,658	1,444	1,292	98,856	1,873	1,684
Cross currency interest rate swaps	82	–	33	82	–	24
Total designated as fair value hedges	**124,740**	**1,444**	**1,325**	**98,938**	**1,873**	**1,708**
Derivatives designated as cash flow hedges						
Cross currency interest rate swaps	7,899	176	43	8,127	–	361
Interest rate swaps	209	–	14	219	–	25
Total designated as cash flow hedges	**8,108**	**176**	**57**	**8,346**	**–**	**386**
Total derivative assets / liabilities held for hedging	**132,848**	**1,620**	**1,382**	**107,284**	**1,873**	**2,094**
Total derivative assets / liabilities	**353,248**	**2,661**	**2,364**	**312,781**	**3,477**	**3,675**

The Group's objectives and policies on managing the risks that arise in connection with derivatives, including the policies for hedging, are included in the Risk Management Report. The notional amounts of certain types of derivatives do not necessarily indicate the amounts of future cash flows involved or the current fair value of the instruments and, therefore, do not indicate the Group's exposure to credit risk. The derivative instruments give rise to assets or liabilities as a result of fluctuations in market rates or prices relative to their terms.

Derivatives held for trading comprise derivatives entered into with trading intent as well as derivatives entered into with economic hedging intent to which the Group does not apply hedge accounting. Derivatives classified as held for hedging comprise only those derivatives to which the Group applies hedge accounting.

20 Derivative financial instruments *(continued)*

The Group uses netting arrangements and collateral agreements to reduce its exposure to credit losses. Of the derivative assets of €2.7 billion at 31 December 2025 (2024: €3.5 billion):

- €2.6 billion (2024: €3.4 billion) are available for offset against derivative liabilities under master netting arrangements. These transactions do not meet the criteria under IAS 32 to enable the assets to be presented net of the liabilities;
- cash collateral of €0.5 billion (2024: €0.3 billion) was held against these assets and is reported within deposits from banks (note 34); and
- €0.1 billion (2024: €0.1 billion) are not covered by master netting arrangements or relate to counterparties covered by master netting arrangements with whom a net asset position was held at the reporting date.

€0.3 billion (2024: €0.4 billion) of cash collateral was included in placements with other banks (note 22). There has been €nil amount (2024: €0.1 billion) included in loans and advances to customers (note 25) that was placed with derivative counterparties in respect of a net derivative liability position of €0.1 billion (2024: €0.4 billion).

At 31 December 2025, the fair value of the Group's derivative portfolio was a net asset of c.€0.3 billion comprising assets of €2.7 billion and liabilities of €2.4 billion (2024: net liability of c. €0.2 billion, comprising assets of €3.5 billion and liabilities of €3.7 billion). The €0.5 billion movement is primarily due to the move in cross currency swaps as a result of euro strengthening against sterling.

The timing of the nominal amounts of hedging instruments (excluding those subject to a dynamic macro-hedging process) and the applicable average rates were as follows:

	2025				2024			
Hedging strategy	**Up to 1 year €m**	**1-2 years €m**	**2-5 years €m**	**>5 years €m**	**Up to 1 year €m**	**1-2 years €m**	**2-5 years €m**	**>5 years €m**
Fair value hedge								
Interest rate risk								
Interest rate swap - notional amount	3,032	2,130	9,960	12,871	3,654	3,981	7,720	4,075
Average fixed interest rate	0.34%	2.14%	1.94%	2.83%	1.39%	0.29%	2.18%	1.34%
Foreign Exchange risk								
Cross currency interest rate swap - notional amount	–	–	82	–	–	–	–	82
Average EUR - JPY foreign exchange rate	–	–	0.01	–	–	–	–	0.01
Cash flow hedge								
Interest rate risk								
Interest rate swap - notional amount	–	201	–	8	–	–	211	8
Average fixed interest rate	–	0.36%	–	4.00%	–	–	0.36%	4.00%
Foreign exchange risk								
Cross currency interest rate swap - notional amount	2,095	2,252	3,552	–	1,807	2,165	4,155	–
Average EUR - GBP foreign exchange rate	0.86	0.86	0.85	–	0.86	0.86	0.87	–

20 Derivative financial instruments *(continued)*

Fair value hedges

Certain interest rate and cross currency interest rate derivatives are designated as hedging instruments. These are primarily used to reduce the interest rate and FX exposure on the Group's fixed rate debt held, fixed rate mortgages, customer accounts and debt issued portfolios.

The amounts relating to items designated as hedging instruments and hedge ineffectiveness for the year are shown in the tables below. All hedging instruments are included within derivative financial instruments on the balance sheet and ineffectiveness is included within net trading income on the income statement.

2025 Items designated as hedging instruments and hedge ineffectiveness	Nominal amount of the hedging instrument €m	Carrying amount of the hedging instrument		Changes in value used to calculate hedge ineffectiveness €m	Ineffectiveness recognised in profit or loss €m
		Assets €m	Liabilities €m		
Interest rate risk					
Interest rate swaps	124,658	1,444	(1,292)	69	1
Foreign Exchange Risk					
Cross currency interest rate swaps	82	–	(33)	(1)	–
Total	**124,740**	**1,444**	**(1,325)**	**68**	**1**

2024 Items designated as hedging instruments and hedge ineffectiveness	Nominal amount of the hedging instrument €m	Carrying amount of the hedging instrument		Changes in value used to calculate hedge ineffectiveness €m	Ineffectiveness recognised in profit or loss €m
		Assets €m	Liabilities €m		
Interest rate risk					
Interest rate swaps	98,856	1,873	(1,684)	459	–
Foreign Exchange Risk					
Cross currency interest rate swaps	82	–	(24)	(3)	–
Total	**98,938**	**1,873**	**(1,708)**	**456**	**–**

The main cause of ineffectiveness in the Group's fair value hedge relationships are differences in maturities and reset frequencies between certain interest rate swaps and their related hedged items. The accumulated fair value adjustments on loans and advances to customers and customer accounts that are in portfolio fair value hedges of interest rate risk amounted to a net gain of €112 million and a net gain of €472 million respectively (2024: a net gain of €118 million and a net gain of €365 million respectively) and are presented separately on the balance sheet.

In the table above, 'changes in value used to calculate hedge ineffectiveness' include changes in the fair value of the hedging instruments in portfolio fair value hedges of interest rate risk, and in the table below, they include changes in value for loans and advances to customers and customer accounts that are hedged items in portfolio fair value hedges of interest rate risk.

20 Derivative financial instruments *(continued)*

2025 Line item on the balance sheet in which the hedged item is included	Carrying amount of the hedged item		Accumulated amount of fair value adjustments on the hedged item included in the carrying amount of the hedged item		Changes in value used for calculating hedge ineffectiveness	Remaining adjustments for discontinued hedges
	Assets €m	Liabilities €m	Assets €m	Liabilities €m	€m	€m
Interest rate risk						
Loans and advances to customers	37,500	–	(15)	–	(32)	(1)
Debt securities at amortised cost	11,054	–	(464)	–	(207)	(2)
Debt instruments measured at FVOCI	2,707	–	(105)	–	48	–
Customer accounts	–	(67,237)	–	–	195	–
Debt securities in issue	–	(5,874)	–	6	(72)	(1)
Subordinated liabilities	–	(1,905)	–	(12)	–	4
Foreign exchange risk						
Debt securities in issue	–	(50)	–	5	1	(1)
Total	**51,261**	**(75,066)**	**(584)**	**(1)**	**(67)**	**(1)**

2024 Line item on the balance sheet in which the hedged item is included	Carrying amount of the hedged item		Accumulated amount of fair value adjustments on the hedged item included in the carrying amount of the hedged item		Changes in value used for calculating hedge ineffectiveness	Remaining adjustments for discontinued hedges
	Assets €m	Liabilities €m	Assets €m	Liabilities €m	€m	€m
Interest rate risk						
Loans and advances to customers	26,861	–	(16)	–	237	(1)
Debt securities at amortised cost	5,478	–	(290)	–	109	(1)
Debt instruments measured at FVOCI	3,286	–	(158)	–	109	–
Customer accounts	–	(57,705)	–	–	(755)	–
Debt securities in issue	–	(7,950)	–	54	(122)	(1)
Subordinated liabilities	–	(1,896)	–	3	(37)	–
Foreign exchange risk						
Debt securities in issue	–	(58)	–	(42)	3	–
Total	**35,625**	**(67,609)**	**(464)**	**15**	**(456)**	**(3)**

Cash flow hedges

The Group designates certain interest rate and currency derivatives in cash flow hedge relationships in order to hedge the exposure to variability in future cash flows arising from floating rate assets and liabilities and from foreign currency assets.

The amounts relating to items designated as hedging instruments and hedge ineffectiveness for the year are shown in the tables below.

All hedging instruments are included within derivative financial instruments on the balance sheet and ineffectiveness is included within net trading income on the income statement. There are no material causes of ineffectiveness in the Group's cash flow hedges.

In 2025 and 2024, there were no forecast transactions to which the Group had applied hedge accounting which were no longer expected to occur.

20 Derivative financial instruments *(continued)*

2025 Risk category and hedging instrument	Nominal amount of the hedging instrument €m	Carrying amount of the hedging instrument		Changes in value used for calculating hedge ineffectiveness €m	Changes in the value of the hedging instrument recognised in other comprehensive income €m	Ineffectiveness recognised in profit or loss €m	Amount reclassified from the cash flow hedge reserve to profit or loss €m
		Assets €m	Liabilities €m				
Interest rate risk							
Interest rate swaps	209	–	(14)	10	(10)	–	3
Foreign exchange risk							
Cross currency interest rate swaps	7,899	176	(43)	24	(24)	–	(295)
Total	**8,108**	**176**	**(57)**	**34**	**(34)**	**–**	**(292)**

2024 Risk category and hedging instrument	Nominal amount of the hedging instrument €m	Carrying amount of the hedging instrument		Changes in value used for calculating hedge ineffectiveness €m	Changes in the value of the hedging instrument recognised in other comprehensive income €m	Ineffectiveness recognised in profit or loss €m	Amount reclassified from the cash flow hedge reserve to profit or loss €m
		Assets €m	Liabilities €m				
Interest rate risk							
Interest rate swaps	219	–	(25)	(4)	4	–	3
Foreign exchange risk							
Cross currency interest rate swaps	8,127	–	(361)	(388)	388	–	521
Total	**8,346**	**–**	**(386)**	**(392)**	**392**	**–**	**524**

	2025			2024		
Risk category	Changes in the hedged risk used for calculating hedge ineffectiveness €m	Cash flow hedge reserve (gross) €m	Remaining adjustments for discontinued hedges €m	Changes in the hedged risk used for calculating hedge ineffectiveness €m	Cash flow hedge reserve (gross) €m	Remaining adjustments for discontinued hedges €m
Interest rate risk	(10)	11	18	4	19	17
Foreign exchange risk	(24)	(11)	–	388	15	–
Total	**(34)**	**–**	**18**	**392**	**34**	**17**

20 Derivative financial instruments *(continued)*

Movement in cash flow hedge reserve	2025 €m	2024 €m
Changes in fair value		
Interest rate risk	4	(4)
Foreign exchange risk	319	(516)
Transfer to income statement		
Interest income		
Interest rate risk	5	8
Foreign exchange risk	176	135
Net trading income / (expense)		
Interest rate risk	(1)	(5)
Foreign exchange risk	(472)	386
Deferred tax on reserve movements	(3)	(2)
Net increase in cash flow hedge reserve	**28**	**2**

21 Other financial assets at fair value through profit or loss

Other financial assets at FVTPL include assets managed on a fair value basis by the life assurance business and those assets which do not meet the requirements in order to be measured at FVOCI or amortised cost. Fair values of assets underlying insurance contracts, with direct participation features, are also disclosed.

A portion of the Group's life assurance business takes the legal form of investment contracts, under which legal title to the underlying investment is held by the Group, but the inherent risks and rewards in the investments are borne by the policyholders. Due to the nature of these contracts, the carrying value of the assets is always the same as the value of the liabilities due to policyholders and any change in the value of the assets results in an equal change in the value of the amounts due to policyholders. The associated liabilities are included in liabilities to customers under investment contracts and insurance contract liabilities on the balance sheet.

At 31 December 2025, such assets were €23,380 million (2024: €21,761 million). Included in these assets are investments in unconsolidated structured entities which comprise investments in collective investment vehicles of €17,757 million (2024: €16,419 million) (note 52).

Other financial assets of €2,206 million (2024: €2,239 million) include €2,086 million (2024: €2,072 million) relating to assets held by the Group's life assurance business for solvency margin purposes or as backing for non-linked policyholder liabilities. Further details on financial assets mandatorily measured at FVTPL is set out in note 55. Included in these assets are investments in unconsolidated structured entities which comprise investments in collective investment vehicles of €720 million (2024: €735 million) (note 52).

Assets underlying insurance contracts with direct participation features, measured applying the VFA, are €13,494 million (2024: €12,770 million).

	2025 €m	2024 €m
Assets linked to policyholder liabilities		
Equity securities	19,233	17,455
Unit trusts	1,846	1,993
Debt securities	1,616	1,599
Government bonds	685	714
	23,380	**21,761**
of which: Assets underlying insurance contracts with direct participation features	13,494	12,770
Other financial assets		
Debt securities	773	744
Equity securities	646	664
Government bonds	628	677
Unit trusts	159	154
	2,206	**2,239**
Other financial assets at fair value through profit or loss	**25,586**	**24,000**

22 Loans and advances to banks

Loans and advances to banks are classified as financial assets at amortised cost or financial assets mandatorily at FVTPL. The associated impairment loss allowance on loans and advances to banks is measured on a 12-month or lifetime ECL approach.

Loans and advances to banks at FVTPL include assets managed on a fair value basis by the life assurance business and those assets which do not meet the requirements in order to be measured at FVOCI or amortised cost. At 31 December 2025, the Group's loans and advances to banks includes €138 million (2024: €143 million) of assets held on behalf of Wealth and Insurance life policyholders. Assets underlying insurance contracts with direct participation features, measured applying the VFA, are €80 million (2024: €84 million).

Mandatory deposits with central banks includes €0.9 billion relating to collateral in respect of the Group's issued bank notes in Northern Ireland (2024: €1.0 billion). Placements with other banks includes cash collateral of €0.3 billion (2024: €0.4 billion) placed with derivative counterparties in relation to net derivative liability positions (note 20).

There has been no significant change in the impairment loss allowance on loans and advances to banks held at amortised cost during the year. The composition of loans and advances to banks at amortised cost by stage is set out on page 368 and the asset quality of loans and advances to banks at amortised cost is set out on page 379.

	2025 €m	2024 €m
Mandatory deposits with central banks	900	975
Placements with banks	517	618
Securities purchased with agreement to resell	131	65
Funds placed with central banks not on demand	24	25
Loans and advances to banks at amortised cost	**1,572**	**1,683**
Loans and advances to banks at FVTPL	84	55
Loans and advances to banks	**1,656**	**1,738**
of which: Assets underlying insurance contracts with direct participation features	80	84

Loans and advances to banks at FVTPL are not subject to impairment under IFRS 9.

23 Debt securities at amortised cost

The following table details the significant categories of debt securities at amortised cost. Debt securities at amortised cost have increased by €12.0 billion at 31 December 2025 due to the purchase of government bonds (€6.5 billion), supranational banks and government agencies bonds (€3.3 billion) and covered bonds (€2.2 billion). The composition of debt securities at amortised cost by stage is set out on page 368 and the asset quality of debt securities at amortised cost is set out on page 379.

	2025 €m	*Restated*[1] 2024 €m
Government bonds	10,877	4,364
Ireland	*5,031*	*3,957*
Other[2]	*5,846*	*407*
Other debt securities at amortised cost[1]	7,158	1,520
Asset backed securities[1]	341	504
Less impairment loss allowance	(4)	(1)
Debt securities at amortised cost	**18,372**	**6,387**

[1] *The comparative figures have been restated due to a misclassification of €483 million between 'other debt securities at amortised cost' and 'asset backed securities', as a result 'other debt securities at amortised cost' has decreased by €483 million from €2,003 million to €1,520 million, with a corresponding increase in 'asset backed securities' from €21 million to €504 million.*

[2] *Government bonds other is made up of exposures from Belgium: €994 million (2024: €67 million), France: €973 million (2024: €75 million), Spain: €879 million (2024: €32 million), Canada: €734 million (2024: €93 million), Finland: €711 million (2024: €nil), Austria: €629 million (2024: €24 million), UK: €396 million (2024: €116 million), Italy: €238 million (2024: €nil), Portugal: €214 million (2024: €nil), Luxembourg: €78 million (2024: €nil).*

24 Financial assets at fair value through other comprehensive income

At 31 December 2025, financial assets at FVOCI included €1,922 million (2024: €2,162 million) placed with Monetary Authorities as collateral, to access intraday and other funding facilities, if required.

There were no disposals of debt instruments at FVOCI during the year (2024: €279 million). There was a transfer of €0.1 million from the debt instruments at FVOCI reserve to the income statement (2024: €0.5 million).

The composition of debt instruments at FVOCI by stage is set out on page 368 and the asset quality of debt instruments at FVOCI is set out on page 379.

	2025 €m	2024 €m
Debt instruments at FVOCI		
Other debt securities - listed	2,659	3,056
Government bonds	331	328
Total debt instruments at FVOCI	**2,990**	**3,384**
Impairment loss allowance on debt instruments at FVOCI	**(1)**	**(1)**

Fair value	2025 €m	2024 €m
Balance at 1 January	**3,384**	**3,968**
Redemptions and disposals	(621)	(533)
Additions	194	–
Revaluation, exchange and other adjustments	33	(51)
Balance at 31 December	**2,990**	**3,384**

25 Loans and advances to customers

Loans and advances to customers at amortised cost

Loans and advances to customers at amortised cost (after ILA) at 31 December 2025 included cash collateral of €19 million (2024: €138 million) placed with derivative counterparties in relation to net derivative liability positions.

Sustainable finance

Loans and advances to customers at 31 December 2025 included sustainable finance of €17.7 billion (2024: €14.7 billion), as detailed in the following table.

	2025 €bn	2024 €bn
RoI green mortgages	11.2	8.6
Green commercial real estate lending	2.1	2.2
UK green mortgages	1.7	1.7
Sustainability-linked loans	1.6	1.5
Renewables project finance	0.6	0.4
RoI electric vehicles funding	0.2	0.2
UK electric vehicles funding	0.2	0.1
Green CapEx loans	0.1	–
Total sustainable finance	**17.7**	**14.7**

25 Loans and advances to customers *(continued)*

Non-performing exposure disposals

During 2025, the Group completed the sale of a portfolio of UK non-performing loans whereby it derecognised €149 million of loans and advances to customers (after an ILA of €16 million).

The portfolio derecognised had a gross carrying value of €165 million. All loans included in these transactions have been derecognised from the balance sheet.

The Group has recognised an impairment loss of €2 million relating to the disposal of these loans which has been reported through net impairment losses / gains on financial instruments (note 14).

In 2024, the Group completed two NPE disposal transactions whereby it derecognised €58 million of loans and advances to customers (after an ILA of €125 million). The portfolios derecognised had a gross carrying value of €183 million which consisted of non-performing Retail RoI loans which had a gross carrying value of €157 million and UK personal loans which had a gross carrying value of €26 million. All loans included in these transactions have been derecognised from the balance sheet.

Loan sales

In 2024, the Group completed the sale of a portfolio of performing UK personal loans with a net carrying value of €0.8 billion. In addition, Retail UK disposed of a small portfolio of UK mortgages with a net carrying value of €21 million. There was no such sale during 2025.

Loans and advances to customers at FVTPL

Loans and advances to customers at FVTPL are not subject to impairment under IFRS 9. At 31 December 2025, loans and advances to customers at FVTPL included €166 million (2024: €185 million) relating to the Life Loan mortgage product, which was offered by the Group until November 2010. The cash flows of the Life Loans are not considered to consist solely of payments of principal and interest and as such are classified as FVTPL.

	2025 €m	2024 €m
Loans and advances to customers at amortised cost	78,194	78,656
Finance leases and hire purchase receivables	5,267	4,725
	83,461	**83,381**
Less impairment loss allowance on loans and advances to customers at amortised cost	(1,149)	(1,028)
Loans and advances to customers at amortised cost	**82,312**	**82,353**
Loans and advances to customers at FVTPL	166	185
Total loans and advances to customers	**82,478**	**82,538**
Amounts include:		
Due from joint ventures and associates	58	61

25 Loans and advances to customers *(continued)*

The following tables show the gross carrying amount and ILAs subject to 12 month and lifetime ECL on loans and advances to customers at amortised cost. The POCI assets of €124 million at 31 December 2025 (2024: €133 million) included €57 million (2024: €55 million) of assets which, while credit-impaired upon purchase or origination were no longer credit-impaired at the reporting date due to improvements in credit risk. These assets will remain classified as POCI until derecognition.

2025 Gross carrying amount at amortised cost (before impairment loss allowance)	Residential mortgages €m	Non-property SME and corporate €m	Property and construction €m	Consumer €m	Total €m
Stage 1 - 12 month ECL (not credit-impaired)	48,959	13,194	5,114	5,409	72,676
Stage 2 - Lifetime ECL (not credit-impaired)	2,599	4,434	1,699	198	8,930
Stage 3 - Lifetime ECL (credit-impaired)	518	771	325	117	1,731
Purchased / originated credit-impaired	124	–	–	–	124
Gross carrying amount at 31 December 2025	**52,200**	**18,399**	**7,138**	**5,724**	**83,461**

2025 Impairment loss allowance	Residential mortgages €m	Non-property SME and corporate €m	Property and construction €m	Consumer €m	Total €m
Stage 1 - 12 month ECL (not credit-impaired)	43	64	27	35	169
Stage 2 - Lifetime ECL (not credit-impaired)	56	234	50	17	357
Stage 3 - Lifetime ECL (credit-impaired)	116	364	74	58	612
Purchased / originated credit-impaired	11	–	–	–	11
Impairment loss allowance at 31 December 2025	**226**	**662**	**151**	**110**	**1,149**

2024 Gross carrying amount at amortised cost (before impairment loss allowance)	Residential mortgages €m	Non-property SME and corporate €m	Property and construction €m	Consumer €m	Total €m
Stage 1 - 12 month ECL (not credit-impaired)	47,169	14,644	4,442	4,698	70,953
Stage 2 - Lifetime ECL (not credit-impaired)	2,409	5,082	2,737	312	10,540
Stage 3 - Lifetime ECL (credit-impaired)	748	632	269	106	1,755
Purchased / originated credit-impaired	133	–	–	–	133
Gross carrying amount at 31 December 2024	**50,459**	**20,358**	**7,448**	**5,116**	**83,381**

2024 Impairment loss allowance	Residential mortgages €m	Non-property SME and corporate €m	Property and construction €m	Consumer €m	Total €m
Stage 1 - 12 month ECL (not credit-impaired)	32	78	24	34	168
Stage 2 - Lifetime ECL (not credit-impaired)	47	180	103	25	355
Stage 3 - Lifetime ECL (credit-impaired)	120	257	88	49	514
Purchased / originated credit-impaired	(9)	–	–	–	(9)
Impairment loss allowance at 31 December 2024	**190**	**515**	**215**	**108**	**1,028**

25 Loans and advances to customers *(continued)*

The following tables show the changes in gross carrying amount and ILAs of loans and advances to customers at amortised cost for the year ended 31 December 2025. The tables are prepared based on a combination of aggregation of monthly movements for material term loan portfolios (i.e. incorporating all movements a loan in these portfolios has made during the year) and full year movements for revolving-type facilities and less material (primarily consumer) portfolios.

Transfers between stages represent the migration of loans from Stage 1 to Stage 2 following a 'significant increase in credit risk' or to Stage 3 as loans enter defaulted status. Conversely, improvement in credit quality and loans exiting default result in loans migrating in the opposite direction. The approach taken to identify a 'significant increase in credit risk' and 'identifying defaulted and credit-impaired assets' is outlined in the credit risk section of the Risk Management Report on pages 254 to 256 and the Group accounting policies note on page 300.

Transfers between each stage reflect the balances and ILAs prior to transfer. The impact of re-measurement of ILA on stage transfer is reported within 're-measurement' in the new stage that a loan has transferred into. For those tables, based on an aggregation of the months' transfers between stages, transfers may include loans which have subsequently transferred back to their original stage or migrated further to another stage.

'Net changes in exposure' comprise the movements in the gross carrying amount and ILA as a result of new loans originated and repayments of outstanding balances throughout the reporting period.

'Net impairment losses / (gains) in income statement' does not include the impact of cash recoveries which are recognised directly in the income statement (note 14).

'Re-measurement' includes the impact of remeasurement on stage transfers noted above, other than those directly related to the update of FLI and / or other model and parameter updates, changes in PMAs and remeasurement due to changes in asset quality that did not result in a transfer to another stage.

'ECL model parameter and / or methodology changes' represents the impact on ILAs of semi-annual updates to the FLI and other model and parameter updates used in the measurement of ILAs, including the impact of stage migrations where the migration is directly related to the update of FLI and / or other model and parameter updates.

'Impairment loss allowances utilised' represents the reduction in the gross carrying amount and associated ILA on loans where the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The utilisation of an allowance does not, of itself, alter a customer's obligations nor does it impact on the Group's rights to take relevant enforcement action.

2025 **Gross carrying amount (before impairment loss allowance)**	**Stage 1 - 12 month ECL (not credit-impaired) €m**	**Stage 2 - Lifetime ECL (not credit-impaired) €m**	**Stage 3 - Lifetime ECL (credit-impaired) €m**	**Purchased / originated credit-impaired €m**	**Total gross carrying amount €m**
Opening balance 1 January 2025	**70,953**	**10,540**	**1,755**	**133**	**83,381**
Total net transfers	(2,388)	1,315	1,073	–	–
To 12 month ECL (not credit-impaired)	*7,734*	*(7,733)*	*(1)*	–	–
To lifetime ECL (not credit-impaired)	*(10,026)*	*10,277*	*(251)*	–	–
To lifetime ECL (credit-impaired)	*(96)*	*(1,229)*	*1,325*	–	–
Net changes in exposure	5,339	(2,621)	(817)	(5)	1,896
Impairment loss allowances utilised	–	–	(194)	(4)	(198)
Exchange adjustments	(1,201)	(316)	(88)	–	(1,605)
Measurement reclassification and other movements	(27)	12	2	–	(13)
Gross carrying amount at 31 December 2025	**72,676**	**8,930**	**1,731**	**124**	**83,461**

25 Loans and advances to customers *(continued)*

2025 Impairment loss allowance	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total impairment loss allowance €m
Opening balance 1 January 2025	**168**	**355**	**514**	**(9)**	**1,028**
Total net transfers	174	(253)	79	–	–
To 12 month ECL (not credit-impaired)	*218*	*(218)*	*–*	*–*	*–*
To lifetime ECL (not credit-impaired)	*(43)*	*83*	*(40)*	*–*	*–*
To lifetime ECL (credit-impaired)	*(1)*	*(118)*	*119*	*–*	*–*
Net impairment losses / (gains) in income statement	(171)	258	210	22	319
Re-measurement	*(211)*	*259*	*416*	*21*	*485*
Net changes in exposure	*31*	*(67)*	*(203)*	*–*	*(239)*
ECL model parameter and / or methodology changes	*9*	*66*	*(3)*	*1*	*73*
Impairment loss allowances utilised	–	–	(194)	(4)	(198)
Exchange adjustments	(1)	(2)	(4)	–	(7)
Measurement reclassification and other movements	(1)	(1)	7	2	7
Impairment loss allowance at 31 December 2025	**169**	**357**	**612**	**11**	**1,149**
Impairment coverage at 31 December 2025 (%)	**0.23%**	**4.00%**	**35.36%**	**8.87%**	**1.38%**

Impairment loss allowances utilised on loans and advances to customers at amortised cost during 2025 includes €33 million of contractual amounts outstanding that are still subject to enforcement activity.

Total gross loans and advances to customers at amortised cost increased during the year by €0.1 billion from €83.4 billion at 31 December 2024 to €83.5 billion at 31 December 2025.

Stage 1 loans have increased by €1.7 billion primarily reflecting the impact of net new lending of €5.3 billion, partially offset by FX movements €1.2 billion. Total net transfers of €2.4 billion to other risk stages (primarily Stage 2) reflect updates for portfolio activity and FLI.

ILAs on Stage 1 loans have increased by €1 million, with coverage on Stage 1 loans of 0.23% down slightly from 0.24% at 31 December 2024. Remeasurement resulted in an ILA reduction of €211 million reflecting the impact of re-measuring net transfers from other stages of lifetime ECL to 12-month ECL. Reductions in ILA were offset by increases due to net staging transfers of €174 million and net changes in exposure of €31 million.

Stage 2 loans have decreased by €1.6 billion reflecting net repayments of €2.6 billion and FX movements of €0.3 billion, partially offset by transfers from other stages of €1.3 billion. Net transfers to other stages reflects portfolio activity in the year.

Coverage on Stage 2 loans has increased from 3.37% at 31 December 2024 to 4.00% at 31 December 2025, with the impact of net transfers €253 million and net repayments of €67 million offset by ILA increases of €259 million due to remeasurement. Stage 2 cover is also impacted by the application of PMAs for Climate and Geopolitical risk (see page 321) and ECL model parameter and methodology changes (including FLI) of €66 million.

Stage 3 loans have reduced to €1.7 billion with increases from net migration from other stages of €1.1 billion driven by the emergence of new defaults, fully offset by the combined impact of repayments of €0.8 billion (including repayments from portfolio disposals and case specific resolution activities), the utilisation of ILAs of €0.2 billion and FX movements of €0.1 billion.

Stage 3 ILAs have increased by €98 million due to remeasurement of €416 million which includes the application of a PMA for Retail Ireland residential mortgage long dated NPEs (see page 321) and net transfers of €79 million. This was partially offset by the impact of net reductions in exposure of €203 million and utilisation of ILAs of €194 million.

Cover on Stage 3 loans has increased from 29.29% at 31 December 2024 to 35.36% at 31 December 2025. The increase primarily reflects changes in the underlying asset / portfolio mix of the Stage 3 population with higher than average impairment requirements for assets migrating to Stage 3 in the year, the application of the Retail Ireland residential mortgages PMA for long dated NPEs and disposal of a pool of UK Mortgage non-performing loans.

25 Loans and advances to customers *(continued)*

2024 Gross carrying amount (before impairment loss allowance)	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total gross carrying amount €m
Opening balance 1 January 2024	**65,729**	**12,525**	**2,349**	**143**	**80,746**
Total net transfers	(861)	503	358	–	–
To 12 month ECL (not credit-impaired)	*8,206*	*(8,204)*	*(2)*	–	–
To lifetime ECL (not credit-impaired)	*(8,935)*	*9,574*	*(639)*	–	–
To lifetime ECL (credit-impaired)	*(132)*	*(867)*	*999*	–	–
Net changes in exposure	4,847	(2,758)	(652)	(10)	1,427
Impairment loss allowances utilised	–	–	(357)	–	(357)
Exchange adjustments	1,069	264	55	–	1,388
Measurement reclassification and other movements	169	6	2	–	177
Gross carrying amount at 31 December 2024	**70,953**	**10,540**	**1,755**	**133**	**83,381**

2024 Impairment loss allowance	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total impairment loss allowance €m
Opening balance 1 January 2024	**180**	**421**	**612**	**9**	**1,222**
Total net transfers	121	(128)	6	1	–
To 12 month ECL (not credit-impaired)	*169*	*(168)*	*(1)*	–	–
To lifetime ECL (not credit-impaired)	*(46)*	*132*	*(86)*	–	–
To lifetime ECL (credit-impaired)	*(2)*	*(92)*	*93*	*1*	–
Net impairment losses / (gains) in income statement	(111)	79	203	(20)	151
Re-measurement	*(152)*	*177*	*330*	*(13)*	*342*
Net changes in exposure	*26*	*(83)*	*(111)*	–	*(168)*
ECL model parameter and / or methodology changes	*15*	*(15)*	*(16)*	*(7)*	*(23)*
Impairment loss allowances utilised	–	–	(357)	–	(357)
Exchange adjustments	2	4	5	(1)	10
Measurement reclassification and other movements	(24)	(21)	45	2	2
Impairment loss allowance at 31 December 2024	**168**	**355**	**514**	**(9)**	**1,028**
Impairment coverage at 31 December 2024 (%)	**0.24%**	**3.37%**	**29.29%**	**(6.77%)**	**1.23%**

Impairment loss allowances utilised on loans and advances to customers at amortised cost during 2024 included €79 million of contractual amounts outstanding that are still subject to enforcement activity.

25 Loans and advances to customers *(continued)*

Loans and advances to customers at amortised cost by portfolio

The following tables set out the movement in both the gross carrying amount and ILAs subject to 12 month and lifetime ECL on loans and advances to customers at amortised cost by portfolio asset class. These tables are prepared on the same basis as the total Group tables as set out above.

Residential mortgages

2025 Residential mortgages - Gross carrying amount (before impairment loss allowance)	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total gross carrying amount €m
Opening balance 1 January 2025	**47,169**	**2,409**	**748**	**133**	**50,459**
Total net transfers	(731)	627	104	–	–
To 12 month ECL (not credit-impaired)	*2,672*	*(2,672)*	*–*	*–*	*–*
To lifetime ECL (not credit-impaired)	*(3,374)*	*3,519*	*(145)*	*–*	*–*
To lifetime ECL (credit-impaired)	*(29)*	*(220)*	*249*	*–*	*–*
Net changes in exposure	3,211	(382)	(296)	(5)	2,528
Impairment loss allowances utilised	–	–	(22)	(4)	(26)
Exchange adjustments	(730)	(55)	(17)	–	(802)
Measurement reclassification and other movements	40	–	1	–	41
Gross carrying amount at 31 December 2025	**48,959**	**2,599**	**518**	**124**	**52,200**

2025 Residential mortgages - Impairment loss allowance	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total impairment loss allowance €m
Opening balance 1 January 2025	**32**	**47**	**120**	**(9)**	**190**
Total net transfers	42	(39)	(3)	–	–
To 12 month ECL (not credit-impaired)	*50*	*(50)*	*–*	*–*	*–*
To lifetime ECL (not credit-impaired)	*(8)*	*23*	*(15)*	*–*	*–*
To lifetime ECL (credit-impaired)	*–*	*(12)*	*12*	*–*	*–*
Net impairment losses / (gains) in income statement	(30)	49	18	22	59
Re-measurement	*(39)*	*48*	*39*	*21*	*69*
Net changes in exposure	*–*	*(2)*	*(19)*	*–*	*(21)*
ECL model parameter and / or methodology changes	*9*	*3*	*(2)*	*1*	*11*
Impairment loss allowances utilised	–	–	(22)	(4)	(26)
Exchange adjustments	(1)	(1)	(2)	–	(4)
Measurement reclassification and other movements	–	–	5	2	7
Impairment loss allowance at 31 December 2025	**43**	**56**	**116**	**11**	**226**
Impairment coverage at 31 December 2025 (%)	**0.09%**	**2.15%**	**22.39%**	**8.87%**	**0.43%**

Impairment loss allowances utilised on Residential mortgages at amortised cost during 2025 included €nil of contractual amounts outstanding that are still subject to enforcement activity.

25 Loans and advances to customers *(continued)*

Residential mortgages *(continued)*

2024 Residential mortgages- Gross carrying amount (before impairment loss allowance)	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total gross carrying amount €m
Opening balance 1 January 2024	**42,786**	**3,574**	**770**	**142**	**47,272**
Total net transfers	662	(817)	155	–	–
To 12 month ECL (not credit-impaired)	*3,977*	*(3,977)*	*–*	*–*	*–*
To lifetime ECL (not credit-impaired)	*(3,272)*	*3,475*	*(203)*	*–*	*–*
To lifetime ECL (credit-impaired)	*(43)*	*(315)*	*358*	*–*	*–*
Net changes in exposure	3,015	(406)	(169)	(9)	2,431
Impairment loss allowances utilised	–	–	(27)	–	(27)
Exchange adjustments	646	58	19	–	723
Measurement reclassification and other movements	60	–	–	–	60
Gross carrying amount at 31 December 2024	**47,169**	**2,409**	**748**	**133**	**50,459**

2024 Residential mortgages - Impairment loss allowance	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total impairment loss allowance €m
Opening balance 1 January 2024	**40**	**56**	**141**	**9**	**246**
Total net transfers	49	(47)	(2)	–	–
To 12 month ECL (not credit-impaired)	*61*	*(61)*	*–*	*–*	*–*
To lifetime ECL (not credit-impaired)	*(12)*	*33*	*(21)*	*–*	*–*
To lifetime ECL (credit-impaired)	*–*	*(19)*	*19*	*–*	*–*
Net impairment losses / (gains) in income statement	(57)	39	9	(20)	(29)
Re-measurement	*(53)*	*46*	*46*	*(13)*	*26*
Net changes in exposure	*–*	*(4)*	*(22)*	*–*	*(26)*
ECL model parameter and / or methodology changes	*(4)*	*(3)*	*(15)*	*(7)*	*(29)*
Impairment loss allowances utilised	–	–	(27)	–	(27)
Exchange adjustments	–	1	2	–	3
Measurement reclassification and other movements	–	(2)	(3)	2	(3)
Impairment loss allowance at 31 December 2024	**32**	**47**	**120**	**(9)**	**190**
Impairment coverage at 31 December 2024 (%)	**0.07%**	**1.95%**	**16.04%**	**(6.77%)**	**0.38%**

Impairment loss allowances utilised on Residential mortgages at amortised cost during 2024 included €nil of contractual amounts outstanding that are still subject to enforcement activity.

25 Loans and advances to customers *(continued)*

Non-property SME and corporate

2025 Non-property SME and corporate - Gross carrying amount (before impairment loss allowance)	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total gross carrying amount €m
Opening balance 1 January 2025	**14,644**	**5,082**	**632**	**–**	**20,358**
Total net transfers	(1,686)	1,050	636	–	–
To 12 month ECL (not credit-impaired)	*3,008*	*(3,008)*	*–*	*–*	*–*
To lifetime ECL (not credit-impaired)	*(4,666)*	*4,759*	*(93)*	*–*	*–*
To lifetime ECL (credit-impaired)	*(28)*	*(701)*	*729*	*–*	*–*
Net changes in exposure	608	(1,526)	(351)	–	(1,269)
Impairment loss allowances utilised	–	–	(97)	–	(97)
Exchange adjustments	(310)	(180)	(50)	–	(540)
Measurement reclassification and other movements	(62)	8	1	–	(53)
Gross carrying amount at 31 December 2025	**13,194**	**4,434**	**771**	**–**	**18,399**

2025 Non-property SME and corporate - Impairment loss allowance	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total impairment loss allowance €m
Opening balance 1 January 2025	**78**	**180**	**257**	**–**	**515**
Total net transfers	75	(130)	55	–	–
To 12 month ECL (not credit-impaired)	*100*	*(100)*	*–*	*–*	*–*
To lifetime ECL (not credit-impaired)	*(24)*	*46*	*(22)*	*–*	*–*
To lifetime ECL (credit-impaired)	*(1)*	*(76)*	*77*	*–*	*–*
Net impairment losses / (gains) in income statement	(88)	186	146	–	244
Re-measurement	*(102)*	*188*	*274*	*–*	*360*
Net changes in exposure	*20*	*(36)*	*(127)*	*–*	*(143)*
ECL model parameter and / or methodology changes	*(6)*	*34*	*(1)*	*–*	*27*
Impairment loss allowances utilised	–	–	(97)	–	(97)
Exchange adjustments	–	(1)	(1)	–	(2)
Measurement reclassification and other movements	(1)	(1)	4	–	2
Impairment loss allowance at 31 December 2025	**64**	**234**	**364**	**–**	**662**
Impairment coverage at 31 December 2025 (%)	**0.49%**	**5.28%**	**47.21%**	**–**	**3.60%**

Impairment loss allowances utilised on Non-property SME and corporate during 2025 included €24 million of contractual amounts outstanding that are still subject to enforcement activity.

25 Loans and advances to customers *(continued)*

Non-property SME and corporate *(continued)*

2024 Non-property SME and corporate - Gross carrying amount (before impairment loss allowance)	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total gross carrying amount €m
Opening balance 1 January 2024	**14,737**	**4,632**	**1,080**	**1**	**20,450**
Total net transfers	(1,343)	1,407	(64)	–	–
To 12 month ECL (not credit-impaired)	*2,787*	*(2,786)*	*(1)*	–	–
To lifetime ECL (not credit-impaired)	*(4,090)*	*4,501*	*(411)*	–	–
To lifetime ECL (credit-impaired)	*(40)*	*(308)*	*348*	–	–
Net changes in exposure	863	(1,073)	(218)	(1)	(429)
Impairment loss allowances utilised	–	–	(187)	–	(187)
Exchange adjustments	260	112	22	–	394
Measurement reclassification and other movements	127	4	(1)	–	130
Gross carrying amount at 31 December 2024	**14,644**	**5,082**	**632**	**–**	**20,358**

2024 Non-property SME and corporate - Impairment loss allowance	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total impairment loss allowance €m
Opening balance 1 January 2024	**65**	**154**	**330**	**–**	**549**
Total net transfers	40	(18)	(22)	–	–
To 12 month ECL (not credit-impaired)	*62*	*(62)*	–	–	–
To lifetime ECL (not credit-impaired)	*(21)*	*79*	*(58)*	–	–
To lifetime ECL (credit-impaired)	*(1)*	*(35)*	*36*	–	–
Net impairment losses / (gains) in income statement	(27)	41	103	–	117
Re-measurement	*(57)*	*69*	*157*	–	*169*
Net changes in exposure	*18*	*(33)*	*(57)*	–	*(72)*
ECL model parameter and / or methodology changes	*12*	*5*	*3*	–	*20*
Impairment loss allowances utilised	–	–	(187)	–	(187)
Exchange adjustments	–	1	–	–	1
Measurement reclassification and other movements	–	2	33	–	35
Impairment loss allowance at 31 December 2024	**78**	**180**	**257**	**–**	**515**
Impairment coverage at 31 December 2024 (%)	**0.53%**	**3.54%**	**40.66%**	**–**	**2.53%**

Impairment loss allowances utilised on Non-property SME and corporate during 2024 included €74 million of contractual amounts outstanding that are still subject to enforcement activity.

25 Loans and advances to customers *(continued)*

Property and construction

2025 Property and construction - Gross carrying amount (before impairment loss allowance)	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total gross carrying amount €m
Opening balance 1 January 2025	**4,442**	**2,737**	**269**	**–**	**7,448**
Total net transfers	47	(310)	263	–	–
To 12 month ECL (not credit-impaired)	*1,820*	*(1,820)*	*–*	*–*	*–*
To lifetime ECL (not credit-impaired)	*(1,773)*	*1,777*	*(4)*	*–*	*–*
To lifetime ECL (credit-impaired)	*–*	*(267)*	*267*	*–*	*–*
Net changes in exposure	669	(656)	(146)	–	(133)
Impairment loss allowances utilised	–	–	(43)	–	(43)
Exchange adjustments	(39)	(76)	(19)	–	(134)
Measurement reclassification and other movements	(5)	4	1	–	–
Gross carrying amount at 31 December 2025	**5,114**	**1,699**	**325**	**–**	**7,138**

2025 Property and construction - Impairment loss allowance	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total impairment loss allowance €m
Opening balance 1 January 2025	**24**	**103**	**88**	**–**	**215**
Total net transfers	40	(60)	20	–	–
To 12 month ECL (not credit-impaired)	*47*	*(47)*	*–*	*–*	*–*
To lifetime ECL (not credit-impaired)	*(7)*	*7*	*–*	*–*	*–*
To lifetime ECL (credit-impaired)	*–*	*(20)*	*20*	*–*	*–*
Net impairment losses / (gains) in income statement	(37)	7	17	–	(13)
Re-measurement	*(55)*	*(1)*	*60*	*–*	*4*
Net changes in exposure	*5*	*(23)*	*(43)*	*–*	*(61)*
ECL model parameter and / or methodology changes	*13*	*31*	*–*	*–*	*44*
Impairment loss allowances utilised	–	–	(43)	–	(43)
Exchange adjustments	–	–	–	–	–
Measurement reclassification and other movements	–	–	(8)	–	(8)
Impairment loss allowance at 31 December 2025	**27**	**50**	**74**	**–**	**151**
Impairment coverage at 31 December 2025 (%)	**0.53%**	**2.94%**	**22.77%**	**–**	**2.12%**

Impairment loss allowances utilised on Property and construction during 2025 included €nil of contractual amounts outstanding that are still subject to enforcement activity.

25 Loans and advances to customers *(continued)*

Property and construction *(continued)*

2024 Property and construction - Gross carrying amount (before impairment loss allowance)	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total gross carrying amount €m
Opening balance 1 January 2024	**3,336**	**3,518**	**369**	**–**	**7,223**
Total net transfers	(164)	(3)	167	–	–
To 12 month ECL (not credit-impaired)	*1,021*	*(1,021)*	*–*	*–*	*–*
To lifetime ECL (not credit-impaired)	*(1,184)*	*1,200*	*(16)*	*–*	*–*
To lifetime ECL (credit-impaired)	*(1)*	*(182)*	*183*	*–*	*–*
Net changes in exposure	1,243	(842)	(225)	–	176
Impairment loss allowances utilised	–	–	(56)	–	(56)
Exchange adjustments	33	63	12	–	108
Measurement reclassification and other movements	(6)	1	2	–	(3)
Gross carrying amount at 31 December 2024	**4,442**	**2,737**	**269**	**–**	**7,448**

2024 Property and construction - Impairment loss allowance	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total impairment loss allowance €m
Opening balance 1 January 2024	**25**	**144**	**80**	**–**	**249**
Total net transfers	20	(38)	18	–	–
To 12 month ECL (not credit-impaired)	*28*	*(28)*	*–*	*–*	*–*
To lifetime ECL (not credit-impaired)	*(8)*	*12*	*(4)*	*–*	*–*
To lifetime ECL (credit-impaired)	*–*	*(22)*	*22*	*–*	*–*
Net impairment losses / (gains) in income statement	(21)	(3)	29	–	5
Re-measurement	*(25)*	*40*	*58*	*–*	*73*
Net changes in exposure	*7*	*(21)*	*(20)*	*–*	*(34)*
ECL model parameter and / or methodology changes	*(3)*	*(22)*	*(9)*	*–*	*(34)*
Impairment loss allowances utilised	–	–	(56)	–	(56)
Exchange adjustments	–	–	2	–	2
Measurement reclassification and other movements	–	–	15	–	15
Impairment loss allowance at 31 December 2024	**24**	**103**	**88**	**–**	**215**
Impairment coverage at 31 December 2024 (%)	**0.54%**	**3.76%**	**32.71%**	**–**	**2.89%**

Impairment loss allowances utilised on Property and construction during 2024 included €nil of contractual amounts outstanding that are still subject to enforcement activity.

25 Loans and advances to customers *(continued)*

Consumer

2025 Consumer - Gross carrying amount (before impairment loss allowance)	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total gross carrying amount €m
Opening balance 1 January 2025	**4,698**	**312**	**106**	**–**	**5,116**
Total net transfers	(18)	(52)	70	–	–
To 12 month ECL (not credit-impaired)	*234*	*(233)*	*(1)*	–	–
To lifetime ECL (not credit-impaired)	*(213)*	*222*	*(9)*	–	–
To lifetime ECL (credit-impaired)	*(39)*	*(41)*	*80*	–	–
Net changes in exposure	851	(57)	(24)	–	770
Impairment loss allowances utilised	–	–	(32)	–	(32)
Exchange adjustments	(122)	(5)	(2)	–	(129)
Measurement reclassification and other movements	–	–	(1)	–	(1)
Gross carrying amount at 31 December 2025	**5,409**	**198**	**117**	**–**	**5,724**

2025 Consumer - Impairment loss allowance	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total impairment loss allowance €m
Opening balance 1 January 2025	**34**	**25**	**49**	**–**	**108**
Total net transfers	17	(24)	7	–	–
To 12 month ECL (not credit-impaired)	*21*	*(21)*	–	–	–
To lifetime ECL (not credit-impaired)	*(4)*	*7*	*(3)*	–	–
To lifetime ECL (credit-impaired)	–	*(10)*	*10*	–	–
Net impairment losses / (gains) in income statement	(16)	16	29	–	29
Re-measurement	*(15)*	*24*	*43*	–	*52*
Net changes in exposure	*6*	*(6)*	*(14)*	–	*(14)*
ECL model parameter and / or methodology changes	*(7)*	*(2)*	–	–	*(9)*
Impairment loss allowances utilised	–	–	(32)	–	(32)
Exchange adjustments	–	–	(1)	–	(1)
Measurement reclassification and other movements	–	–	6	–	6
Impairment loss allowance at 31 December 2025	**35**	**17**	**58**	**–**	**110**
Impairment coverage at 31 December 2025 (%)	**0.65%**	**8.59%**	**49.57%**	**–**	**1.92%**

Impairment loss allowances utilised on Consumer during 2025 included €9 million of contractual amounts outstanding that are still subject to enforcement activity.

25 Loans and advances to customers *(continued)*

Consumer *(continued)*

2024 Consumer - Gross carrying amount (before impairment loss allowance)	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total gross carrying amount €m
Opening balance 1 January 2024	**4,870**	**801**	**130**	**–**	**5,801**
Total net transfers	(16)	(84)	100	–	–
To 12 month ECL (not credit-impaired)	*421*	*(420)*	*(1)*	–	–
To lifetime ECL (not credit-impaired)	*(389)*	*398*	*(9)*	–	–
To lifetime ECL (credit-impaired)	*(48)*	*(62)*	*110*	–	–
Net changes in exposure	(274)	(437)	(40)	–	(751)
Impairment loss allowances utilised	–	–	(87)	–	(87)
Exchange adjustments	130	31	2	–	163
Measurement reclassification and other movements	(12)	1	1	–	(10)
Gross carrying amount at 31 December 2024	**4,698**	**312**	**106**	**–**	**5,116**

2024 Consumer - Impairment loss allowance	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total impairment loss allowance €m
Opening balance 1 January 2024	**50**	**67**	**61**	**–**	**178**
Total net transfers	12	(25)	12	1	–
To 12 month ECL (not credit-impaired)	*18*	*(17)*	*(1)*	–	–
To lifetime ECL (not credit-impaired)	*(5)*	*8*	*(3)*	–	–
To lifetime ECL (credit-impaired)	*(1)*	*(16)*	*16*	*1*	–
Net impairment losses / (gains) in income statement	(6)	2	62	–	58
Re-measurement	*(17)*	*22*	*69*	–	*74*
Net changes in exposure	*1*	*(25)*	*(12)*	–	*(36)*
ECL model parameter and / or methodology changes	*10*	*5*	*5*	–	*20*
Impairment loss allowances utilised	–	–	(87)	–	(87)
Exchange adjustments	2	2	1	(1)	4
Measurement reclassification and other movements	(24)	(21)	–	–	(45)
Impairment loss allowance at 31 December 2024	**34**	**25**	**49**	**–**	**108**
Impairment coverage at 31 December 2024 (%)	**0.72%**	**8.01%**	**46.23%**	**–**	**2.11%**

Impairment loss allowances utilised on Consumer during 2024 included €5 million of contractual amounts outstanding that are still subject to enforcement activity.

Finance leases and hire purchase receivables

The Group's material leasing arrangements include the provision of instalment credit and leasing finance for both consumer and business customers.

Loans and advances to customers include finance leases and hire purchase receivables, which are analysed in the following table. The net investment in finance leases at 31 December 2025 was €5,267 million, an increase of €542 million since 31 December 2024. This was primarily driven by an increase in motor finance volumes in RoI and the UK.

25 Loans and advances to customers *(continued)*

	2025 €m	2024 €m
Gross investment in finance leases		
Not later than 1 year	1,242	1,101
1 to 2 years	1,438	1,334
2 to 3 years	1,473	1,397
3 to 4 years	1,231	991
4 to 5 years	424	370
Later than 5 years	57	75
	5,865	**5,268**
Unearned future finance income on finance leases	(598)	(543)
Net investment in finance leases	**5,267**	**4,725**
The net investment in finance leases is analysed as follows:		
Not later than 1 year	1,104	978
1 to 2 years	1,286	1,192
2 to 3 years	1,327	1,255
3 to 4 years	1,104	890
4 to 5 years	393	341
Later than 5 years	53	69
	5,267	**4,725**

Securitisations

Loans and advances to customers include balances that have been securitised but not derecognised, comprising both residential mortgages and commercial loans. In general, the assets, or interests in the assets, are transferred to structured entities, which then issue securities to third party investors or to other entities within the Group. With the exception of Temple Quay No.1 plc, all of the Group's securitisation structured entities are consolidated. See note 52 for further details.

26 Credit risk exposures

The following disclosures provide quantitative information about credit risk within financial instruments held by the Group. Details of the credit risk methodologies are set out on pages 251 to 257.

In addition to credit risk, the primary risks affecting the Group through its use of financial instruments are: funding and liquidity risk, market risk and life insurance risk. The Group's approach to the management of these risks, together with its approach to Capital management, are set out in sections 3.2 (capital adequacy risk), 3.4 (credit risk), 3.5 (funding and liquidity risk), 3.6 (life insurance risk) and 3.7 (market risk) of the Risk Management Report.

The table below illustrates the relationship between the Group's internal credit risk rating grades and PD percentages as used for reporting. The table further illustrates the indicative relationship with credit risk ratings used by external rating agencies. Following the introduction of new credit risk rating models during 2025 the Group is migrating towards an updated PD mapping table on a phased basis during 2026.

Internal credit risk ratings		Indicative S&P type external ratings
PD Grade	**PD %**	
1-4	0% ≤ PD < 0.26%	AAA, AA+, AA, AA-, A+, A, A-, BBB+, BBB
5-7	0.26% ≤ PD < 1.45%	BBB-, BB+, BB, BB-
8-9	1.45% ≤ PD < 3.60%	B+
10-11	3.60% ≤ PD < 100%	B, Below B
12 (credit-impaired)	100%	n/a

26 Credit risk exposures *(continued)*

Financial assets

Composition and risk profile

The tables below summarise the composition and risk profile of the Group's financial assets subject to impairment and the impairment loss allowances on these financial assets. The tables exclude loan commitments, guarantees and letters of credit of €18,133 million at 31 December 2025 (2024: €18,316 million) that are subject to impairment (note 41).

Loans and advances to customers excludes €166 million (2024: €185 million) of loans mandatorily measured at FVTPL at 31 December 2025 which are not subject to impairment under IFRS 9 and are therefore excluded from impairment related tables.

At 31 December 2025, POCI assets of €124 million (2024: €133 million) included €67 million (2024: €78 million) of credit-impaired POCI assets and €57 million of assets (2024: €55 million) which, while credit-impaired upon purchase or origination were no longer credit-impaired at the reporting date due to improvements in credit risk. These assets will remain classified as POCI until derecognition.

At 31 December 2025, other financial assets (before impairment loss allowance) includes cash and balances at central banks of €22,967 million (2024: €32,441 million) and items in the course of collection from other banks of €139 million (2024: €114 million).

2025 Financial assets exposure by stage (before impairment loss allowance)	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total €m
Financial assets measured at amortised cost					
Loans and advances to customers	72,676	8,930	1,731	124	83,461
Loans and advances to banks	1,572	–	–	–	1,572
Debt securities	18,375	1	–	–	18,376
Other financial assets	23,106	–	–	–	23,106
Total financial assets measured at amortised cost	**115,729**	**8,931**	**1,731**	**124**	**126,515**
Debt instruments at FVOCI	2,990	–	–	–	2,990
Total	**118,719**	**8,931**	**1,731**	**124**	**129,505**

2025 Impairment loss allowance on financial assets	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total €m
Financial assets measured at amortised cost					
Loans and advances to customers	169	357	612	11	1,149
Loans and advances to banks	–	–	–	–	–
Debt securities	4	–	–	–	4
Other financial assets	4	–	–	–	4
Total financial assets measured at amortised cost	**177**	**357**	**612**	**11**	**1,157**
Debt instruments at FVOCI	1	–	–	–	1
Total	**178**	**357**	**612**	**11**	**1,158**

2024 Financial assets exposure by stage (before impairment loss allowance)	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total €m
Financial assets measured at amortised cost					
Loans and advances to customers	70,953	10,540	1,755	133	83,381
Loans and advances to banks	1,683	–	–	–	1,683
Debt securities	6,388	–	–	–	6,388
Other financial assets	32,555	–	–	–	32,555
Total financial assets measured at amortised cost	**111,579**	**10,540**	**1,755**	**133**	**124,007**
Debt instruments at FVOCI	3,384	–	–	–	3,384
Total	**114,963**	**10,540**	**1,755**	**133**	**127,391**

26 Credit risk exposures *(continued)*

2024 Impairment loss allowance on financial assets	Stage 1 - 12 month ECL (not credit-impaired) €m	Stage 2 - Lifetime ECL (not credit-impaired) €m	Stage 3 - Lifetime ECL (credit-impaired) €m	Purchased / originated credit-impaired €m	Total €m
Financial assets measured at amortised cost					
Loans and advances to customers	168	355	514	(9)	1,028
Loans and advances to banks	–	–	–	–	–
Debt securities	1	–	–	–	1
Other financial assets	5	–	–	–	5
Total financial assets measured at amortised cost	**174**	**355**	**514**	**(9)**	**1,034**
Debt instruments at FVOCI	1	–	–	–	1
Total	**175**	**355**	**514**	**(9)**	**1,035**

Loans and advances to customers at amortised cost

Composition and risk profile

The table below summarises the composition and risk profile of the Group's loans and advances to customers at amortised cost, including POCI assets of €124 million (2024: €133 million). Credit-impaired includes Stage 3 and POCI assets of €67 million (2024: €78 million). €57 million of POCI assets (2024: €55 million) were no longer credit-impaired at the reporting date due to improvement in credit risk since purchase or origination. These loans will remain classified as POCI loans until derecognition.

Loans and advances to customers Composition and risk profile (before impairment loss allowance)	2025				2024			
	Not credit-impaired €m	Credit-impaired €m	Total €m	Total %	Not credit-impaired €m	Credit-impaired €m	Total €m	Total %
Residential mortgages	51,558	518	52,076	62%	49,578	748	50,326	60%
Retail Ireland	*36,925*	*356*	*37,281*	*44%*	*33,831*	*394*	*34,225*	*41%*
Retail UK	*14,633*	*162*	*14,795*	*18%*	*15,747*	*354*	*16,101*	*19%*
Non-property SME and corporate	17,628	771	18,399	22%	19,726	632	20,358	25%
Republic of Ireland SME	*6,928*	*217*	*7,145*	*8%*	*7,013*	*236*	*7,249*	*9%*
UK SME	*1,259*	*55*	*1,314*	*2%*	*1,453*	*78*	*1,531*	*2%*
Corporate	*9,441*	*499*	*9,940*	*12%*	*11,260*	*318*	*11,578*	*14%*
Property and construction	6,813	325	7,138	9%	7,179	269	7,448	9%
Investment	*6,171*	*252*	*6,423*	*8%*	*6,613*	*227*	*6,840*	*8%*
Development	*642*	*73*	*715*	*1%*	*566*	*42*	*608*	*1%*
Consumer	5,607	117	5,724	7%	5,010	106	5,116	6%
Total	**81,606**	**1,731**	**83,337**	**100%**	**81,493**	**1,755**	**83,248**	**100%**
Purchased / originated credit-impaired	57	67	124	–	55	78	133	–
Total	**81,663**	**1,798**	**83,461**	**100%**	**81,548**	**1,833**	**83,381**	**100%**
ILA on loans and advances to customers (including POCIs)	**514**	**635**	**1,149**	**1.4%**	**513**	**515**	**1,028**	**1.2%**

26 Credit risk exposures *(continued)*

Asset quality - not credit-impaired

The tables below summarise the composition and impairment loss allowance of the Group's loans and advances to customers at amortised cost that are not credit-impaired. Excluded from the tables below are POCI assets of €57 million (2024: €55 million) which were no longer credit-impaired at the reporting date due to improvement in credit risk since purchase or origination. These assets will remain classified as POCI until derecognition.

2025 Not credit-impaired loans and advances to customers Composition and impairment loss allowance	Stage 1				Stage 2			
	Stage 1 Loans €m	Loans as % of advances[1] %	Stage 1 ILA €m	ILA % of Stage 1 loans %	Stage 2 Loans €m	Loans as % of advances[1] %	Stage 2 ILA €m	ILA % of Stage 2 loans %
Residential mortgages	48,959	94.0%	43	0.09%	2,599	5.0%	56	2.15%
Retail Ireland	*35,778*	*96.0%*	*29*	*0.08%*	*1,147*	*3.1%*	*31*	*2.70%*
Retail UK	*13,181*	*89.1%*	*14*	*0.11%*	*1,452*	*9.8%*	*25*	*1.72%*
Non-property SME and corporate	13,194	71.7%	64	0.49%	4,434	24.1%	234	5.28%
Republic of Ireland SME	*5,470*	*76.6%*	*45*	*0.82%*	*1,458*	*20.4%*	*81*	*5.56%*
UK SME	*1,008*	*76.7%*	*4*	*0.40%*	*251*	*19.1%*	*15*	*5.98%*
Corporate	*6,716*	*67.6%*	*15*	*0.22%*	*2,725*	*27.4%*	*138*	*5.06%*
Property and construction	5,114	71.6%	27	0.53%	1,699	23.8%	50	2.94%
Investment	*4,606*	*71.7%*	*17*	*0.37%*	*1,565*	*24.4%*	*46*	*2.94%*
Development	*508*	*71.0%*	*10*	*1.97%*	*134*	*18.7%*	*4*	*2.99%*
Consumer	5,409	94.5%	35	0.65%	198	3.5%	17	8.59%
Total	**72,676**	**87.2%**	**169**	**0.23%**	**8,930**	**10.7%**	**357**	**4.00%**

2024 Not credit-impaired loans and advances to customers Composition and impairment loss allowance	Stage 1				Stage 2			
	Stage 1 Loans €m	Loans as % of advances[1] %	Stage 1 ILA €m	ILA % of Stage 1 loans %	Stage 2 Loans €m	Loans as % of advances[1] %	Stage 2 ILA €m	ILA % of Stage 2 loans %
Residential mortgages	47,169	93.7%	32	0.07%	2,409	4.8%	47	1.95%
Retail Ireland	*32,501*	*94.9%*	*21*	*0.06%*	*1,330*	*3.9%*	*29*	*2.18%*
Retail UK	*14,668*	*91.1%*	*11*	*0.07%*	*1,079*	*6.7%*	*18*	*1.67%*
Non-property SME and corporate	14,644	71.9%	78	0.53%	5,082	25.0%	180	3.54%
Republic of Ireland SME	*5,475*	*75.5%*	*48*	*0.88%*	*1,538*	*21.2%*	*69*	*4.49%*
UK SME	*1,243*	*81.2%*	*5*	*0.40%*	*210*	*13.7%*	*10*	*4.76%*
Corporate	*7,926*	*68.5%*	*25*	*0.32%*	*3,334*	*28.8%*	*101*	*3.03%*
Property and construction	4,442	59.7%	24	0.54%	2,737	36.7%	103	3.76%
Investment	*4,108*	*60.1%*	*20*	*0.49%*	*2,505*	*36.6%*	*97*	*3.87%*
Development	*334*	*54.9%*	*4*	*1.20%*	*232*	*38.2%*	*6*	*2.59%*
Consumer	4,698	91.8%	34	0.72%	312	6.1%	25	8.01%
Total	**70,953**	**85.2%**	**168**	**0.24%**	**10,540**	**12.7%**	**355**	**3.37%**

[1] *'Advances' refers to the portfolio loan balance (pre-impairment loss allowance) excluding POCI assets.*

26 Credit risk exposures *(continued)*

Asset quality - credit-impaired

Credit-impaired loans include loans where the borrower is considered unlikely to pay in full without recourse by the Group to actions such as realising security, and loans where the borrower is greater than 90 days past due and the arrears amount is material. All credit-impaired loans and advances to customers are risk rated PD grade 12.

The table below summarises the composition and impairment loss allowance of the Group credit-impaired loans and advances to customers at amortised cost. Credit-impaired includes Stage 3 and POCI assets of €67 million (2024: €78 million). €57 million of POCI assets (2024: €55 million) were no longer credit-impaired at the reporting date due to improvement in credit risk since purchase or origination. These loans will remain classified as POCI loans until derecognition.

Credit-impaired (CI) loans and advances to customers Composition and impairment loss allowance (ILA)	2025				2024			
	CI Loans €m	CI Loans as % of advances[1] %	CI Impairment loss allowance €m	CI ILA as % of CI loans %	CI Loans €m	CI Loans as % of advances[1] %	CI Impairment loss allowance €m	CI ILA as % of CI loans %
Residential mortgages	518	1.0%	116	22%	748	1.5%	120	16%
Retail Ireland	*356*	*0.9%*	*90*	*25%*	*394*	*1.2%*	*75*	*19%*
Retail UK	*162*	*1.1%*	*26*	*16%*	*354*	*2.2%*	*45*	*13%*
Non-property SME and corporate	771	4.2%	364	47%	632	3.1%	257	41%
Republic of Ireland SME	*217*	*3.0%*	*89*	*41%*	*236*	*3.3%*	*94*	*40%*
UK SME	*55*	*4.2%*	*14*	*25%*	*78*	*5.1%*	*17*	*22%*
Corporate	*499*	*5.0%*	*261*	*52%*	*318*	*2.7%*	*146*	*46%*
Property and construction	325	4.6%	74	23%	269	3.6%	88	33%
Investment	*252*	*3.9%*	*50*	*20%*	*227*	*3.3%*	*75*	*33%*
Development	*73*	*10.3%*	*24*	*33%*	*42*	*6.9%*	*13*	*31%*
Consumer	117	2.0%	58	50%	106	2.1%	49	46%
Total credit-impaired	**1,731**	**2.1%**	**612**	**35%**	**1,755**	**2.1%**	**514**	**29%**
Purchased / originated credit-impaired	67	54.0%	23	34%	78	58.6%	1	1%
Total credit-impaired including POCIs	**1,798**	**2.2%**	**635**	**35%**	**1,833**	**2.2%**	**515**	**28%**

[1] *'Advances' refers to the portfolio loan balance (pre-impairment loss allowance) excluding POCI assets.*

26 Credit risk exposures *(continued)*

Asset quality - PD Grade of loans and advances to customers

The table below provides analysis of the asset quality of loans and advances to customers at amortised cost based on mapping the IFRS 9 twelve month PD of each loan to a PD grade based on the table provided on page 367. Credit-impaired includes Stage 3 and POCI assets of €67 million (2024: €78 million). Not credit-impaired includes Stage 1 & 2 and POCI assets of €57 million (2024: €55 million), which were no longer credit-impaired at the reporting date due to improvement in credit risk since purchase or origination. These assets will remain classified as POCI until derecognition.

2025 Loans and advances to customers Asset quality - PD grade	Residential mortgages		Non-property SME and corporate		Property and construction		Consumer		Total	
	€m	%	€m	%	€m	%	€m	%	€m	%
Stage 1										
1-4	9,195	18%	2,545	14%	91	1%	6	–	11,837	14%
5-7	36,060	69%	5,558	30%	3,556	50%	464	8%	45,638	55%
8-9	2,689	5%	3,533	19%	1,406	19%	4,641	82%	12,269	15%
10-11	1,015	2%	1,558	9%	61	1%	298	5%	2,932	3%
Total Stage 1	**48,959**	**94%**	**13,194**	**72%**	**5,114**	**71%**	**5,409**	**95%**	**72,676**	**87%**
Stage 2										
1-4	41	–	456	3%	29	–	–	–	526	1%
5-7	1,039	2%	1,355	7%	563	8%	2	–	2,959	3%
8-9	512	1%	1,173	6%	679	10%	15	–	2,379	3%
10-11	1,007	2%	1,450	8%	428	6%	181	3%	3,066	4%
Total Stage 2	**2,599**	**5%**	**4,434**	**24%**	**1,699**	**24%**	**198**	**3%**	**8,930**	**11%**
Not credit-impaired										
1-4	9,236	18%	3,001	17%	120	1%	6	–	12,363	15%
5-7	37,099	71%	6,913	37%	4,119	58%	466	8%	48,597	58%
8-9	3,201	6%	4,706	25%	2,085	29%	4,656	82%	14,648	18%
10-11	2,022	4%	3,008	17%	489	7%	479	8%	5,998	7%
Purchased / originated not credit-impaired	57	–	–	–	–	–	–	–	57	–
Total not credit-impaired	**51,615**	**99%**	**17,628**	**96%**	**6,813**	**95%**	**5,607**	**98%**	**81,663**	**98%**
Credit-impaired										
12	518	1%	771	4%	325	5%	117	2%	1,731	2%
Purchased / originated credit-impaired	67	–	–	–	–	–	–	–	67	–
Total-credit-impaired	**585**	**1%**	**771**	**4%**	**325**	**5%**	**117**	**2%**	**1,798**	**2%**
Total	**52,200**	**100%**	**18,399**	**100%**	**7,138**	**100%**	**5,724**	**100%**	**83,461**	**100%**

26 Credit risk exposures *(continued)*

2024 Loans and advances to customers Asset quality - PD grade	Residential mortgages		Non-property SME and corporate		Property and construction		Consumer		Total	
	€m	%	€m	%	€m	%	€m	%	€m	%
Stage 1										
1-4	12,686	25%	1,438	7%	34	–	7	–	14,165	17%
5-7	31,340	62%	6,727	32%	2,168	29%	2,786	55%	43,021	51%
8-9	1,809	4%	5,284	26%	2,130	29%	1,585	31%	10,808	13%
10-11	1,334	3%	1,195	6%	110	1%	320	6%	2,959	4%
Total Stage 1	**47,169**	**94%**	**14,644**	**71%**	**4,442**	**59%**	**4,698**	**92%**	**70,953**	**85%**
Stage 2										
1-4	101	–	112	1%	–	–	–	–	213	–
5-7	1,074	2%	1,370	7%	664	9%	5	–	3,113	4%
8-9	376	1%	2,013	10%	1,285	17%	90	2%	3,764	5%
10-11	858	2%	1,587	8%	788	11%	217	4%	3,450	4%
Total Stage 2	**2,409**	**5%**	**5,082**	**26%**	**2,737**	**37%**	**312**	**6%**	**10,540**	**13%**
Not credit-impaired										
1-4	12,787	25%	1,550	8%	34	–	7	–	14,378	17%
5-7	32,414	64%	8,097	39%	2,832	38%	2,791	55%	46,134	55%
8-9	2,185	5%	7,297	36%	3,415	46%	1,675	33%	14,572	18%
10-11	2,192	5%	2,782	14%	898	12%	537	10%	6,409	8%
Purchased / originated not credit-impaired	55	–	–	–	–	–	–	–	55	–
Total not credit-impaired	**49,633**	**99%**	**19,726**	**97%**	**7,179**	**96%**	**5,010**	**98%**	**81,548**	**98%**
Credit-impaired										
12	748	1%	632	3%	269	4%	106	2%	1,755	2%
Purchased / originated credit-impaired	78	–	–	–	–	–	–	–	78	–
Total credit-impaired	**826**	**1%**	**632**	**3%**	**269**	**4%**	**106**	**2%**	**1,833**	**2%**
Total	**50,459**	**100%**	**20,358**	**100%**	**7,448**	**100%**	**5,116**	**100%**	**83,381**	**100%**

26 Credit risk exposures *(continued)*

Loans and advances to customers - other credit risk information

Segmental analysis

The tables below provide an analysis of the risk profile of loans and advances to customers at amortised cost by division. Credit-impaired loans include Stage 3 and POCI assets which remain credit-impaired at the reporting period. Not credit-impaired figures include forborne loans that had yet to satisfy exit criteria in line with EBA guidance to return to performing.

2025 Risk profile of loans and advances to customers (before impairment loss allowance)	Retail Ireland €m	Retail UK €m	Corporate and Commercial €m	Total Group €m
Stage 1 - 12 month ECL (not credit-impaired)	39,571	17,275	15,830	72,676
Stage 2 - Lifetime ECL (not credit-impaired)	1,547	1,899	5,484	8,930
Stage 3 - Lifetime ECL (credit-impaired)	522	278	931	1,731
Purchased / originated credit-impaired	124	–	–	124
Gross carrying amount at 31 December 2025	**41,764**	**19,452**	**22,245**	**83,461**

Restated[1] 2024 Risk profile of loans and advances to customers (before impairment loss allowance)	Retail Ireland[1] €m	Retail UK €m	Corporate and Commercial[1] €m	Total Group €m
Stage 1 - 12 month ECL (not credit-impaired)	35,967	18,531	16,455	70,953
Stage 2 - Lifetime ECL (not credit-impaired)	1,963	1,510	7,067	10,540
Stage 3 - Lifetime ECL (credit-impaired)	576	488	691	1,755
Purchased / originated credit-impaired	133	–	–	133
Gross carrying amount at 31 December 2024	**38,639**	**20,529**	**24,213**	**83,381**

[1] *Comparative figures have been restated to reflect the SB&A transfer from Corporate and Commercial to Retail Ireland. As a result comparative figures have been restated to reflect an increase of €2,630 million in Retail Ireland and corresponding decrease in Corporate and Commercial.*

26 Credit risk exposures *(continued)*

Geographical and industry analysis of loans and advances to customers

The following tables provide a geographical and industry breakdown of loans and advances to customers at amortised cost, and the associated impairment loss allowances. The geographical breakdown is primarily based on the location of the business unit where the asset is booked. The Non-property SME & corporate portfolio is analysed by NACE code. The NACE code classification system is a pan-European classification system that groups organisations according to their business activities. Exposures to NACE codes totalling less than €400 million are grouped together as 'Other sectors'. The NACE codes reported in the table below can therefore differ period on period.

	Gross carrying amount (before impairment loss allowance)				Impairment loss allowance			
2025 Geographical / industry analysis	**RoI €m**	**UK €m**	**Rest of World €m**	**Total €m**	**RoI €m**	**UK €m**	**Rest of World €m**	**Total €m**
Personal	**40,053**	**17,871**	**–**	**57,924**	**240**	**96**	**–**	**336**
Residential mortgages	*37,405*	*14,795*	*–*	*52,200*	*161*	*65*	*–*	*226*
Other consumer lending	*2,648*	*3,076*	*–*	*5,724*	*79*	*31*	*–*	*110*
Property and construction	**6,854**	**284**	**–**	**7,138**	**146**	**5**	**–**	**151**
Investment	*6,161*	*262*	*–*	*6,423*	*110*	*3*	*–*	*113*
Development	*693*	*22*	*–*	*715*	*36*	*2*	*–*	*38*
Non-property SME & corporate	**16,312**	**1,465**	**622**	**18,399**	**523**	**39**	**100**	**662**
Manufacturing	*3,147*	*223*	*394*	*3,764*	*166*	*9*	*35*	*210*
Administrative and support service activities	*2,369*	*195*	*92*	*2,656*	*78*	*6*	*26*	*110*
Wholesale and retail trade	*2,076*	*131*	*17*	*2,224*	*43*	*1*	*1*	*45*
Agriculture, forestry and fishing	*1,544*	*177*	*–*	*1,721*	*40*	*4*	*–*	*44*
Accommodation and food service activities	*1,350*	*71*	*–*	*1,421*	*19*	*4*	*–*	*23*
Human health services and social work activities	*969*	*95*	*31*	*1,095*	*21*	*4*	*1*	*26*
Transport and storage	*649*	*81*	*43*	*773*	*9*	*1*	*33*	*43*
Professional, scientific and technical activities	*719*	*24*	*3*	*746*	*19*	*1*	*2*	*22*
Electricity, gas, steam and air conditioning supply	*678*	*17*	*–*	*695*	*16*	*–*	*–*	*16*
Real estate activities	*555*	*137*	*–*	*692*	*21*	*4*	*–*	*25*
Other services	*515*	*28*	*23*	*566*	*46*	*1*	*2*	*49*
Education	*422*	*5*	*19*	*446*	*3*	*–*	*–*	*3*
Information and communication	*430*	*3*	*–*	*433*	*28*	*–*	*–*	*28*
Construction	*265*	*158*	*–*	*423*	*7*	*2*	*–*	*9*
Other sectors	*624*	*120*	*–*	*744*	*7*	*2*	*–*	*9*
Total	**63,219**	**19,620**	**622**	**83,461**	**909**	**140**	**100**	**1,149**
Analysed by stage:								
Stage 1	55,051	17,404	221	72,676	138	29	2	169
Stage 2	6,725	1,937	268	8,930	291	49	17	357
Stage 3	1,319	279	133	1,731	469	62	81	612
Purchased / originated credit-impaired	124	–	–	124	11	–	–	11
Total	**63,219**	**19,620**	**622**	**83,461**	**909**	**140**	**100**	**1,149**

26 Credit risk exposures *(continued)*

2024 Geographical / industry analysis	Gross carrying amount (before impairment loss allowance) RoI €m	 UK €m	 Rest of World €m	 Total €m	Impairment loss allowance RoI €m	 UK €m	 Rest of World €m	 Total €m
Personal	**36,869**	**18,706**	**–**	**55,575**	**196**	**102**	**–**	**298**
Residential mortgages	*34,358*	*16,101*	*–*	*50,459*	*116*	*74*	*–*	*190*
Other consumer lending	*2,511*	*2,605*	*–*	*5,116*	*80*	*28*	*–*	*108*
Property and construction	**7,124**	**324**	**–**	**7,448**	**206**	**9**	**–**	**215**
Investment	*6,547*	*293*	*–*	*6,840*	*184*	*8*	*–*	*192*
Development	*577*	*31*	*–*	*608*	*22*	*1*	*–*	*23*
Non-property SME & corporate	**17,751**	**1,695**	**912**	**20,358**	**415**	**37**	**63**	**515**
Manufacturing	*3,467*	*269*	*479*	*4,215*	*114*	*6*	*16*	*136*
Administrative and support service activities	*2,627*	*229*	*164*	*3,020*	*57*	*6*	*3*	*66*
Wholesale and retail trade	*2,124*	*166*	*20*	*2,310*	*41*	*2*	*–*	*43*
Agriculture, forestry and fishing	*1,577*	*200*	*–*	*1,777*	*37*	*4*	*–*	*41*
Accommodation and food service activities	*1,442*	*80*	*39*	*1,561*	*19*	*2*	*1*	*22*
Human health services and social work activities	*1,171*	*109*	*45*	*1,325*	*21*	*4*	*1*	*26*
Transport and storage	*680*	*88*	*71*	*839*	*17*	*1*	*23*	*41*
Professional, scientific and technical activities	*695*	*29*	*28*	*752*	*12*	*–*	*18*	*30*
Electricity, gas, steam and air conditioning supply	*504*	*15*	*–*	*519*	*14*	*–*	*–*	*14*
Real estate activities	*535*	*134*	*–*	*669*	*25*	*4*	*–*	*29*
Other services	*681*	*34*	*41*	*756*	*12*	*1*	*1*	*14*
Education	*369*	*7*	*25*	*401*	*7*	*–*	*–*	*7*
Construction	*279*	*186*	*–*	*465*	*7*	*2*	*–*	*9*
Financial and Insurance activities	*728*	*75*	*–*	*803*	*4*	*1*	*–*	*5*
Other sectors	*872*	*74*	*–*	*946*	*28*	*4*	*–*	*32*
Total	**61,744**	**20,725**	**912**	**83,381**	**817**	**148**	**63**	**1,028**
Analysed by stage:								
Stage 1	51,788	18,628	537	70,953	140	25	3	168
Stage 2	8,671	1,608	261	10,540	302	43	10	355
Stage 3	1,152	489	114	1,755	384	80	50	514
Purchased / originated credit-impaired	133	–	–	133	(9)	–	–	(9)
Total	**61,744**	**20,725**	**912**	**83,381**	**817**	**148**	**63**	**1,028**

26 Credit risk exposures *(continued)*

Sectoral analysis of loans and advances to customers

The following tables provide an analysis of loans and advances to customers at amortised cost, and the associated impairment loss allowances, by portfolio, sub-sector and stage. The Non-property SME & corporate portfolio is analysed by NACE code. The NACE code classification system is a pan-European classification system that groups organisations according to their business activities. Exposures to NACE codes totalling less than €400 million are grouped together as 'Other sectors'. The NACE codes reported in the tables below can therefore differ year on year.

	Gross carrying amount (before impairment loss allowance)					Impairment loss allowance				
2025 Sectoral analysis by stage	**Stage 1 €m**	**Stage 2 €m**	**Stage 3 €m**	**POCI €m**	**Total €m**	**Stage 1 €m**	**Stage 2 €m**	**Stage 3 €m**	**POCI €m**	**Total €m**
Personal										
Residential mortgages	48,959	2,599	518	124	52,200	43	56	116	11	226
Other consumer	5,409	198	117	–	5,724	35	17	58	–	110
Motor lending UK	*2,898*	*125*	*53*	*–*	*3,076*	*8*	*4*	*19*	*–*	*31*
Loans RoI	*1,048*	*44*	*44*	*–*	*1,136*	*16*	*8*	*29*	*–*	*53*
Motor lending RoI	*877*	*2*	*9*	*–*	*888*	*6*	*–*	*4*	*–*	*10*
Credit cards RoI	*586*	*27*	*11*	*–*	*624*	*5*	*5*	*6*	*–*	*16*
	54,368	**2,797**	**635**	**124**	**57,924**	**78**	**73**	**174**	**11**	**336**
Property and construction	**5,114**	**1,699**	**325**	**–**	**7,138**	**27**	**50**	**74**	**–**	**151**
Investment	*4,606*	*1,565*	*252*	*–*	*6,423*	*17*	*46*	*50*	*–*	*113*
Development	*508*	*134*	*73*	*–*	*715*	*10*	*4*	*24*	*–*	*38*
Non-property SME & corporate	**13,194**	**4,434**	**771**	**–**	**18,399**	**64**	**234**	**364**	**–**	**662**
Manufacturing	*2,155*	*1,359*	*250*	*–*	*3,764*	*8*	*100*	*102*	*–*	*210*
Administrative and support service activities	*1,999*	*517*	*140*	*–*	*2,656*	*13*	*16*	*81*	*–*	*110*
Wholesale and retail trade	*1,703*	*470*	*51*	*–*	*2,224*	*8*	*22*	*15*	*–*	*45*
Agriculture, forestry and fishing	*1,414*	*256*	*51*	*–*	*1,721*	*10*	*15*	*19*	*–*	*44*
Accommodation and food service activities	*1,157*	*243*	*21*	*–*	*1,421*	*4*	*13*	*6*	*–*	*23*
Human health services and social work activities	*712*	*360*	*23*	*–*	*1,095*	*3*	*15*	*8*	*–*	*26*
Transport and storage	*541*	*185*	*47*	*–*	*773*	*2*	*7*	*34*	*–*	*43*
Professional, scientific and technical activities	*402*	*332*	*12*	*–*	*746*	*2*	*14*	*6*	*–*	*22*
Electricity, gas, steam and air conditioning supply	*609*	*65*	*21*	*–*	*695*	*2*	*4*	*10*	*–*	*16*
Real estate activities	*486*	*172*	*34*	*–*	*692*	*5*	*7*	*13*	*–*	*25*
Other services	*337*	*164*	*65*	*–*	*566*	*1*	*8*	*40*	*–*	*49*
Education	*367*	*79*	*–*	*–*	*446*	*1*	*2*	*–*	*–*	*3*
Information and communication	*295*	*98*	*40*	*–*	*433*	*1*	*3*	*24*	*–*	*28*
Construction	*384*	*28*	*11*	*–*	*423*	*2*	*2*	*5*	*–*	*9*
Other sectors	*633*	*106*	*5*	*–*	*744*	*2*	*6*	*1*	*–*	*9*
Total	**72,676**	**8,930**	**1,731**	**124**	**83,461**	**169**	**357**	**612**	**11**	**1,149**

26 Credit risk exposures *(continued)*

2024 Sectoral analysis by stage	Gross carrying amount (before impairment loss allowance) Stage 1 €m	Stage 2 €m	Stage 3 €m	POCI €m	Total €m	Impairment loss allowance Stage 1 €m	Stage 2 €m	Stage 3 €m	POCI €m	Total €m
Personal										
Residential mortgages	47,169	2,409	748	133	50,459	32	47	120	(9)	190
Other consumer	4,698	312	106	–	5,116	34	25	49	–	108
Motor lending UK	*2,452*	*102*	*50*	*–*	*2,604*	*6*	*4*	*18*	*–*	*28*
Loans RoI	*833*	*175*	*34*	*–*	*1,042*	*15*	*16*	*19*	*–*	*50*
Motor lending RoI	*846*	*2*	*10*	*–*	*858*	*10*	*–*	*5*	*–*	*15*
Credit cards RoI	*567*	*33*	*12*	*–*	*612*	*3*	*5*	*7*	*–*	*15*
	51,867	**2,721**	**854**	**133**	**55,575**	**66**	**72**	**169**	**(9)**	**298**
Property and construction	**4,442**	**2,737**	**269**	**–**	**7,448**	**24**	**103**	**88**	**–**	**215**
Investment	*4,108*	*2,505*	*227*	*–*	*6,840*	*20*	*97*	*75*	*–*	*192*
Development	*334*	*232*	*42*	*–*	*608*	*4*	*6*	*13*	*–*	*23*
Non-property SME & corporate	**14,644**	**5,082**	**632**	**–**	**20,358**	**78**	**180**	**257**	**–**	**515**
Manufacturing	*2,851*	*1,148*	*216*	*–*	*4,215*	*12*	*35*	*89*	*–*	*136*
Administrative and support service activities	*2,241*	*729*	*50*	*–*	*3,020*	*15*	*24*	*27*	*–*	*66*
Wholesale and retail trade	*1,755*	*515*	*40*	*–*	*2,310*	*11*	*18*	*14*	*–*	*43*
Agriculture, forestry and fishing	*1,374*	*350*	*53*	*–*	*1,777*	*11*	*13*	*17*	*–*	*41*
Accommodation and food service activities	*1,025*	*513*	*23*	*–*	*1,561*	*4*	*11*	*7*	*–*	*22*
Human health services and social work activities	*782*	*520*	*23*	*–*	*1,325*	*4*	*18*	*4*	*–*	*26*
Transport and storage	*592*	*176*	*71*	*–*	*839*	*3*	*6*	*32*	*–*	*41*
Professional, scientific and technical activities	*457*	*256*	*39*	*–*	*752*	*2*	*6*	*22*	*–*	*30*
Electricity, gas, steam and air conditioning supply	*375*	*143*	*1*	*–*	*519*	*1*	*13*	*–*	*–*	*14*
Real estate activities	*433*	*188*	*48*	*–*	*669*	*4*	*8*	*17*	*–*	*29*
Other services	*571*	*169*	*16*	*–*	*756*	*3*	*7*	*4*	*–*	*14*
Education	*351*	*50*	*–*	*–*	*401*	*1*	*6*	*–*	*–*	*7*
Construction	*425*	*26*	*14*	*–*	*465*	*2*	*2*	*5*	*–*	*9*
Financial and Insurance activities	*704*	*98*	*1*	*–*	*803*	*2*	*2*	*1*	*–*	*5*
Other sectors	*708*	*201*	*37*	*–*	*946*	*3*	*11*	*18*	*–*	*32*
Total	**70,953**	**10,540**	**1,755**	**133**	**83,381**	**168**	**355**	**514**	**(9)**	**1,028**

Repossessed collateral

Repossessed collateral is sold as soon as practicable, with the proceeds applied against outstanding indebtedness. At 31 December 2025, the Group held collateral as set out in the table opposite.

Repossessed collateral	2025 €m	2024 €m
Residential properties		
Ireland	7	5
UK and other	8	3
	15	**8**
Non-residential properties		
Other	3	1
Total	**18**	**9**

26 Credit risk exposures *(continued)*

Asset quality - other financial assets

The tables below summarise the asset quality of debt instruments at FVOCI, debt securities at amortised cost and loans and advances to banks at amortised cost by IFRS 9 twelve month PD grade.

Debt instruments at FVOCI Asset quality	2025						2024					
	Stage 1		Stage 2		Total		Stage 1		Stage 2		Total	
	€m	%	€m	%	€m	%	€m	%	€m	%	€m	%
PD Grade												
1-4	2,990	100%	–	–	2,990	100%	3,353	99%	–	–	3,353	99%
5-7	–	–	–	–	–	–	31	1%	–	–	31	1%
8-9	–	–	–	–	–	–	–	–	–	–	–	–
10-11	–	–	–	–	–	–	–	–	–	–	–	–
Total	**2,990**	**100%**	**–**	**–**	**2,990**	**100%**	**3,384**	**100%**	**–**	**–**	**3,384**	**100%**

Debt securities at amortised cost (before impairment loss allowance) Asset quality	2025						2024					
	Stage 1		Stage 2		Total		Stage 1		Stage 2		Total	
	€m	%	€m	%	€m	%	€m	%	€m	%	€m	%
PD Grade												
1-4	18,375	100%	1	100%	18,376	100%	6,388	100%	–	–	6,388	100%
5-7	–	–	–	–	–	–	–	–	–	–	–	–
8-9	–	–	–	–	–	–	–	–	–	–	–	–
10-11	–	–	–	–	–	–	–	–	–	–	–	–
Total	**18,375**	**100%**	**1**	**100%**	**18,376**	**100%**	**6,388**	**100%**	**–**	**–**	**6,388**	**100%**

Loans and advances to banks at amortised cost (before impairment loss allowance) Asset quality	2025						2024					
	Stage 1		Stage 2		Total		Stage 1		Stage 2		Total	
	€m	%	€m	%	€m	%	€m	%	€m	%	€m	%
PD Grade												
1-4	1,572	100%	–	–	1,572	100%	1,676	100%	–	–	1,676	100%
5-7	–	–	–	–	–	–	7	–	–	–	7	–
8-9	–	–	–	–	–	–	–	–	–	–	–	–
10-11	–	–	–	–	–	–	–	–	–	–	–	–
Total	**1,572**	**100%**	**–**	**–**	**1,572**	**100%**	**1,683**	**100%**	**–**	**–**	**1,683**	**100%**

26 Credit risk exposures *(continued)*

Asset quality: other financial instruments

Other financial instruments as set out in the table below include instruments that are not within the scope of IFRS 9 or are not subject to impairment under IFRS 9. These include trading securities (excluding equity trading securities), derivative financial instruments, loans and advances to banks at fair value, loans and advances to customers at fair value and other financial instruments at FVTPL (excluding equity instruments). Reinsurance contract assets are excluded from this table as they are included in a separate table below under IFRS 17. The table summarises the asset quality of these financial instruments by equivalent external risk ratings.

	2025		2024	
Other financial instruments with ratings equivalent to:	**€m**	**%**	**€m**	**%**
AAA to AA-	4,845	55%	4,936	50%
A+ to A-	3,337	38%	4,031	41%
BBB+ to BBB-	438	5%	499	5%
BB+ to BB-	74	1%	64	1%
B+ to B-	129	1%	166	2%
Lower than B-	34	–	62	1%
Total	**8,857**	**100%**	**9,758**	**100%**

Credit risk for reinsurance contract assets

The Group has no significant credit risk exposures for insurance contracts issued as credit risk is spread across all policyholders and brokers. Credit risk for reinsurance contracts held arises as a result of exposure to a smaller group of reinsurance counterparties across insured product lines, with limits set for collateralised and non-collateralised credit exposure taking account of credit rating of reinsurer, protections such as collateral and other factors. This risk is mitigated by spreading exposures across a range of pre-approved counterparties. The table opposite provides information relating to the reinsurance contract assets with reinsurance counterparties split by credit ratings:

Reinsurance contract assets with ratings equivalent to:	**2025 €m**	**2024 €m**
AA- or higher	895	961
A / A+	433	492
Total	**1,328**	**1,453**

27 Modified financial assets

The following table provides analysis of financial assets for which the contractual cash flows have been modified while they had an impairment loss allowance measured at an amount equal to lifetime ECL and where the modification did not result in derecognition.

	2025 €m	**2024 €m**
Financial assets modified during the year		
Amortised cost before modification	490	870
Financial assets modified since initial recognition		
Gross carrying amount of financial assets for which impairment loss allowance has changed from lifetime to 12 month expected credit losses during the year	915	1,825

28 Interest in associates and joint ventures

The Group has availed of the venture capital exemption in accounting for a number of its interests in associates. In line with the accounting policy set out in note 1, these interests have been designated at initial recognition at FVTPL. Changes in the fair value of these interests are included in the share of results of associates (after tax) line on the income statement.

The Group's other investments in associates are accounted for using the equity method of accounting and are initially recognised at cost.

In presenting details of the associates of the Group, the exemption permitted by Section 316 of the Companies Act 2014 has been availed of and the Group will annex a full listing of associates to its annual return to the Companies Registration Office.

For further information on joint ventures refer to note 52 interests in other entities.

Interest in associates	2025 €m	2024 €m
Balance at 1 January	**133**	**108**
Increase in investments	42	40
Decrease in investments	(2)	(20)
Share of results after tax (note 15)	–	5
Balance at 31 December	**173**	**133**
Interest in associates using equity method	88	57
Interest in associates FVTPL	85	76
Balance at 31 December	**173**	**133**

Interest in joint ventures	2025 €m	2024 €m
Balance at 1 January	**80**	**79**
Share of results after tax (note 15) - FRES	25	29
Dividends received	(27)	(36)
Exchange adjustments	(4)	4
Additions	1	4
Balance at 31 December	**75**	**80**

29 Intangible assets and goodwill

	2025					2024				
	Goodwill €m	Computer software externally purchased €m	Computer software internally generated €m	Other externally purchased intangible assets €m	Total €m	Goodwill €m	Computer software externally purchased €m	Computer software internally generated €m	Other externally purchased intangible assets €m	Total €m
Cost										
At 1 January	**310**	**41**	**2,267**	**217**	**2,835**	**309**	**77**	**3,024**	**212**	**3,622**
Additions	–	12	298	–	310	–	18	364	(2)	380
Retirements	–	(13)	(76)	–	(89)	–	(54)	(1,136)	–	(1,190)
Exchange adjustments	–	–	(9)	(7)	(16)	1	–	15	7	23
At 31 December	**310**	**40**	**2,480**	**210**	**3,040**	**310**	**41**	**2,267**	**217**	**2,835**
Amortisation and impairment										
At 1 January	**(9)**	**(22)**	**(1,128)**	**(176)**	**(1,335)**	**(9)**	**(74)**	**(1,971)**	**(160)**	**(2,214)**
Retirements	–	13	76	–	89	–	54	1,136	–	1,190
Impairment	–	–	–	–	–	–	–	(100)	–	(100)
Amortisation charge (note 11)	–	(8)	(194)	(9)	(211)	–	(2)	(182)	(9)	(193)
Exchange adjustments	–	–	5	6	11	–	–	(11)	(7)	(18)
At 31 December	**(9)**	**(17)**	**(1,241)**	**(179)**	**(1,446)**	**(9)**	**(22)**	**(1,128)**	**(176)**	**(1,335)**
Net book value	**301**	**23**	**1,239**	**31**	**1,594**	**301**	**19**	**1,139**	**41**	**1,500**

Computer software internally generated

The category 'computer software internally generated' comprises assets with a carrying value of €1,239 million (2024: €1,139 million). This includes amortising assets with a carrying value of €898 million (2024: €626 million) with amortisation periods normally ranging from five to ten years, and reflects investment in technical infrastructure, applications and software licences primarily comprising of Payments and Regulatory assets, with remaining amortisation periods ranging up to 10 years. It also includes assets under construction of €341 million (2024: €513 million) on which amortisation will commence once the assets are available for use. 'Computer software internally generated' cost of €76 million (2024: €1,136 million) and 'computer software externally purchased' cost of €13 million (2024: €54 million) assets that were fully amortised and obsolete were retired in the period from the Fixed Asset Register.

Impairment review - computer software internally generated

During 2025, the Group reviewed its internally generated computer software for any indicators of impairment and concluded that no impairment is required (2024: €100 million).

Other externally purchased intangible assets

The Group acquired the Davy business on 1 June 2022. As part of the acquisition, the Group identified intangible assets valued at €48 million relating to customer relationships and brand value at the date of acquisition.

Impairment review – other externally purchased intangible assets

During 2025, the Group reviewed other externally purchased intangible assets for any indicators of impairment and concluded that no impairment is required (2024: €nil).

Goodwill

At 31 December 2025, goodwill on the Group's balance sheet is €301 million (2024: €301 million) and relates to the acquisitions of Davy, Ireland's leading provider of wealth management and capital markets services (€273 million), and Marshall Leasing, a car commercial leasing and fleet management business in the UK (€28 million).

Impairment Review - Goodwill

Goodwill is reviewed annually for impairment or more frequently if events or circumstances indicate that impairment may have occurred, by comparing the carrying value of goodwill to its recoverable amount. An impairment charge arises if the carrying value exceeds the recoverable amount. The recoverable amount of an asset is the higher of its fair value less costs to sell and its VIU, where the VIU is the present value of the future cash flows expected to be derived from the asset. Impairment reviews of Davy and Marshall Leasing were carried out during 2025 and 2024, and no impairment of goodwill was required.

Impairment testing of goodwill

Goodwill is allocated to CGU at a level which represents the smallest identifiable group of assets that generate largely independent cash flows.

29 Intangible assets and goodwill *(continued)*

The calculation of the recoverable amount of goodwill for each of these CGU is based upon a VIU calculation that discounts expected pre-tax cash flows at an interest rate appropriate to the CGU. The determination of both requires the exercise of judgement.

The estimation of pre-tax cash flows is sensitive to the periods for which forecasted cash flows are available and to assumptions underpinning the sustainability of those cash flows. While forecasts are compared with actual performance and external economic data, expected cash flows reflect management's view of future performance.

The values assigned to key assumptions reflect past experience, performance of the business to date and management judgement. The recoverable amount calculations performed for the significant amounts of goodwill are sensitive to changes in the following key assumptions:

Cash flow forecasts
Cash flow forecasts are based on internal management information for a period of up to five years, after which a long-term growth rate appropriate for the business is applied.

The initial five years' cash flows are consistent with approved plans for each business prepared under the Group's ICAAP. Underpinning the ICAAP, the Group prepares detailed financial projections prepared using consensus macroeconomic forecasts together with Group-specific assumptions.

Growth rates
Growth rates beyond five years are determined by reference to local economic growth, inflation projections or long term bond yields. The assumed long term growth rate for Davy is 2% (2024: 2%).

Discount rate
The discount rates applied to Davy is the post-tax weighted average cost of capital for the Group, increased to include a risk premium to reflect the specific risk profile of the CGU, to the extent that such risk is not already reflected in the forecast cash flows. A rate of 10.15% (2024: 10.71%) for Davy was applied.

Certain elements within these cash flow forecasts are critical to the performance of the business. The impact of changes in these cash flows, growth rate and discount rate assumptions has been assessed by the Directors in the review.

The Directors consider that reasonably possible changes in key assumptions used to determine the recoverable amount of Davy and Marshall Leasing would not result in an impairment of goodwill.

30 Investment properties

At 31 December 2025, the Group held investment property of €833 million (2024: €771 million) on behalf of Wealth and Insurance policyholders. Assets underlying insurance contracts with direct participation features, measured applying the VFA, are €481 million (2024: €452 million).

Investment properties are carried at fair value as determined by external qualified Property Surveyors (the 'Surveyors') appropriate to the properties held. The Surveyors arrive at their opinion of fair value by using their professional judgement in applying comparable current trends in the property market such as rental yields in the retail, office and industrial property sectors, to both the existing rental income stream and also to the future estimated recovery value. Other inputs taken into consideration include occupancy forecasts, rent free periods that may need to be granted to new incoming tenants, capital expenditure and fees. As these inputs are unobservable, the valuation is deemed to be based on level 3 inputs. All properties are valued based on highest and best use.

In 2025, rental income from investment property amounted to €49 million (2024: €50 million). Expenses directly attributable to investment properties generating rental income were €14 million (2024: €17 million).

	2025 €m	2024 €m
Balance at 1 January	**771**	**793**
Additions	84	24
Exchange adjustment	(12)	7
Disposals	(9)	(13)
Reclassification	(1)	–
Revaluation	–	(40)
Balance at 31 December	**833**	**771**
of which:		
Assets underlying insurance contracts with direct participation features	**481**	**452**

31 Property, plant and equipment

2025	Freehold land & buildings & long leaseholds (FV)		Adaptations (at cost)		Computer, motor vehicles & other equipment (at cost)		Payments on accounts & assets in the course of construction (at cost)	Total owned assets	Right of Use assets, excluding investment property		Total right of use assets	Total property plant and equipment
	of which; own-use €m	*of which;* subject to operating lease €m	*of which;* own-use €m	*of which;* subject to operating lease €m	*of which;* own-use €m	*of which;* subject to operating lease €m	€m	€m	Buildings €m	Computer & other equipment €m	€m	€m
Cost or valuation at 1 January 2025	**115**	**19**	**170**	**8**	**225**	**314**	**16**	**867**	**528**	**63**	**591**	**1,458**
Additions	–	–	1	–	5	121	33	**160**	4	1	**5**	**165**
Disposals / write-offs	–	–	(1)	–	(8)	(73)	–	**(82)**	(6)	–	**(6)**	**(88)**
Revaluation recognised in OCI	3	–	–	–	–	–	–	**3**	–	–	**–**	**3**
Reclassifications	2	(3)	9	1	13	–	(22)	**–**	–	–	**–**	**–**
Adjustment of lease liability	–	–	–	–	–	–	–	**–**	4	–	**4**	**4**
Exchange adjustments	(1)	(1)	(1)	–	(2)	(17)	–	**(22)**	(3)	(1)	**(4)**	**(26)**
Balance at 31 December 2025	**119**	**15**	**178**	**9**	**233**	**345**	**27**	**926**	**527**	**63**	**590**	**1,516**
Accumulated depreciation at 1 January 2025	**–**	**–**	**(113)**	**(3)**	**(189)**	**(59)**	**–**	**(364)**	**(233)**	**(50)**	**(283)**	**(647)**
Charge for the year (notes 8,11,19)	–	–	(9)	–	(10)	(52)	–	**(71)**	(33)	(10)	**(43)**	**(114)**
Impairment (note 11)	–	–	–	–	–	–	–	**–**	–	–	**–**	**–**
Disposals / write-offs	–	–	1	–	6	39	–	**46**	6	–	**6**	**52**
Reclassifications	–	–	1	(1)	–	–	–	**–**	–	–	**–**	**–**
Exchange adjustments	–	–	1	–	2	3	–	**6**	1	1	**2**	**8**
Balance at 31 December 2025	**–**	**–**	**(119)**	**(4)**	**(191)**	**(69)**	**–**	**(383)**	**(259)**	**(59)**	**(318)**	**(701)**
Net book value at 31 December 2025	**119**	**15**	**59**	**5**	**42**	**276**	**27**	**543**	**268**	**4**	**272**	**815**

At 31 December 2025, property, plant and equipment held at fair value was €134 million (2024: €134 million), the historical cost of which was €71 million (2024: €73 million).

31 Property, plant and equipment *(continued)*

2024	Freehold land & buildings & long leaseholds (FV)		Adaptations (at cost)		Computer, motor vehicles & other equipment (at cost)		Payments on accounts & assets in the course of construction (at cost)	Total owned assets	Right of Use assets, excluding investment property		Total right of use assets	Total property plant and equipment
	of which; own-use €m	*of which;* subject to operating lease €m	*of which;* own-use €m	*of which;* subject to operating lease €m	*of which;* own-use €m	*of which;* subject to operating lease €m	€m	€m	Buildings €m	Computer & other equipment €m	€m	€m
Cost or valuation at 1 January 2024	**120**	**14**	**170**	**10**	**230**	**249**	**7**	**800**	**540**	**61**	**601**	**1,401**
Additions	–	–	4	–	5	114	17	**140**	4	1	**5**	**145**
Disposals / write-offs	–	–	(11)	(2)	(14)	(63)	–	**(90)**	(21)	–	**(21)**	**(111)**
Revaluation recognised in OCI	(1)	(1)	–	–	–	–	–	**(2)**	–	–	**–**	**(2)**
Reclassifications	(5)	5	6	–	2	–	(8)	**–**	–	–	**–**	**–**
Adjustment of lease liability	–	–	–	–	–	–	–	**–**	3	–	**3**	**3**
Exchange adjustments	1	1	1	–	2	14	–	**19**	2	1	**3**	**22**
Balance at 31 December 2024	**115**	**19**	**170**	**8**	**225**	**314**	**16**	**867**	**528**	**63**	**591**	**1,458**
Accumulated depreciation at 1 January 2024	**–**	**–**	**(114)**	**(5)**	**(188)**	**(42)**	**–**	**(349)**	**(214)**	**(38)**	**(252)**	**(601)**
Charge for the year (notes 8,11,19)	–	–	(10)	–	(12)	(51)	–	**(73)**	(33)	(12)	**(45)**	**(118)**
Impairment (note 11)	–	–	–	–	–	–	–	**–**	(2)	–	**(2)**	**(2)**
Disposals / write-offs	–	–	11	2	14	36	–	**63**	17	–	**17**	**80**
Reclassifications	–	–	–	–	–	–	–	**–**	–	–	**–**	**–**
Exchange adjustments	–	–	–	–	(3)	(2)	–	**(5)**	(1)	–	**(1)**	**(6)**
Balance at 31 December 2024	**–**	**–**	**(113)**	**(3)**	**(189)**	**(59)**	**–**	**(364)**	**(233)**	**(50)**	**(283)**	**(647)**
Net book value at 31 December 2024	**115**	**19**	**57**	**5**	**36**	**255**	**16**	**503**	**295**	**13**	**308**	**811**

31 Property, plant and equipment *(continued)*

Future capital expenditure

This table shows future capital expenditure in relation to both property, plant and equipment and intangible assets.

Future capital expenditure	2025 €m	2024 €m
Contracted but not provided for in the financial statements	60	87
Authorised by the Directors but not contracted	23	28
Total future capital expenditure	**83**	**115**

Group as lessor

Computer, motor vehicles and other equipment subject to an operating lease relates to the business activities of Marshall Leasing. The Marshall Leasing business enters into operating leases, as lessor, through its car and commercial leasing activities. The terms of the leases vary but the majority of the leases typically run for a non-cancellable period of two to four years through which the Group is exposed to residual value risk on the vehicles leased.

The Group ensures that residual value risk is effectively managed to minimise exposure. The residual values used mirror those utilised in the creation of the original client contract.

Residual values for the Marshall Leasing fleet of vehicles are benchmarked against industry standards using third party valuation tools. The residual values for the entire portfolio are reassessed using an independent vehicle valuation estimate on a regular basis throughout the life of the underlying contracts to determine if impairment is required. The process of realising asset values at the end of lease contracts is effectively managed to maximise net sale proceeds. The Group received operating lease income of €71 million in 2025 relating to the Marshall Leasing business (2024: €64 million) (note 8).

The Group has also entered into a small number of operating leases and operating sub-leases as lessor which represent properties and components of properties surplus to the Group's own requirements. The Group received no associated operating lease income in 2025 (2024: €nil).

The table below sets out the future undiscounted operating lease payments receivable.

Operating lease receivables	2025 €m	2024 €m
Not later than 1 year	72	55
1 to 2 years	53	47
2 to 3 years	36	18
3 to 4 years	16	10
4 to 5 year	2	4
Later than 5 years	2	3
Total operating lease receivables	**181**	**137**

32 Deferred tax

As illustrated in the following table, the DTA of €390 million (2024: €546 million) includes an amount of €466 million (2024: €624 million) in respect of operating losses which are available to shelter future profits from tax, of which €411 million relates to Irish tax losses carried forward by the Governor and Company of the Bank of Ireland (the 'Bank'), €44 million relates to UK tax losses carried forward by Bank of Ireland (UK) plc, €8 million relates to UK tax losses carried forward by N.I.I.B. Group Limited and €3 million relates to US tax losses carried forward by the US branch of the Bank.

The recognition of a DTA in respect of tax losses carried forward requires the Directors to be satisfied that it is probable that the Group will have sufficient future taxable profits against which the losses can be utilised.

In considering the available evidence to support recognition of the DTA, the Group takes into consideration the impact of both positive and negative evidence including historical financial performance, projections of future taxable income, geopolitical uncertainty and the impact of tax legislation.

Based on the Group's proven earnings history, its strong position within the Irish financial services market and its strategic priorities to deliver sustained future Irish profits, the Directors believe that the Group will continue to be profitable but acknowledge the external challenges facing the banking industry, in particular, the traditional, full service banks and the inherent uncertainties of financial projections.

The Group's assessment of deferred tax recoverability is based on its financial projections covering its five year initial planning period, with an annual 2% growth rate thereafter and, based on these projections, the DTA in respect of Irish tax losses is estimated to be recovered in full by the end of 2028 (31 December 2024: 2028). The use of reasonably possible alternative assumptions within those projections would not impact the carrying value of the DTA.

UK legislation restricts the proportion of a bank's annual taxable profit that can be offset by carried forward losses to 25%. This restriction lengthens the period over which the Group could use its UK trading losses and has been considered in the context of the measurement and recognition of the deferred tax assets at 31 December 2025.

Notwithstanding the absence of any expiry date for trading losses in the UK, the Group continues to conclude that, for the purpose of valuing its DTA, its brought forward trading losses within the Bank's UK branch (the 'UK branch') will be limited by reference to a ten year period of projected UK branch profits at the prevailing UK tax rates.

32 Deferred tax *(continued)*

This ten year timescale is the period over which the Group believes it can conclude that it is probable that future taxable profits will be available in the UK branch. On this basis, no DTA is currently recognised for losses in the Bank's UK branch (31 December 2024: €nil).

However, any remaining unutilised carried forward trading losses of the UK branch have been recognised for DTA purposes at the Irish tax rate, on the basis that it is expected that these will be utilised against future Bank profits in Ireland as permitted by current tax legislation.

Based on the Group's financial projections, the Directors believe that BoI (UK) plc will continue to be profitable for the foreseeable future and the DTA in respect of tax losses is estimated to be recoverable in full by the end of 2029 (2024: 2029). If the projections were decreased by two percentage points or increased by one percentage point, the Group estimates that those projections would not impact the carrying value of the DTA.

There is a risk that the final taxation outcome could be different to the amounts currently recorded. If future profits or subsequent forecasts differ from current forecasts, a further adjustment may be required to the DTA.

DTAs at 31 December 2025 of €0.2 billion (2024: €0.4 billion) are expected to be recovered after more than one year.

Deferred tax liabilities have not been recognised for tax that may be payable if distributable reserves of certain overseas subsidiaries and joint ventures were remitted to Ireland as the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future. Distributable reserves for overseas subsidiaries and joint ventures totalled €1.5 billion at 31 December 2025 (2024: €1.6 billion).

The Group has not recognised a DTA of €155 million (2024: €170 million) in respect of unused tax losses of which €45 million (2024: €51 million) relates to US tax losses which are subject to a 20 year life and are scheduled to expire unused in the period 2028 - 2029 due to an annual limitation of use. The balance relates to UK tax losses which have no expiry date but are currently not projected to be recovered within 10 years.

Pillar 2 model rules

The Group currently estimates that there could be a future top-up tax payable in Ireland on an element of Irish profits but, the impact on the current tax charge in the current period is €nil. This is because the Pillar Two effective tax rate in Ireland, and in each of the jurisdictions in which the Group operates, is above 15% or transitional exemptions apply. The UK jurisdiction has a current year loss, due to the customer redress charges, and thus no Pillar 2 considerations arise.

The Group applies the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar 2 income taxes, as provided in the amendments to IAS 12 issued in May 2023.

2025	Net balance at 1 January €m	Recognised in profit or loss €m	Recognised in OCI €m	Other movements including foreign exchange €m	Balance at 31 December		
					Net €m	Deferred tax assets €m	Deferred tax liabilities €m
Unutilised tax losses	624	(155)	–	(3)	466	466	–
Lease liabilities	43	5	–	–	48	48	–
Cash flow hedge reserve	11	–	(3)	(3)	5	5	–
Impact of adopting IFRS 9	6	(2)	–	–	4	4	–
Debt instruments at FVOCI	3	–	(2)	–	1	1	–
Other temporary differences - assets	56	2	–	(1)	57	57	–
Pensions and other post retirement benefits	(150)	(1)	20	–	(131)	–	(131)
Assets used in the business (including right of use assets)	(14)	(13)	–	–	(27)	–	(27)
Wealth and Insurance - different basis of accounting	(29)	4	–	–	(25)	–	(25)
Property revaluation surplus	(13)	–	(1)	–	(14)	–	(14)
Liability credit reserve	(6)	–	1	–	(5)	–	(5)
Other temporary differences - liabilities	(43)	9	–	2	(32)	–	(32)
Tax assets / (liabilities) before set-off	**488**	**(151)**	**15**	**(5)**	**347**	**581**	**(234)**
Set-off of tax					**–**	**(191)**	**191**
Net tax assets / (liabilities)					**347**	**390**	**(43)**

32 Deferred tax *(continued)*

2024	Net balance at 1 January €m	Recognised in profit or loss €m	Recognised in OCI €m	Other movements including foreign exchange €m	Balance at 31 December Net €m	Deferred tax assets €m	Deferred tax liabilities €m
Unutilised tax losses	845	(221)	–	–	624	624	–
Lease liabilities	49	(6)	–	–	43	43	–
Cash flow hedge reserve	11	–	(2)	2	11	11	–
Impact of adopting IFRS 9	8	(2)	–	–	6	6	–
Debt instruments at FVOCI	3	–	–	–	3	3	–
Other temporary differences - assets	52	(2)	–	6	56	56	–
Pensions and other post retirement benefits	(103)	(4)	(43)	–	(150)	–	(150)
Assets used in the business (including right of use assets)	(25)	11	–	–	(14)		(14)
Wealth and Insurance - different basis of accounting	(20)	(9)	–	–	(29)	–	(29)
Property revaluation surplus	(13)	–	–	–	(13)	–	(13)
Liability credit reserve	(6)	–	–	–	(6)	–	(6)
Other temporary differences - liabilities	(54)	11	–	–	(43)	–	(43)
Tax assets / (liabilities) before set-off	**747**	**(222)**	**(45)**	**8**	**488**	**743**	**(255)**
Set-off of tax					**–**	**(197)**	**197**
Net tax assets / (liabilities)					**488**	**546**	**(58)**

33 Other assets

	2025 €m	2024 €m
Sundry and other debtors[1,2]	825	697
Interest receivable	402	264
Accounts receivable and prepayments	145	122
Trade receivables	34	32
Contract assets	12	12
Other assets	**1,418**	**1,127**
Other assets are analysed as follows:		
Within 1 year	1,195	905
After 1 year	223	222
	1,418	**1,127**

[1] *At 31 December 2025, an Escrow Account balance of €138 million (2024: €107 million) arising from an agreement between the Group and the Trustees of the Bank of Ireland Staff Pensions Fund (BSPF) pension scheme is included within sundry and other debtors. See note 42 retirement benefit obligations for further details.*
[2] *At 31 December 2025, sundry and other debtors includes a reimbursement asset of €108 million (2024: €10 million) arising from financial guarantee contracts relating to corporate and residential mortgage portfolios.*

Interest receivable is subject to impairment under IFRS 9; the impairment loss allowance on interest receivable is presented in the balance sheet along with the financial asset to which it relates.

34 Deposits from banks

At 31 December 2025, the Group held Monetary Authority secured funding of €0.6 billion (2024: €1.1 billion) under the TFSME from the BoE and Indexed Long-Term Repo (ILTR) facility. Drawings under the TFSME are projected to be repaid during 2026 and 2030 with the final residual amount due to be repaid in October 2030 under the Second Phase of TFSME extension. The ILTR facility is due to be repaid in 2026.

At 31 December 2025, the Group's Monetary Authority secured funding is secured by loans and advances to customers.

Deposits from banks include cash collateral of €0.5 billion (2024: €0.3 billion) received from derivative counterparties in relation to net derivative asset positions (note 20).

	2025 €m	2024 €m
Deposits from banks	821	597
Monetary Authority secured funding	550	1,122
Securities sold under agreement to repurchase - private market repos	–	86
Deposits from banks	**1,371**	**1,805**

35 Customer accounts

The carrying amount of the customer accounts designated at FVTPL at 31 December 2025 was €52 million, €2 million lower than the contractual amount due at maturity of €54 million (2024: the carrying amount was €114 million, €4 million lower than the contractual amount due at maturity of €118 million). This is set out in note 54.

At 31 December 2025, the Group's largest 20 customer deposits amounted to 3% (2024: 3%) of customer accounts. Deposit accounts where a period of notice is required to make a withdrawal are classified within term deposits and other products. Information on the contractual maturities of customer accounts is on page 267 in the Risk Management Report.

At 31 December 2025, customer accounts include client deposits of €1,445 million whereby Davy acts as a financial intermediary (2024: €1,397 million). Further details on client property are disclosed in note 50.

Term deposits and other products include a number of term accounts that contain easy access features. These allow the customer to access a portion or all of their deposit notwithstanding that this repayment could result in financial penalty being paid by the customer. For such accounts, the portion subject to the potential early access has been classified in the 'demand' category in note 53 liquidity risk and profile.

Under the European Communities DGS, eligible deposits of up to €100,000 per depositor per credit institution are covered. Eligible deposits includes credit balances in current accounts, demand deposit accounts and term deposit accounts. The scheme is administered by the CBI and is funded by the credit institutions covered by the scheme.

Bail-in is a key resolution tool provided for in the BRRD. The bail-in tool enables a resolution authority to write down the value of certain liabilities or convert them into equity, to the extent necessary to absorb losses and recapitalise an institution. DGS eligible covered deposits (up to €100,000) are outside the scope of the bail-in tool, thereby enjoying an exempted status.

	2025 €m	2024 €m
Current accounts	62,265	59,590
Demand deposits	30,435	29,538
Term deposits and other products	14,735	13,827
Customer accounts at amortised cost	**107,435**	**102,955**
Term deposits at FVTPL	52	114
Total customer accounts	**107,487**	**103,069**
Amounts include:		
Due to associates and joint ventures	41	76

Movement in own credit risk on deposits at FVTPL	2025 €m	2024 €m
Balance at beginning of the year	2	2
Recognised in other comprehensive income	(1)	–
Balance at end of the year	**1**	**2**

When applying the bail-in tool, the resolution authority would be required to respect a hierarchy of claims, where shareholders must bear first losses, followed by creditors in accordance with the applicable order of priority of their claims. For example, non-preferred senior unsecured debt ranks junior to, or has a lower priority than, certain other unsecured creditor claims.

In addition to the deposits covered by these Regulations, certain other Group deposits are covered by the deposit protection schemes in other jurisdictions, chiefly the UK Financial Services Compensation Scheme (FSCS) (in respect of eligible deposits with BoI (UK) plc).

36 Debt securities in issue

The carrying amount of bonds and medium term notes has decreased by €1.4 billion at 31 December 2025 due to €2.6 billion in redemption of bonds and notes and €0.4 billion of FX adjustments, offset by senior issuances of €1.5 billion in bonds and €0.1 billion of other adjustments (2024: increased by €0.6 billion due to senior issuance of €0.9 billion in bonds, €0.2 billion of FX adjustments and €0.2 billion of other adjustments, offset by €0.7 billion in redemption of bonds and notes).

The carrying amount of the debt securities in issue designated at FVTPL at 31 December 2025 was €184 million, €36 million lower than the contractual amount due at maturity of €220 million (2024: the carrying amount was €204 million, €15 million lower than the contractual amount due at maturity of €219 million). This is set out in note 54.

At 31 December 2025, the Group has €5.3 billion green bonds in issue through the Green Bond Framework (2024: €4.8 billion). The Group has set targets for sustainable financing of €15 billion by 2025, which it exceeded ahead of schedule, and €30 billion by 2030. See page 156 for further details.

Movement in own credit risk on debt securities in issue at FVTPL	2025 €m	2024 €m
Balance at 1 January	**3**	**3**
Recognised in other comprehensive income	(8)	–
Balance at 31 December	**(5)**	**3**

	2025 €m	2024 €m
Bonds and medium term notes	6,510	7,922
Other debt securities in issue	1,100	1,004
Debt securities in issue at amortised cost	**7,610**	**8,926**
Debt securities in issue at FVTPL	184	204
Total debt securities in issue	**7,794**	**9,130**
Balance at 1 January	**9,130**	**8,670**
Issued during the year	2,024	1,037
Redemptions	(2,815)	(752)
Repurchases	–	(10)
Other movements[1]	(545)	185
Balance at 31 December	**7,794**	**9,130**

[1] *Other movements primarily relates to fair value hedge adjustments in respect of debt securities in issue held at amortised cost, exchange adjustments and changes in fair value of debt securities in issue held at fair value.*

37 Other liabilities

	2025 €m	2024 €m
Notes in circulation	844	887
Sundry creditors	585	590
Accrued interest payable	453	427
Short position in trading securities	360	154
Operating expenses accrued	299	306
Accruals and deferred income	35	46
Other	258	350
Other liabilities	**2,834**	**2,760**
Other liabilities are analysed as follows:		
Within 1 year	2,748	2,702
After 1 year	86	58
	2,834	**2,760**

38 Leasing

Group as lessee

The principal contracts where the Group is a lessee under IFRS 16 are in relation to property leases and computer equipment. Further qualitative information on the nature of the leases is set out in the group accounting policies (note 1) and the undiscounted contractual maturity of total lease liabilities is set out in note 53 liquidity risk and profile. Total cash outflows on these leases amounted to €82 million in 2025 (2024: €98 million).

Amounts recognised in the balance sheet and income statement

The carrying amount of the Group's RoU assets and the movements during 2025 are set out in note 31.

The carrying amount of the lease liabilities and the movements during 2025 are set out in note 48.

Group as lessor

Accounting for lessors is outlined in the group accounting policies (note 1). The Group is engaged in finance lease and operating lease activities.

Finance leasing activity and a maturity analysis of the Group's net investment in finance leases are included within loans and advances to customers (note 25) along with a gross to net reconciliation of the investment in finance leases. Associated income on finance leases is included in interest income (note 4).

Operating leases where the Group is a lessor primarily relate to the Marshall Leasing business. Further detail on the nature of the company's leasing activities, risks and risk management is outlined in note 31.

In addition, the Group has also entered into a small number of operating leases and operating sub-leases as lessor which represent properties and components of properties surplus to the Group's own requirements. The Group received no associated operating lease income in 2025 (2024: €nil).

Variable lease payments on RoU assets relate to computer equipment that has a varying cost dependent on usage with the contracts on which the payments arise maturing within two years.

A maturity analysis of undiscounted operating lease receivables set out on an annual basis is included in note 31. Income and expense associated with the Group's operating lease activities is included in note 8.

Summary of amounts recognised in the income statement under IFRS 16 'Leases'	2025 €m	2024 €m
Amounts recognised in interest income		
Finance lease interest (note 4)	340	294
Amounts recognised in interest expense		
Interest expense on lease liabilities (note 5)	11	10
Amounts recognised in other operating expense		
Depreciation of RoU assets (note 31)	43	45
Variable lease expenses (note 11)	25	30
Impairment of RoU assets (note 31)	–	2
Short-term lease expenses (note 11)	–	1
	68	**78**
Amounts recognised in cost of restructuring		
Property-related costs (note 12)	–	1

39 Provisions SBM-3/S4-4

	2025				2024			
	Restructuring €m	Onerous Contracts €m	Legal and other €m	Total €m	Restructuring €m	Onerous Contracts €m	Legal and other €m	Total €m
Balance at 1 January	**20**	**8**	**207**	**235**	**23**	**–**	**35**	**58**
Charge to the income statement	65	–	276	341	24	8	199	231
Utilised during the year	(41)	(2)	(32)	(75)	(23)	–	(26)	(49)
Exchange adjustment	–	–	(9)	(9)	–	–	–	–
Unused amounts reversed during the year	(1)	–	(4)	(5)	(4)	–	(1)	(5)
Other	–		5	5	–	–	–	–
Balance at 31 December	**43**	**6**	**443**	**492**	**20**	**8**	**207**	**235**

The Group has recognised provisions in relation to restructuring costs, onerous contracts, legal and other. Such provisions are sensitive to a variety of factors, which vary depending on their nature.

The estimation of the amounts of such provisions is judgemental because the relevant payments are due in the future and the quantity and probability of such payments is uncertain.

The methodology and the assumptions used in the calculation of provisions are reviewed regularly and, at a minimum, at each reporting date.

UK motor finance business SBM-3/S4-4

As disclosed by the Group in previous periods, the UK motor finance industry's historical use of commission arrangements has been subject to regulatory review and legal challenge. The FCA prohibited the use of Discretionary Commission Arrangements from January 2021, which the Group's UK motor finance business adhered to.

In January 2024, the UK FCA commenced a review of historical motor finance commission arrangements across several firms to assess whether there has been widespread misconduct leading to consumer harm. In October 2024, the UK Court of Appeal published its combined judgement in three cases relating to other lenders. It held that motor dealers acting as credit brokers owed certain duties to customers and were required to disclose commission arrangements to a higher standard than existing FCA rules had required. The lenders involved in these cases appealed the decision to the UK Supreme Court, which held a hearing in April 2025.

On 1 August 2025, the Supreme Court held that motor dealers do not owe customers either a fiduciary or disinterested duty in relation to their role as a credit broker arranging finance. Therefore, the receipt of commission did not automatically amount to a breach of either duty. The Supreme Court also held that the relationship between one of the borrowers and one of the lenders was unfair within the meaning of section 140A of the UK Consumer Credit Act.

Following the Supreme Court judgement, the FCA announced on 5 October 2025, a consultation on an industry-wide scheme to compensate motor finance customers who were treated unfairly between 2007 and 2024. The FCA stated that a compensation scheme is the best way to ensure customers who have lost out receive fair compensation in an orderly, consistent, quick and efficient way, while ensuring a well-functioning and competitive motor finance market.

The Group has responded to the consultation and continues to engage constructively with the FCA regarding the proposed elements of the scheme. The FCA has stated that if they decide to introduce a redress scheme, they expect to publish the policy statement and final rules in early 2026, with eligible consumers starting to receive compensation before the end of 2026.

In line with the requirements of IAS 37, the Group's provision has increased to €419 million (2024: €172 million) at 31 December 2025, with an income statement charge of €264 million recognised, offset by administration costs and foreign exchange movements of €17 million. The cumulative charge incurred by 31 December 2025 is €429 million. The increase is due to consideration of an expected higher number of eligible cases, the construct of the proposed redress methodology and the customer engagement approach.

The provision represents the Group's best estimate of the redress and compensation that may be payable to impacted customers, along with programme costs that may be incurred by the Group in connection with the FCA consumer redress scheme. It includes, inter alia, estimates for the potentially impacted customer population, redress amounts, opt-in rates and operational costs.

In establishing the provision estimate, the Group has modelled the requirements of the scheme as presented in the FCA consultation, including the population of customers impacted and the redress amounts. The Group continues to utilise a probability-weighted approach across a range of scenarios, including one in which the FCA amends the scheme following the consultation. The key areas of estimation uncertainty are the percentage of eligible customers who opt-in to the scheme and consideration of amendments to the proposed FCA redress scheme.

An average opt-in rate of 78%, based on the participation rates in certain previous UK redress schemes and the FCA's published estimate of eligible customers who will take part in the scheme has been applied. This is a critical accounting estimate that could materially change the ultimate financial impact. The Group estimates that a +/- 1% movement in the opt-in rate assumed in the scenarios, holdings all other assumptions constant, would increase / decrease the provision by +/- €5.2 million.

Given the significant uncertainties described above, it is possible that the opt-in rate could change by more than the sensitivity disclosed and the ultimate financial impact could materially differ from the amount the Group has provided.

39 Provisions *(continued)*

Restructuring provisions

At 31 December 2025, the restructuring provision amounted to €43 million (2024: €20 million). This largely related to the Simpler Business Programme and associated redundancy costs of €34 million (2024: €10 million) and building exit costs of €9 million (2024: €10 million) in line with the Group's property strategy.

	2025				2024			
Expected utilisation	**Restructuring €m**	**Onerous Contracts €m**	**Legal and other €m**	**Total €m**	**Restructuring €m**	**Onerous Contracts €m**	**Legal and other €m**	**Total €m**
Less than 1 year	37	2	227	266	12	2	29	43
1 to 2 years	2	2	210	214	3	2	174	179
2 to 5 years	4	2	3	9	5	4	2	11
5 to 10 years	–	–	3	3	–	–	2	2
Total	**43**	**6**	**443**	**492**	**20**	**8**	**207**	**235**

40 Contingent liabilities and commitments

	2025 €m	2024 €m
Contingent liabilities and guarantees / letters of credit		
Guarantees and irrevocable letters of credit	807	806
Acceptances and endorsements	1	2
Other contingent liabilities	251	245
	1,059	**1,053**
Loan commitments		
Documentary credits and short-term trade related transactions	11	12
Undrawn formal standby facilities, credit lines and other commitments to lend:	17,315	17,498
Revocable or irrevocable with original maturity of 1 year or less	*10,808*	*9,914*
Irrevocable with original maturity of over 1 year	*6,507*	*7,584*
	17,326	**17,510**
Capital commitments	**140**	**175**

The table above gives the contract amounts of contingent liabilities and commitments. The maximum exposure to credit loss under contingent liabilities and commitments is the contractual amount of the instrument in the event of non-performance by the other party where all counter claims, collateral or security prove worthless.

Loss allowance provisions of €92 million (2024: €80 million) recognised on loan commitments and guarantees and irrevocable letters of credit are shown in note 41.

Similar to other banks, the Group conducts business involving acceptances, performance bonds and indemnities. The majority of these facilities are offset by corresponding obligations of third parties.

40 Contingent liabilities and commitments *(continued)*

Guarantees and letter of credit are given as security to support the performance of a customer to third parties. As the Group will only be required to meet these obligations in the event of the customer's default, the cash requirements of these instruments are expected to be considerably below their nominal amounts.

An **acceptance** is an undertaking by a bank to pay a bill of exchange drawn on a customer. The Group expects most acceptances to be presented, but reimbursement by the customer is normally immediate. **Endorsements** are residual liabilities of the Group in respect of bills of exchange, which have been paid and subsequently rediscounted.

Other contingent liabilities

Other contingent liabilities primarily include performance bonds and are generally short-term commitments to third parties which are not directly dependent on the customers' credit worthiness. The Group is also party to legal, regulatory, taxation and other actions arising out of its normal business operations.

While it is possible that certain charges may be incurred in relation to existing or future complaints and court claims, it is not considered that a legal or constructive obligation has been incurred in relation to these matters that would require a provision to be recognised at this stage. Furthermore, given the inherent uncertainties relating to the scope and timing of any possible outflow, it is not currently practicable to estimate the extent of any potential financial impact.

Loan commitments

In 2022, as part of the KBCI portfolio acquisition the Group committed to support the growth of non-bank lenders in the Irish mortgage market, making up to €1 billion in total funding available to certain non-bank lenders through the purchase of securities issued by them, to increase their funding capacity and reduce their cost of funding. This commitment expired on 1 June 2025 (31 December 2025: €nil) (2024: €415 million). On expiry of this commitment, the Group had invested a total of €584 million.

Documentary credits commit the Group to make payments to third parties, on production of documents, which are usually reimbursed immediately by customers.

Commitments to lend are agreements to lend to a customer in the future, subject to certain conditions.

Included within total commitments is an amount of €114 million of undrawn loan commitments to the Group's joint ventures (2024: €181 million).

Capital commitments

In the normal course of business, the Group sources investment opportunities for private clients principally in respect of private equity investments from leading international private equity groups who require the Group to enter into commitments in relation to meeting any future capital calls as investments are made.

The total of such commitments at 31 December 2025 was €140 million (2024: €175 million). In turn, Davy obtain legally binding commitments from private clients to meet their share of potential future cash calls up to indicative levels as outlined in the individual investment memoranda. The total of such cash calls at 31 December 2025 was €33 million (2024: €44 million). At 31 December 2025, there were no unpaid cash calls in respect of third-party investment providers (2024: €nil).

The amounts and timing of any future cash calls are uncertain and are dependent on the investment activities and funding requirements of the relevant third party private equity providers. The Directors believe that, based on conditions in existence at the balance sheet date, there is no potential liability that would result in a loss for Davy arising from future potential cash calls which may be made. When cash calls are made, the normal risk management procedures in relation to counterparty and settlement risk are applied.

41 Loss allowance provision on loan commitments and financial guarantees

The loss allowance on loan commitments are presented as a provision in the balance sheet (i.e. as a liability under IFRS 9) and separate from the impairment loss allowance. To the extent a facility includes both a loan and an undrawn commitment, it is only the impairment attributable to the undrawn commitment that is presented in this table. The impairment loss allowance attributable to the loan is shown as part of the financial asset to which the loan commitment relates.

	2025		2024	
	Amount €m	Loss allowance €m	Amount €m	Loss allowance €m
Loan commitments (note 40)	17,326	90	17,510	76
Guarantees and irrevocable letters of credit (note 40)	807	2	806	4
	18,133	**92**	**18,316**	**80**
Loss allowance of which are:				
Stage 1		35		36
Stage 2		55		39
Stage 3		2		5
		92		**80**

The following tables summarise the asset quality of loan commitments and financial guarantees by IFRS 9 twelve month PD grade which are not credit-impaired.

2025 Loan commitments and financial guarantees - Contract amount	Loan commitments						Guarantees and irrevocable letters of credit					
	Stage 1		Stage 2		Total		Stage 1		Stage 2		Total	
	€m	%	€m	%	€m	%	€m	%	€m	%	€m	%
PD Grade												
1-4	3,108	20%	244	13%	3,352	19%	235	32%	27	42%	262	33%
5-7	8,584	56%	735	40%	9,319	54%	468	64%	11	17%	479	60%
8-9	3,461	22%	604	32%	4,065	24%	31	4%	18	28%	49	6%
10-11	241	2%	280	15%	521	3%	–	–	8	13%	8	1%
Total	**15,394**	**100%**	**1,863**	**100%**	**17,257**	**100%**	**734**	**100%**	**64**	**100%**	**798**	**100%**

At 31 December 2025, the Group's credit-impaired loan commitments are €69 million (2024: €129 million) while credit-impaired guarantees and irrevocable letters of credit are €9 million (2024: €11 million).

2024 Loan commitments and financial guarantees - Contract amount	Loan commitments						Guarantees and irrevocable letters of credit					
	Stage 1		Stage 2		Total		Stage 1		Stage 2		Total	
	€m	%	€m	%	€m	%	€m	%	€m	%	€m	%
PD Grade												
1-4	3,824	25%	197	12%	4,021	23%	247	34%	8	14%	255	32%
5-7	8,309	53%	859	52%	9,168	53%	464	63%	15	26%	479	60%
8-9	3,378	21%	344	21%	3,722	21%	26	3%	31	53%	57	7%
10-11	212	1%	258	15%	470	3%	–	–	4	7%	4	1%
Total	**15,723**	**100%**	**1,658**	**100%**	**17,381**	**100%**	**737**	**100%**	**58**	**100%**	**795**	**100%**

42 Retirement benefit obligations

The Group sponsors a number of defined benefit and defined contribution schemes in Ireland and overseas. The defined benefit schemes are funded and the assets of the schemes are held in separate trustee-administered funds. In determining the level of contributions required to be made to each scheme and the relevant charge to the income statement, the Group has been advised by independent actuaries, which in the case of the majority of the Group's schemes is Willis Towers Watson.

The most significant defined benefit scheme in the Group is the Bank of Ireland staff pensions fund (BSPF) which accounts for c.73% of the total liabilities across all Group sponsored defined benefit schemes at 31 December 2025. The BSPF and all of the Group's other RoI and UK defined benefit schemes were closed to new members during 2007 and a new hybrid scheme (which included elements of defined benefit and defined contribution) was introduced for new entrants to the Group. The hybrid scheme was closed to new entrants in late 2014 and a new defined contribution scheme, RetireWell, was introduced for new entrants to the Group from that date.

Retirement benefits under the BSPF and a majority of the other defined benefit plans are calculated by reference to pensionable service and pensionable salary at normal retirement date.

Regulatory framework

The Group operates the defined benefit plans under broadly similar regulatory frameworks. Benefits under the BSPF are paid to members from a fund administered by Trustees, who are responsible for ensuring compliance with the Pensions Act 1990 and other relevant legislation, including the EU directive on the activities and supervision of Institutions for Occupational Retirement Provision (the IORP II Directive). These responsibilities include ensuring that contributions are received, investing the scheme assets and making arrangements to pay the benefits and developing appropriate Risk Management and Internal Audit frameworks. Plan assets are held in trusts and are governed by local regulations and practice in each country.

In order to assess the level of contributions required, triennial valuations are carried out with plan obligations generally measured using prudent assumptions and discounted based on the return expected from assets held in accordance with the actual scheme investment policy.

The BSPF is also subject to an annual valuation under the Irish Pensions Authority Minimum Funding Standard (MFS). The MFS valuation is designed to assess whether a scheme has sufficient funds to provide a minimum level of benefits in a wind-up scenario. If the MFS valuation indicates a funding level of below 100%, action would be required. This generally takes the form of agreeing a 'Funding Proposal' with the Trustees with the aim of meeting the MFS by a specified future point in time.

The responsibilities of the Trustees, and the regulatory framework, are broadly similar for the Group's other defined benefit schemes and take account of pension regulations in each specific jurisdiction. The Group works closely with the Trustees of each scheme to manage the plans.

The nature of the relationship between the Group and the Trustees is governed by local regulations and practice in each country and by the respective legal documents underpinning each plan.

Financial assumptions

The significant financial assumptions used in measuring the Group's defined benefit pension obligations under IAS 19 are set out in the following table.

Financial assumptions	2025 % p.a.	2024 % p.a.
Irish schemes		
Discount rate	4.45%	3.80%
Inflation rate	2.00%	2.05%
Rate of general increase in salaries	2.50%	2.55%
Rate of increase in pensions in payment[1]	1.19%	1.23%
Rate of increase to deferred pensions	1.95%	1.95%
UK schemes		
Discount rate	5.65%	5.65%
Consumer Price Inflation		
pre - 2030	*1.90%*	*2.65%*
post - 2030	*2.90%*	*2.65%*
Retail Price Inflation	2.90%	3.25%
Rate of general increase in salaries	3.40%	3.75%
Rate of increase in pensions in payment[1]	1.96%	2.10%
Rate of increase to deferred pensions		
pre - 2030	*1.90%*	*2.65%*
post - 2030	*2.90%*	*2.65%*

[1] *Weighted average increase across all Group schemes in the relevant jurisdiction.*

Actuarial valuation of the BSPF

The last formal valuation of the BSPF was carried out at 31 December 2024.

The triennial valuation fair value of the scheme assets represented 101% of the benefits that had accrued to members, after allowing for expected future increases in earnings and pensions. As a result, no deficit contributions were required following the valuation.

As part of the previous actuarial valuation at 31 December 2021, the Trustees agreed to enter into an Escrow Agreement with the Group, whereby future service contributions for the period 1 October 2022 to 30 September 2025 would be paid to an Escrow Account. An interim contribution calculation took place at 1 October 2024 to determine the future service contribution for 2025. For the period 1 January 2025 to 30 September 2025, a future service employer contribution of €29 million was made to the Escrow Account (2024: €44 million). For the period 1 October to 31 December 2025, the future service employer contribution of €7 million was paid directly to the BSPF scheme.

As part of the actuarial valuation at 31 December 2024, the actuary recommended an annual fixed contribution of €38 million, to be paid monthly by the Group to the BSPF scheme from 1 January 2026 onwards.

The Group contributions in respect of the period from 1 October 2022 to 30 September 2025 will be held in the Escrow Account until certain conditions are met.

42 Retirement benefit obligations *(continued)*

These conditions primarily relate to the strength of BSPF's funding position. For example, if the BSPF funding position weakens and falls below agreed levels, the monies in the Escrow Account will be paid to BSPF over an agreed time period. If the funding position strengthens above agreed levels, payments will be made to the Group over an agreed time period. Under the exceptional circumstances where BSPF fails to satisfy its statutory funding requirements or if there is significant risk to the Group's covenant, the monies in the Escrow Account would be paid immediately to BSPF.

At 31 December 2025, the balance on the Escrow Account is included within other assets. See note 33, Other assets for further detail.

The next formal triennial valuation of the BSPF will be carried out during 2028 based on the position at 31 December 2027.

The actuarial valuations are available for inspection by members but are not available for public inspection.

Plan details

The table below sets out details of the membership of the BSPF.

BSPF plan details at last valuation date (31 December 2024)	Number of members	Proportion of funding liability
Active members	2,813	24%
Deferred members	6,998	24%
Pensioner members	6,452	52%
Total	**16,263**	**100%**

Financial and demographic assumptions

The assumptions used in calculating the accounting costs and obligations of the Group's defined benefit pension plans, as detailed below, are set by the Directors after consultation with independent actuaries.

Discount rates are determined in consultation with the Group's independent actuary, with reference to market yields at the reporting date on high quality corporate bonds (AA rated or equivalent) issued in the relevant currency, with a term corresponding to the term of the benefit payments.

The assumption for RoI price inflation is set by reference to the Eurozone Harmonised Index of Consumer Prices (HICP) inflation swap curve, as the HICP inflation swap curve is aligned to the duration of the Group's RoI plans liabilities.

The assumptions for UK price inflation are determined with reference to the Group's independent actuary's standard cash flow matching inflation assumption methodology, except for UK Consumer Price Index (CPI) inflation, which is set by reference to retail price index (RPI) inflation, with an adjustment applied, as there are insufficient CPI-linked bonds from which to derive an assumption.

The salary assumption takes into account inflation, promotion and current employment markets relevant to the Group. Other financial assumptions are reviewed in line with changing market conditions to determine best estimate assumptions. Demographic assumptions are reviewed periodically in line with the actual experience of the Group's schemes.

Mortality assumptions

During 2024, the mortality assumptions adopted for Irish pension arrangements were updated to reflect recent UK Self-Administered Pension Schemes (SAPS) mortality tables and the UK Continuous Mortality Investigation model for long term improvements, which combined are considered a best fit for the Group's expected future mortality experience. The impact of this update was to reduce the Group's surplus by €106 million at 31 December 2024. No further changes were made to the mortality assumptions during 2025.

Mortality assumptions	2025 years	2024 years
Longevity at age 70 for current pensioners		
Males	18.5	18.5
Females	21.1	21.0
Longevity at age 60 for active members currently aged 60 years		
Males	27.8	27.7
Females	30.8	30.7
Longevity at age 60 for active members currently aged 40 years		
Males	28.9	28.9
Females	31.9	31.8

42 Retirement benefit obligations *(continued)*

Amounts recognised in financial statements

The table below outlines where the Group's defined benefit plans are recognised in the financial statements. The UK Pension Plans include a portion of the BSPF which relates to UK members.

	2025			2024		
	Irish Pension Plans €m	UK Pension Plans €m	Total €m	Irish Pension Plans €m	UK Pension Plans €m	Total €m
Income statement credit / (charge)						
Other operating expenses	(14)	–	(14)	(32)	1	(31)
Insurance service expenses	(2)	–	(2)	(3)	–	(3)
Cost of restructuring programme	1	1	2	–	–	–
Statement of OCI						
Impact of remeasurement	(124)	(25)	(149)	280	34	314
Balance sheet	**717**	**151**	**868**	**826**	**168**	**994**
This is shown on the balance sheet as:						
Retirement benefit asset			870			997
Retirement benefit obligation			(2)			(3)
Total net asset			**868**			**994**

42 Retirement benefit obligations *(continued)*

The movement in the net defined benefit obligation over the year in respect of the Group's defined benefit plans is as follows:

	2025			2024		
	Present value of obligation €m	Fair value of plan assets €m	Surplus/ (deficit) of plans €m	Present value of obligation €m	Fair value of plan assets €m	Surplus/ (deficit) of plans €m
Balance at 1 January (pre asset ceiling adjustment)	**(6,005)**	**7,031**	**1,026**	**(6,414)**	**7,096**	**682**
Asset ceiling adjustment[1]	–	(32)	(32)	–	–	–
Balance at 1 January (post asset ceiling adjustment)	**(6,005)**	**6,999**	**994**	**(6,414)**	**7,096**	**682**
Income statement	(264)	250	(14)	(282)	248	(34)
Current service cost	*(56)*	*–*	*(56)*	*(64)*	*–*	*(64)*
Negative past service cost	*2*	*–*	*2*	*5*	*–*	*5*
Interest (expense) / income	*(230)*	*270*	*40*	*(223)*	*248*	*25*
Impact of settlements	*20*	*(20)*	*–*	*–*	*–*	*–*
Return on plan assets not included in income statement	–	(697)	(697)	–	(142)	(142)
Changes in demographic assumptions	(4)	–	(4)	(106)	–	(106)
Changes in financial assumptions	505	–	505	599	–	599
Experience gains / (losses)	3	–	3	5	–	5
Release of asset ceiling adjustment	–	32	32	–	–	–
Employer contributions	–	37	37	–	32	32
Deficit reducing	*–*	*1*	*1*	*–*	*1*	*1*
Other	*–*	*36*	*36*	*–*	*31*	*31*
Employee contributions	(7)	7	–	(7)	7	–
Benefit payments	266	(266)	–	255	(255)	–
Changes in exchange rates	56	(44)	12	(55)	45	(10)
Balance at 31 December (pre asset ceiling adjustment)	**(5,450)**	**6,318**	**868**	**(6,005)**	**7,031**	**1,026**
Asset ceiling adjustment[1]	–	–	–	–	*(32)*	*(32)*
Balance at 31 December (post asset ceiling adjustment)	**(5,450)**	**6,318**	**868**	**(6,005)**	**6,999**	**994**
The above amounts are recognised in the financial statements as follows: (charge) / credit						
Other operating expenses	(264)	250	(14)	(279)	248	(31)
Insurance service expenses	(2)	–	(2)	(3)	–	(3)
Cost of restructuring programme	2	–	2	–	–	–
Total amount recognised in income statement	**(264)**	**250**	**(14)**	**(282)**	**248**	**(34)**
Return on plan assets not included in income statement	–	(697)	(697)	–	(142)	(142)
Changes in demographic assumptions	(4)	–	(4)	(106)	–	(106)
Changes in financial assumptions	505	–	505	599	–	599
Experience gains / (losses)	3	–	3	5	–	5
Asset ceiling adjustment	–	32	32	–	(32)	(32)
Changes in exchange rates	56	(44)	12	(55)	45	(10)
Total remeasurements in OCI	**560**	**(709)**	**(149)**	**443**	**(129)**	**314**
Total negative past service cost comprises						
Cost of restructuring programme	2	–	2	–	–	–
Other operating expenses	–	–	–	5	–	5
Total	**2**	**–**	**2**	**5**	**–**	**5**

[1] *In recognising the net surplus on a pension plan, the funded status of each plan is adjusted to reflect any ceiling on the amount that the sponsor has an unconditional right to recover from a plan. During 2025, a deed of variation and adherence was executed in respect of one of the Group's Irish plans, which gave the Group an unconditional right to the plan's surplus at 31 December 2025. Previously the surplus in respect of this plan was restricted with an asset ceiling adjustment in place at 31 December 2024.*

42 Retirement benefit obligations *(continued)*

The retirement benefit schemes' assets include one property occupied by Group companies to the value of €26 million (2024: €26 million).

Sensitivity of defined benefit obligation to key assumptions

This table sets out how the defined benefit obligation would have been affected by changes in the significant actuarial assumptions that were reasonably possible at the reporting date.

While the defined benefit obligation sensitivity table shows the estimated impact of an individual assumption change, a change in one assumption could impact on other assumptions due to the relationship between assumptions.

Some of the reasonably possible changes in defined benefit obligation assumptions may have an impact on the value of the schemes' investment holdings. For example, the plans hold a proportion of their assets in corporate bonds. A fall in the discount rate as a result of lower corporate bond yields would be expected to lead to an increase in the value of these assets, thus partly offsetting the increase in the defined benefit obligation. The extent to which these sensitivities are managed is discussed further below.

The table on the following page sets out the estimated sensitivity of plan assets to changes in equity markets, interest rates and inflation rates.

The sensitivity analysis is prepared by the independent actuaries calculating the defined benefit obligation under the alternative assumptions and the fair value of plan assets using alternative asset prices.

Future cash flows

The plans' liabilities represent a long-term obligation and most of the payments due under the plans will occur several decades into the future.

The duration or average term to payment for the benefits due, weighted by liability, is c.16 years (2024: c.17 years) for the Irish plans and c.14 years (2024: c.14 years) for the UK plans.

Expected employer contributions for 2026 are €64 million.

Expected employee contributions for 2026 are €7 million.

Risks and risk management

The Group's defined benefit pension plans have a number of areas of risk.

The risks are considered from both a funding perspective, which drives the cash commitments of the Group and from an accounting perspective, i.e. the extent to which such risks affect the amounts recorded in the Group's financial statements.

Changes in bond yields, interest rate and inflation risks, along with equity risk, are the defined benefit schemes' largest risks. From an accounting liability perspective, the schemes are also exposed to movements in corporate bond spreads. As part of its risk management, the largest Group sponsored pension scheme, the BSPF, has invested 47% of its assets in a Liability Driven Investment (LDI) approach to help manage its interest rate and inflation risk, in addition to a further 14% in a complementary cash flow matching portfolio of high quality bonds.

Asset breakdown	2025 €m	*Restated*[2] 2024 €m
Liability Driven Investment (unquoted)[1]	3,349	3,895
Property and infrastructure (unquoted)	717	752
Private equities (unquoted)	514	604
Cash and Other (quoted)	442	340
Equities (quoted)	330	360
Alternative Credit & Multi-Asset Credit funds (unquoted)	278	203
Hedge funds (unquoted)	273	378
Reinsurance (unquoted)	198	269
Property and infrastructure (quoted)	126	121
Corporate bonds (quoted)	57	62
Government bonds (quoted)	34	47
Total fair value of assets	**6,318**	**7,031**

[1] *Liability Driven Investment includes the Plans' cash flow matching portfolios.*
[2] *Comparatives figures have been restated to provide further granularity.*

Impact on defined benefit obligations	Increase / (decrease) 2025 €m	Increase / (decrease) 2024 €m
RoI schemes		
Discount rate		
Increase of 0.25%	(159)	(190)
Decrease of 0.25%	169	202
Inflation rate		
Increase of 0.10%	43	51
Decrease of 0.10%	(42)	(50)
Salary growth		
Increase of 0.10%	12	16
Decrease of 0.10%	(12)	(15)
Life expectancy		
Increase of 1 year	110	128
Decrease of 1 year	(112)	(129)
UK schemes		
Discount rate		
Increase of 0.25%	(31)	(35)
Decrease of 0.25%	34	37
RPI inflation		
Increase of 0.10%	7	8
Decrease of 0.10%	(7)	(8)
Salary growth		
Increase of 0.10%	1	2
Decrease of 0.10%	(1)	(2)
Life expectancy		
Increase of 1 year	23	23
Decrease of 1 year	(22)	(24)

42 Retirement benefit obligations *(continued)*

Impact on plan assets	Increase / (decrease) 2025 €m	Increase / (decrease) 2024 €m
All schemes		
Sensitivity of plan assets to a movement in global equity markets with allowance for other correlated diversified asset classes		
Increase of 5.00%	66	69
Decrease of 5.00%	(66)	(69)
Sensitivity of liability-matching assets to a 25bps movement in interest rates		
Increase of 0.25%	(197)	(260)
Decrease of 0.25%	211	276
Sensitivity of liability-matching assets to a 10bps movement in inflation rates		
Increase of 0.10%	51	68
Decrease of 0.10%	(51)	(67)

The key areas of risk and the ways in which the Group has sought to manage them, are set out below:

Asset volatility

The defined benefit pension plans hold a proportion of their assets in equities and other return-seeking assets. The returns on such assets tend to be volatile. For the purposes of the triennial valuation, the defined benefit liabilities are calculated using a discount rate set with reference to government bond yields, with allowance for additional return to be generated from the investment portfolio. For measurement of the obligation in the financial statements under IAS 19, however, the defined benefit obligation is calculated using a discount rate set with reference to high-quality corporate bond yields.

The movement in the asset portfolio is not fully correlated with the movement in the two liability measures and this means that the funding level is likely to be volatile in the short-term, potentially resulting in short-term cash requirements and a reduction in the net defined benefit surplus recorded on the balance sheet.

In order to limit the volatility in asset returns, the pension plans' assets are well diversified by investing in a range of asset classes, including listed equity, private equity, hedge funds, infrastructure, reinsurance, property, government bonds and corporate bonds. To increase the correlation between the asset returns and the liabilities, the pension plans employ LDI strategies that use a range of physical securities and financial derivatives, including government bonds and interest rate and inflation swaps.

During the course of 2025, the defined benefit pension plans continued the process of de-risking and implemented further changes to ensure their portfolios were aligned to their target asset allocations, along with improving the liquidity within the return seeking portfolio.

Changes in bond yields

The LDI approach invests in cash, government bonds, interest rate and inflation swaps and other financial derivatives to create a portfolio which is both inflation-linked and of significantly longer duration than possible in the physical bond market. It also provides a closer match to the expected timing of cash flow / pension payments. The portfolio broadly hedges against movements in long-term interest rates although it only hedges a portion of the BSPF's interest rate risks. The portfolio does not hedge against changes in the credit spread on corporate bonds used to derive the accounting liabilities. The BSPF also utilises a cash flow matching bond portfolio which is designed to match some of the shorter-term liabilities directly with income and capital paid from holding corporate, sovereign and quasi-sovereign bonds. This portfolio provides some complementary interest rate hedging to that provided by the dedicated LDI portfolio, and also functions to reduce liquidity risk by ensuring there will be incoming cash flows to meet expected pension payments.

Inflation risk

The majority of the plans' benefit obligations are linked to inflation and higher inflation will lead to higher liabilities, although, in most cases, caps on the level of inflationary increases are in place to protect the plans against high inflation and the 2013 Group Pensions Review changes have further limited this exposure. The LDI portfolio broadly hedges against movements in inflation expectations although it only hedges a portion of the BSPF's inflation risks.

Furthermore, the portfolio does not protect against differences between expectations for eurozone average inflation and the fund's Irish inflation exposure.

Life expectancy

The majority of the plans' obligations are to provide a pension for the life of the member, which means that increases in life expectancy will result in an increase in the plans' liabilities.

Investment decisions are the responsibility of the Trustees and the Group supports the efficient management of risk through robust governance arrangements across all of the Group's defined benefit plans. The BSPF Trustees have appointed an Outsourced Chief Investment Officer (OCIO) to implement the investment strategies instructed by the Trustees. Their duties include, but are not limited to, the identification and management of risks such as the risk of changing interest rates, inflation, FX risk, counterparty exposures, geographical risk, asset concentration risk and liquidity risk.

42 Retirement benefit obligations *(continued)*

External investment consultants are in place as Strategic Investment Advisors for a number of the Group's defined benefit plans, including BSPF.

Legal clarification has been received in relation to recent UK case law that questioned the validity of pension scheme changes made during the period between 1997 and 2016 affecting contracted out UK benefits.

Legislation is proposed to enable trustees, if required, to obtain retrospective actuarial confirmation that any historic changes met the relevant statutory requirements. As a result, the Group's defined benefit obligation does not include any adjustment related to this UK case law.

43 Subordinated liabilities

	Note	2025 €m	2024 €m
Dated loan capital			
Bank of Ireland Group plc			
€500 million 4.750% Fixed Rate Reset Callable Subordinated Notes due 2034	(a)	507	512
€500 million 6.750% Fixed Rate Reset Callable Subordinated Notes due 2033	(b)	503	505
€500 million 1.375% Fixed Rate Reset Callable Subordinated Notes due 2031	(c)	496	483
£300 million 7.594% Fixed Rate Reset Callable Subordinated Notes due 2032	(d)	342	353
Total subordinated liabilities		**1,848**	**1,853**

Dated loan capital - principal terms and conditions

Dated loan capital instruments, constitute unsecured obligations of the Group subordinated in right of payments to the claims of depositors and other unsubordinated creditors of the Group and rank pari passu without any preference among themselves.

The table above provides a description of the dated loan capital, including the currency of the issue; if the issue is fixed, floating or a combination of both; and maturity. All of the dated notes in issue in 2025 were issued under the Group's Euro Note Programme.

a. **€500 million 4.750% Fixed Rate Reset Callable Subordinated Notes due 2034**
On 10 May 2024, the Company issued a €500 million 10.25 year (callable between 10 May 2029 and 10 August 2029) Tier 2 capital instrument. The bond carried a coupon of 4.750%.

b. **€500 million 6.750% Fixed Rate Reset Callable Subordinated Notes due 2033**
On 1 December 2022, the Company issued a €500 million 10.25 year (callable between 1 December 2027 and 1 March 2028) Tier 2 capital instrument. The bond carried a coupon of 6.750%.

c. **€500 million 1.375% Fixed Rate Reset Callable Subordinated Notes due 2031**
On 11 May 2021, the Company issued a €500 million 10.25 year (callable between 11 May 2026 and 11 August 2026) 'Green' Tier 2 capital instrument. The bond carried a coupon of 1.375%.

d. **£300 million 7.594% Fixed Rate Reset Callable Subordinated Notes due 2032**
On 6 September 2022, the Company issued a £300 million 10.25 year (callable between 6 September 2027 and 6 December 2027) 'Green' Tier 2 capital instrument. The bond carried a coupon of 7.594%.

These instruments are loss absorbing at the point of non-viability under the EU (Bank Recovery and Resolution) Regulations 2015, as amended and Noteholders acknowledge that the notes may be subject to the exercise of Irish statutory loss absorption powers by the relevant resolution authority. Redemption in whole but not in part is at the option of the Company upon (i) regulatory reasons (capital event), or (ii) tax reasons (additional amounts payable on the notes). Any redemptions before the maturity date is subject to such approval by the Competent Authority, namely ECB or SRB as may be required by the CRR and / such other laws and regulations which are applicable to the Company.

44 Share capital

Ordinary shares

All of the company's issued share capital comprising 952,667,062 ordinary shares of €1.00 each are listed on the Irish Stock Exchange trading as Euronext Dublin and the London Stock Exchange. All ordinary shares carry the same voting rights.

There were no outstanding options on ordinary shares under employee schemes at 31 December 2025 or 2024.

At 31 December 2025, NIAC plc held 473,861 ordinary shares of BoIG plc as 'treasury shares' (2024: 747,007). The consideration paid for these shares amounted to €4 million (2024: €7 million).

Share buyback

In 2025, the Group completed the purchase of the €590 million share buyback programme (2024: €520 million) whereby the Group repurchased 50.74 million shares for cancellation, c.5.06% of the count outstanding at 1 January 2025, at a weighted average price of €11.610 per share.

Authorised	2025 €m	2024 €m
Bank of Ireland Group plc		
10 billion ordinary shares of €1.00 each	10,000	10,000
100 million preference shares of €0.10 each	10	10

Allotted and fully paid	2025 €m	2024 €m
Bank of Ireland Group plc		
952 million ordinary shares of €1.00 each (2024: 1,002 million units)	952	1,002
0.5 million treasury shares of €1.00 each (2024: 0.7 million units)	1	1
	953	**1,003**

	2025		2024	
Movement in ordinary and treasury shares	**Ordinary shares**	**Treasury shares**	**Ordinary shares**	**Treasury shares**
At the beginning of the year	1,002,662,094	747,007	1,055,838,570	797,735
Change in treasury shares held	273,146	(273,146)	50,728	(50,728)
Share buyback - repurchase of shares	(50,742,039)	50,742,039	(53,227,204)	53,227,204
Share buyback - cancellation of shares	–	(50,742,039)	–	(53,227,204)
At end of year	**952,193,201**	**473,861**	**1,002,662,094**	**747,007**

45 Other equity instruments - Additional tier 1

In March 2025, BoIG issued Additional Tier 1 (AT1) securities with a par value of €600 million at an issue price of 100%.

BOIG redeemed two AT1 securities during the year; €169 million were redeemed on 19 May 2025 and €300 million were redeemed on 1 September 2025.

The principal terms of the AT1 securities are as follows:

- the securities constitute direct, unsecured, unguaranteed and subordinated obligations of BoIG, rank behind Tier 2 instruments and preference shareholders and in priority to ordinary shareholders;
- the securities have no fixed redemption date and the security holders will have no right to require BoIG to redeem or purchase the securities at any time;
- the €600 million securities issued September 2024 bear a fixed rate of interest of 6.375% until the first reset date (10 September 2030);
- the €600 million securities issued March 2025 bear a fixed rate of interest of 6.125% until the first reset date (18 September 2032);
- BoIG may, in its sole and full discretion but subject to the satisfaction of certain conditions elect to redeem all (but not some only) of the securities at any time from and including the first call date (10 March 2030 for the €600 million issued September 2024 and 18 March 2032 for the €600 million issued March 2025) to and including the first relevant reset date, or semi-annually on any interest payment date thereafter;

45 Other equity instruments - Additional tier 1 *(continued)*

- after the initial reset date, in the event that they are not redeemed, the AT1 securities will bear interest at rates fixed periodically in advance for five-year periods based on market rates at that time;
- BoIG may elect at its sole and full discretion to cancel (in whole or in part) the interest otherwise scheduled to be paid on any interest payment date for the securities;
- the securities will be written down and any unpaid interest will be cancelled if BoIG's CET1 ratio falls below 7%; and
- subsequent to any write-down event BoIG may, at its sole discretion, write-up some or all of the written-down principal amount of the AT1 securities provided regulatory capital requirements and certain conditions are met.

	2025 €m	2024 €m
€600 million Additional Tier 1 Perpetual Contingent Temporary Write-Down Securities issued September 2024	595	595
€600 million Additional Tier 1 Perpetual Contingent Temporary Write-Down Securities issued March 2025	595	–
€300 million Additional Tier 1 Perpetual Contingent Temporary Write-Down Securities issued September 2020	–	297
€675 million Additional Tier 1 Perpetual Contingent Temporary Write-Down Securities issued May 2020	–	167
	1,190	**1,059**

46 Non-controlling interests

Preference stock

The preference stock and related stock premium of the Bank are classified as non-controlling interests (NCI), to the extent they are not attributable to the owners of the parent BoIG plc.

The preference stockholders are not entitled to vote at any General Court except in certain exceptional circumstances. Such circumstances did not arise during 2025 and consequently the preference stockholders were not entitled to vote at the Annual General Court (AGC) which was held on 22 May 2025.

At 31 December 2025 and 2024, 2,223,903 units of euro preference stock were in issue.

The outstanding euro preference stock is non-redeemable. The holders of preference stock are entitled to receive, subject to the Bank having sufficient distributable profits and distributable reserves, a non-cumulative preferential dividend, which is payable in euro in a gross amount of €1.523686 per unit per annum, in equal semi-annual instalments, in arrears, on 20 February and 20 August in each year.

	2025 €m	2024 €m
Balance at the beginning and end of the year	**3**	**3**

On a winding up of, or other return of capital, by the Bank (other than on a redemption of stock of any class in the capital of the Bank) the holders of preference stock will be entitled to receive an amount equal to the amount paid up or credited as paid up on each unit of the preference stock held (including the premium) out of the surplus assets available for distribution to the Bank's members. Subject to the Bank's Bye-Laws, the preference stockholders may also be entitled to receive a sum in respect of dividends payable.

47 Cash and cash equivalents

Cash and cash equivalents are classified as amortised cost financial assets. Impairment loss allowance on cash and cash equivalents is measured at amortised cost on a 12 month or lifetime ECL approach as appropriate. The composition of cash and balances at central banks by stage is included in other financial assets set out in note 26 on page 368.

Cash and cash equivalents comprise cash in hand and balances with central banks and banks which can be withdrawn on demand. It also comprises balances with an original maturity of less than three months.

The Group is required to hold an average balance with the Central Bank over the published ECB reserve maintenance (six weeks) periods in order to meet its minimum reserve requirement, which at 31 December 2025 was €973 million (2024: €917 million).

Cash and cash equivalents of €24.6 billion decreased by €9.6 billion since 31 December 2024 primarily due to bond purchases of €12.0 billion, lower wholesale funding volumes of €1.7 billion, higher customer loan volumes of €1.4 billion (constant currency basis), FX loss of €0.4 billion and other items of €0.1 billion partially offset by higher customer deposit volumes of €5.4 billion (constant currency basis) and net bond maturities / sales of €0.6 billion.

For the purposes of the cash flow statement, cash and cash equivalents comprise the following balances:

	2025 €m	2024 €m
Cash and balances at central banks	22,967	32,441
Less impairment loss allowance on cash and balances at central banks	(4)	(5)
Cash and balances at central banks (net of impairment loss allowance)	**22,963**	**32,436**
Loans and advances to banks (with an original maturity of less than 3 months)	1,656	1,738
Cash and cash equivalents at amortised cost	**24,619**	**34,174**
Cash and balances at central banks (net of impairment loss allowance) of which are:		
Republic of Ireland (Central Bank of Ireland)	17,830	28,136
United Kingdom (Bank of England)	3,157	2,997
United States (Federal Reserve)	1,631	933
Other (cash holdings)	345	370
Total	**22,963**	**32,436**

48 Changes in liabilities arising from financing activities

This table sets out the changes in liabilities arising from financing activities between cash and non-cash items. For more information on subordinated liabilities, see note 43. Interest accrued on subordinated liabilities is included within other liabilities. For more information on lease liabilities, see note 38.

	2025				2024			
	Subordinated liabilities €m	Interest on subordinated liabilities €m	Lease liabilities €m	Interest on lease liabilities €m	Subordinated liabilities €m	Interest on subordinated liabilities €m	Lease liabilities €m	Interest on lease liabilities €m
Balance at 1 January	**1,853**	**(10)**	**366**	**–**	**1,600**	**34**	**404**	**–**
Cash flows	–	(108)	(46)	(11)	198	(136)	(57)	(10)
Interest paid on subordinated liabilities	–	*(108)*	–	–	–	*(136)*	–	–
Payment of lease liability	–	–	*(46)*	–	–	–	*(57)*	–
Interest paid on lease liabilities	–	–	–	*(11)*	–	–	–	*(10)*
Proceeds from issue of subordinated liabilities	–	–	–	–	*498*	–	–	–
Redemptions of subordinated liabilities	–	–	–	–	*(300)*	–	–	–
Non-cash changes	(5)	92	4	11	55	92	19	10
Charge to income statement	–	*92*	–	*11*	–	*92*	–	*10*
Exchange adjustments	*(18)*	–	*(2)*	–	*17*	–	*2*	–
Lease liability adjustment	–	–	*1*	–	–	–	*12*	–
Additions to lease liabilities	–	–	*5*	–	–	–	*5*	–
Fair value hedge adjustments	*11*	–	–	–	*37*	–	–	–
Other movements	*2*	–	–	–	*1*	–	–	–
Balance at 31 December	**1,848**	**(26)**	**324**	**–**	**1,853**	**(10)**	**366**	**–**

49 Related party transactions

Related parties to the Group include the parent company, BoIG plc, subsidiary undertakings, associated undertakings, joint arrangements, post-employment benefits, KMP and connected parties. A number of banking transactions are entered into between the Company and its subsidiaries in the normal course of business. These include extending secured and unsecured loans, investing in debt securities issued by subsidiaries, taking of deposits and undertaking foreign currency transactions.

Associates, joint ventures and joint operations

The Group provides to and receives from its associates, joint ventures and joint operations, certain banking and financial services, which are not material to the Group, on similar terms to third party transactions. These include loans, deposits and foreign currency transactions. The amounts outstanding during 2025 are set out in note 28.

Pension funds

The Group provides a range of normal banking and financial services, which are not material to the Group, to various pension funds operated by the Group for the benefit of its employees (principally to the BSPF), which are conducted on similar terms to third party transactions. Details on the Group's contributions to the pension funds are set out in note 42.

The Group occupies one property owned by the BSPF. At 31 December 2025, the total value of this property was €26 million (2024: €26 million). In 2025, the rental income paid to BSPF was €2 million (2024: €2 million).

Transactions with Directors and Key Management Personnel

Loans to Directors

The following information is presented in accordance with the Companies Act 2014. For the purposes of the Companies Acts disclosures, Directors means the Board of Directors and any past Directors who were Directors during the relevant period. Directors' emoluments are set out in the Remuneration Report on pages 103 to 111.

Where no amount is shown in the tables below, this indicates either a credit balance, a balance of €nil, or a balance of less than €500. The value of arrangements at the beginning and end of the financial year as stated below in accordance with Section 307 of the Companies Act 2014, expressed as a percentage of the net assets of the Group at the beginning and end of the financial year, is less than 1%.

In the tables below, 'balances' include principal and interest and 'repayments' include principal and interest; revolving credit facilities are not included. The 'aggregate maximum amount outstanding' includes credit card exposures at the maximum statement balance. While the closing balance includes interest accrued and interest paid, the maximum balance includes interest paid only.

Companies Acts disclosure Loans to Directors at 31 December 2025	Balance at 1 January 2025 €'000	Balance at 31 December 2025 €'000	Aggregate maximum amount outstanding during the year ended 31 December 2025 €'000	Repayments during the year ended 31 December 2025 €'000
E Finnan				
Credit card total	12	8	15	–
M Spain				
Mortgage total	255	231	255	33
Directors no longer in office at 31 December 2025				
E Fitzpatrick	12	–	12	12

G Andrews, A Bhargava, I Buchanan, R Goulding, M Greene, N Marshall, M O'Grady, S Pateman, M Sweeney and H van der Noordaa had no loans from the Group in 2025. No advances were made during the year. No amounts were waived during 2025.

None of the loans were credit-impaired at 31 December 2025 or at 31 December 2024. There is no interest which having fallen due on the above loans has not been paid in 2025 (2024: €nil). All Directors have other transactions with the Bank. The nature of these transactions includes investments, pension funds, deposits, general insurance, life assurance and current accounts with credit balances.

The relevant balances on these accounts are included in the aggregate figure for deposits on page 408.

Other than as indicated, all loans to Directors are made in the ordinary course of business on substantially the same terms, including interest rates and collateral, as those prevailing at the time for similar transactions with other persons unconnected with the Group and of similar financial standing and do not involve more than normal risk of collectability.

49 Related party transactions *(continued)*

Companies Acts disclosure Loans to Directors at 31 December 2024	Balance at 1 January 2024 €'000	Balance at 31 December 2024 €'000	Aggregate maximum amount outstanding during the year ended 31 December 2024 €'000	Repayments during the year ended 31 December 2024 €'000
E Bourke				
Credit card total	**6**	**9**	**9**	**–**
P Kennedy				
Credit card total	**–**	**–**	**16**	**–**
E Fitzpatrick				
Loan total	**18**	**12**	**18**	**6**
M Spain				
Mortgage total	**277**	**255**	**277**	**33**

Loans to connected persons on favourable terms

Connected persons of Directors are defined by Section 220 of the Companies Act 2014. Lending to connected persons on favourable terms, including interest rates and collateral, are similar to those available to staff generally.

In the tables below, 'balances' include principal and interest. The 'maximum amounts outstanding' includes credit card exposures at the maximum statement balance. While the closing balance includes interest accrued and interest paid, the maximum balance includes interest paid only.

2025 Loans to connected persons on favourable terms	Balance at 31 December 2025 €'000	Maximum amounts outstanding during 2025 €'000	Number of persons at 31 December 2025	Maximum number of persons during 2025
M Spain	–	–	2	2

2024 Loans to connected persons on favourable terms	Balance at 31 December 2024 €'000	Maximum amounts outstanding during 2024 €'000	Number of persons at 31 December 2024	Maximum number of persons during 2024
E Bourke	–	3	2	2
M Spain	–	1	1	1

Loans to connected persons - Central Bank licence condition disclosures

Under its banking licence, the Bank is required to disclose in its annual audited financial statements details of:

- the aggregate amount of lending to all connected persons, as defined in Section 220 of the Companies Act 2014; and
- the aggregate maximum amount outstanding during the year for which those financial statements are being prepared.

Disclosure is subject to certain de minimis exemptions and to exemptions for loans relating to principal private residences where the total of such loans to an individual connected person does not exceed €1 million. The following tables are presented in accordance with this licence condition.

In these tables, 'balances' include principal and interest. The 'maximum amounts outstanding' includes credit card exposures at the maximum statement balance. While the closing balance includes interest accrued and interest paid, the maximum balance includes interest paid only.

49 Related party transactions *(continued)*

2024 Connected persons of the following Directors	Balance at 31 December 2024 €'000	Maximum amounts outstanding during 2024 €'000	Number of persons at 31 December 2024	Maximum number of persons during 2024
Persons connected to P Kennedy[1]	1,339	1,837	1	1

[1] *Comparative information for 2024 includes transactions and balances relating to a connected party of a former Director who resigned on 31 December 2024. Accordingly, there are no transactions or balances to disclose for this connected party in the 2025 financial statements*

Key management personnel - loans and deposits (IAS 24)

For the purposes of IAS 24 'Related party disclosures', the Group has 24 KMP (2024: 26) which comprise the Directors, the members of the GEC and any past KMP who was a KMP during the relevant period.

In addition to Executive Directors, during 2025 the GEC comprised:

- Group Secretary and Head of Corporate Governance;
- Chief of Staff and Head of Group Corporate Affairs;
- Chief Operating Officer;
- Chief People Officer;
- Chief Executive Officer - Retail Ireland;
- Chief Executive Officer - Davy and Wealth;
- Chief Executive Officer - Bank of Ireland (UK);
- Chief Executive Officer - Corporate and Commercial;
- Chief Risk Officer;
- Chief Customer Officer; and
- Chief Strategy Officer.

KMP, including Directors, hold products with Group companies in the ordinary course of business. Other than as indicated, all loans to NEDs are made in the ordinary course of business on substantially the same terms, including interest rates and collateral, as those prevailing at the time for similar transactions with other persons unconnected to the Group and do not involve more than the normal risk of collectability.

Loans to KMP other than NEDs are made on terms similar to those available to staff generally and / or in the ordinary course of business on normal commercial terms.

The aggregate amounts outstanding, in respect of all loans, quasi-loans and credit transactions between the Bank and its KMP, as defined above, together with members of their close families and entities influenced by them are shown in the following table.

2025 IAS 24 Disclosures Key management personnel	Balance at 1 January 2025 €'000	Balance at 31 December 2025 €'000	Maximum amounts outstanding during 2025 €'000	Total number of relevant KMP at 1 January 2025	Total number of relevant KMP at 31 December 2025
Loans	1,726	1,205	1,294	11	10
Deposits	5,304	3,994	6,145	21	20

2024 IAS 24 Disclosures Key management personnel	Balance at 1 January 2024 €'000	Balance at 31 December 2024 €'000	Maximum amounts outstanding during 2024 €'000	Total number of relevant KMP at 1 January 2024	Total number of relevant KMP at 31 December 2024
Loans	1,780	1,726	1,865	9	11
Deposits	4,594	5,304	11,466	17	21

In the tables above, 'balances' include principal and interest. The 'opening balance' includes balances and transactions with KMPs who retired during 2024 and are not related parties during 2025. Therefore these key management personnel are not included in the maximum amounts outstanding. The 'maximum amounts outstanding' include credit card exposures at the maximum statement balance. In all cases key management personnel have not exceeded their approved limits. The maximum approved credit limit on any credit card held by KMP is €25,000 (2024: €22,900). The maximum amount outstanding was calculated using the maximum balance on each account.

49 Related party transactions *(continued)*

The highest maximum outstanding liability for any member of KMP, close family and entities influenced by them did not exceed €0.5 million during 2025 (2024: €1.8 million). In some cases with investment type products (i.e. funds based products, life assurance and other policies) the maximum balance amounts were not available, in which case the greater of the balance at the start of the year and the balance at the end of the year has been included as the maximum balance amount. While the closing balance includes interest accrued and interest paid, the maximum balance includes interest paid.

KMP have other protection products with the Bank. The nature of these products includes mortgage protection, life assurance and critical illness cover. It also includes general insurance products which are underwritten by a number of external insurance companies and for which the Bank acts as an intermediary only. None of these products has any encashment value at 31 December 2025 (2024: €nil).

In the above IAS 24 disclosures, there was no loan advancements to KMP and close family members of KMP on preferential staff rates (2024: €nil).

None of the loans were credit-impaired at 31 December 2025 or at 31 December 2024. There is no interest which having fallen due on the above loans has not been paid in 2025 (2024: €nil).

There are no guarantees entered into by the Bank in favour of KMP of the Bank and no guarantees in favour of the Bank have been entered into by KMP of the Bank.

Compensation of KMP

Details of compensation paid to KMP are provided in the table below:

- **'Salaries and other short-term benefits'** comprises gross salary, Employer Pay Related Social Insurance contributions, Group Performance Scheme award, fees, cash in lieu of pension, car allowance and other short-term benefits paid in the year.
- **'Post employment benefits'** comprises employer contributions paid to pension funds.
- **'Termination benefits'** include, inter alia, contractual payments due in lieu of notice periods.

Remuneration	2025 €'000	2024 €'000
Salaries and other short-term benefits	14,685	14,729
Post employment benefits	943	933
Termination benefits	–	300
Total	**15,628**	**15,962**
Number of KMP	24	26

50 Client property

In the normal course of business, the Group (through Davy) provides the following services to certain of its clients:

- investment of funds at the sole discretion of the Group in securities and the placing of deposits in separately designated accounts with recognised banks and building societies, the income from which accrues for the benefit of these clients; and
- custodianship of securities held on behalf of clients.

At 31 December 2025, client deposits placed with the Group whereby Davy acts as the financial intermediary amounted to €1,445 million (2024: €1,397 million) and have been included in customer accounts (note 35). All other client property whereby Davy acts as the financial intermediary has been excluded from the financial statements.

51 Principal undertakings

The parent company of the Group is Bank of Ireland Group plc. The principal Group undertakings for 2025 were:

Name	Principal activity	Registered office	Country of Incorporation	Statutory year end
The Governor and Company of the Bank of Ireland	Banking and financial services	2 College Green, Dublin 2, D02 VR66	Ireland	31 December
Bank of Ireland (UK) plc	Retail financial services	45 Gresham Street, London, England, EC2V 7EH	England and Wales	31 December
New Ireland Assurance Company plc	Life assurance business	87-89 Pembroke Road, Ballsbridge, Dublin 4, D04 X738	Ireland	31 December
Bank of Ireland Mortgage Bank Unlimited Company	Mortgage lending and mortgage covered securities	2 College Green, Dublin 2, D02 VR66	Ireland	31 December
J&E Davy Holdings ('Davy')	Wealth management, capital markets and related financial services	Davy House, 49 Dawson Street, Dublin 2, D02 PY05	Ireland	31 December
First Rate Exchange Services Limited	Foreign exchange	Botanica, Ditton Park, Riding Court Road, Datchet, SL3 9LL	England and Wales	31 March
N.I.I.B. Group Limited	Personal finance and leasing	1 Donegall Square South, Belfast, BT1 5LR	Northern Ireland	31 December

All the Group undertakings are included in the consolidated financial statements. Unless stated otherwise, the Group owns 100% of the equity of the principal Group undertakings and 100% of the voting shares of all these undertakings.

First Rate Exchange Services Limited (FRES) is a subsidiary of First Rate Exchange Services Holdings Limited (FRESH), a joint venture with the UK Post Office, in which the Group holds 50% of the equity of the business.

In presenting details of the principal subsidiary undertakings, the exemption permitted by Section 316 of the Companies Act 2014 has been availed of and the Company will annex a full listing of Group undertakings to its annual return to the Companies Registration Office.

Bank of Ireland Mortgage Bank Unlimited Company

BoIMB's principal business activities are restricted to dealing in and holding Irish residential mortgage assets, engaging in activities connected with the financing and refinancing of such assets, entering into certain hedging contracts and engaging in other activities which are incidental or ancillary to the above activities, and issuing mortgage covered securities for the purpose of financing loans secured on Irish residential property, all in accordance with the Asset Covered Securities Acts 2001 and 2007 of Ireland.

The mortgage covered securities issued by BoIMB can be purchased by Bank of Ireland and other members of the Group or third parties.

In 2025, the total amount of principal outstanding in respect of mortgage covered securities issued was €0.9 billion (2024: €2.1 billion).

In 2025, the total amount of principal outstanding in the mortgage covered pool including mortgage assets and cash was €10.3 billion (2024: €11.6 billion).

BoIMB may issue other debt securities under BoIMB's obligation to the CBI within the terms of the Special Mortgage-Backed Promissory Note programme (SMBPN). At 31 December 2025, BoIMB had no such debt securities in issue (2024: €nil). SMBPN is expected to terminate in line with the changes to the collateral framework announced on 29 November 2024 by the ECB.

52 Interests in other entities

General

The Group holds ordinary shares and voting rights in a significant number of entities. Management has assessed its involvement in all such entities in accordance with the definitions and guidance in:

- IFRS 10 'Consolidated financial statements';
- IFRS 11 'Joint arrangements';
- IAS 28 'Investments in associates and joint ventures'; and
- IFRS 12 'Disclosure of interests in other entities'.

See note 1 Group accounting policies for additional information.

Significant restrictions on the Group's ability to access or use the assets and settle the liabilities of the Group

Regulated banking and insurance subsidiaries are required to maintain minimum regulatory liquidity and solvency ratios and are subject to other regulatory restrictions that may impact on transactions between these subsidiaries and the Company, including on the subsidiaries' ability to make distributions.

Certain transactions between BoI (UK) plc and the Group are subject to regulatory limits and approvals agreed with the PRA.

52 Interests in other entities *(continued)*

Total assets of BoI (UK) plc at 31 December 2025 were €22.8 billion (2024: €22.4 billion) and liabilities were €20.7 billion (2024: €20.3 billion).

The activities of BoIMB are subject to the Asset Covered Securities Act 2001 to 2007 which imposes certain restrictions over the assets of BoIMB. Total assets of BoIMB at 31 December 2025 were €21.5 billion (2024: €20.5 billion) and liabilities were €19.9 billion (2024: €18.9 billion).

The Group's life assurance entity, NIAC, is required to hold shareholder equity that exceeds a solvency capital requirement, see note 19 on page 343 for details. In addition, the Group's Isle of Man insurance entity is required to hold shareholder equity that exceeds the solvency requirements specified by the Isle of Man Financial Services Authority.

Under Section 357 (1)(b) of the Companies Act 2014, the Bank has given an irrevocable guarantee to meet the liabilities, commitments and contingent liabilities entered into by certain Group undertakings. At 31 December 2025, the amounts guaranteed were €682 million (2024: €617 million).

Consolidated structured entities

In the case of structured entities, in considering whether it controls the investee, the Group applies judgement around whether it has the ability to direct the relevant activities, has exposure or rights to variable returns from its involvement with the investee and has the ability to use its power to affect the amount of its returns. The Group generally considers it has control over the investee in the following situations:

- securitisation vehicles whose purpose is to finance specific loans and advances to customers; or
- defeasance companies set up to facilitate big-ticket leasing transactions.

In each case the Group generally considers that it has power over the entity, is exposed or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity, even though the Group normally owns less than half of the voting rights of those entities.

The Group does not consider it controls an investee when:

- the Group's only involvement in the arrangement is to administer transactions, for which the Group receives a fixed fee, on the basis that the Group is acting as an agent for the investors; or
- an entity is in the process of being liquidated, on the basis that the entity is controlled by the liquidator.

In the case of some venture capital investments, in considering whether it controls the investee the Group applies judgement around whether it has the ability to direct the relevant activities, has exposure or rights to variable returns from its involvement with the investee and has the ability to use its power to affect the amount of its returns. The Group has been considered to have significant influence, rather than control of the entity because the Group is not involved in directing the relevant activities of the entity and does not have the right to remove the manager of the entity.

The Group holds interests in structured entities (Bowbell No.3 plc and Bowbell Master Issuer plc), whose purpose is to acquire mortgage loans and other financial assets and issue mortgage backed securities. All of the assets and liabilities of Bowbell No.3 plc are restricted. At 31 December 2025 for Bowbell No.3 plc, total assets amounted to €0.3 billion (2024: €0.4 billion) and liabilities amounted to €0.3 billion (2024: €0.4 billion). At 31 December 2025 for Bowbell Master Issuer plc, total assets amounted to €0.9 billion (2024: €nil), of which €0.4 billion is restricted, and liabilities amounted to €0.9 billion (2024: €nil), of which €0.4 billion is restricted.

In January 2024, the Group securitised c.€13.4 billion of its Irish residential mortgage portfolio held in two of its subsidiaries, GovCo and BoIMB. The beneficial interest in the mortgages was transferred to a securitisation vehicle, Luna Securities DAC (Luna). In order to fund the acquired mortgages, Luna issued two classes of notes to GovCo. BoIMB was allocated a portion of these notes by GovCo in the same proportion as the securitised mortgages. The transferred mortgages have not been derecognised from the Group's balance sheet as the Group retains substantially all the risks and rewards of ownership.

The Group has entered into a number of transactions transferring a portion of credit risk on reference portfolios of financial assets. The funded protection in respect of these transactions is held with Vale Securities Finance No.2 DAC (Vale II), Glen Securities Finance DAC (Glen), Mespil Securities No.2 DAC (Mespil II) and Mespil Securities No.3 DAC (Mespil III). Vale Securities Finance DAC (Vale) was terminated in January 2025.

No assets or liabilities were transferred to Vale II, Glen, Mespil II or Mespil III as part of the transactions. All transactions have cash collateralised their exposure through the issue of credit linked notes to third party investors. Each transaction also includes unfunded protection. The protection provided by each transaction at 31 December 2025 and the optional call date and maturity date are as follows: Vale II (€105 million) (July 2027 / July 2032), Glen (€137 million) (April 2031 / October 2036), Mespil II ($186 million) (July 2026 / January 2032), and Mespil III ($177 million) (July 2028 / July 2032).

In relation to these entities, there are no contractual arrangements that require the Group to provide financial support. In 2025 and 2024, the Group did not provide financial or other support, nor does it expect or intend to do so.

In accordance with IFRS 10, all of these entities are consolidated in the Group's financial statements.

Treatment of changes in control of a subsidiary during the reporting period

From time to time, the Group may wind up a wholly owned company. During this process, the Group voluntarily appoints a liquidator to manage the winding up of relevant entities.

Upon appointment of the liquidator, the Group is considered to have lost control of the companies and accounts for this loss of control as a disposal. In accordance with IAS 21, the Group must reclassify net cumulative FX gains / losses relating to these companies from the FX reserve to the income statement. In 2025, there was no gain or loss recognised on disposals or liquidations of business activities (2024: €5 million gain). (see note 16).

Joint arrangements

A joint arrangement is an arrangement of which two or more parties have joint control i.e. contractually agreed sharing of control of an arrangement where decisions about the relevant activities require the unanimous consent of the parties sharing control. These arrangements are identified by reference to the power sharing agreements, ensuring that unanimous consent of all parties is a requirement. Where the arrangement has been structured through a separate vehicle, the Group has accounted for it as a joint venture.

52 Interests in other entities *(continued)*

The table below shows the Group's principal joint arrangements for the year ended 31 December 2025.

All joint venture investments are unquoted and are measured using the equity method of accounting. All income from these investments has been included in profit or loss from continuing operations. There are no significant restrictions on the ability of these entities to transfer funds to the Group in the form of cash dividends, or to repay loans or advances made by the Group; nor is there any unrecognised share of losses either for 2025 or cumulatively in respect of these entities. Other than disclosed in note 40, the Group does not have any further commitments or contingent liabilities in respect of these entities other than its investment to date.

Joint arrangement	Holding	Classification	Country of operation	Nature of activities
First Rate Exchange Services Holdings Limited	50%	Joint venture	UK	Sale of financial products through the UK Post Office relationship
Enterprise 2000 Fund Limited	50%	Joint venture	Ireland	Investment in venture capital companies

Associates

An associated undertaking is an entity for which the Group has significant influence, but not control, over the entity's operating and financial policy decisions. If the Group holds 20% or more of the voting power of an entity, it is presumed that the Group has significant influence, unless it could be clearly demonstrated that this was not the case. There are no such cases where the Group holds 20% or more of the voting power of an entity, and is not considered to have significant influence over that entity.

The Group holds a number of investments in associates, none of which is individually material. All income from these investments has been included in profit or loss from continuing operations. There are no significant restrictions on the ability of these entities to transfer funds to the Group in the form of cash dividends, or to repay loans or advances made by the Group; nor is there any unrecognised share of losses either for 2025 or cumulatively in respect of these entities. The Group does not have any contingent liabilities in respect of these entities other than its investment to date.

Unconsolidated structured entities

Unconsolidated collective investment vehicles

The Group holds investments in unconsolidated structured entities arising from investments in collective investment undertakings, carried at fair value of €18,477 million (2024: €17,154 million). The value included in assets held to cover unit-linked policyholder liabilities is €17,757 million (2024: €16,419 million) and €720 million (2024: €735 million) is held for non-unit linked liabilities (note 21). At 31 December 2025, the total asset value of these unconsolidated structured entities, including the portion in which the Group has no interest, was €39.5 billion (2024: €41.5 billion).

The Group's maximum exposure to loss is equal to the carrying value of the investment. However, the Group's investments in these entities are primarily held to match policyholder liabilities in the Group's life assurance business and the majority of the risk from a change in the value of the Group's investment is matched by a change in policyholder liabilities. The collective investment vehicles are primarily financed by investments from investors in the vehicles.

During the year, the Group has not provided any non-contractual financial or other support to these entities and has no current intention of providing any financial or other support. The Group does not sponsor any of these unconsolidated structured entities.

Temple Quay No.1 PLC

In November 2022, the Group entered into a securitisation arrangement for a portfolio of UK residential mortgage NPEs, through an unconsolidated special purpose vehicle, Temple Quay No.1 plc.

The portfolio transferred had a gross carrying value of €527 million (before ECL allowance) and a net carrying value of €462 million (after ECL allowance).

The Group transferred the beneficial interest in the loans to Temple Quay No.1 plc which in turn issued notes backed by these loans. In October 2025, the securitisation was terminated. The Group's holding in the securitisation by way of a Vertical Risk Retention (VRR) loan note, was repaid at termination.

Temple Quay No.1 plc was not consolidated but the associated income in relation to the services provided to the company was recognised in the Group's financial statements as follows:

	2025 €m	2024 €m
Fee and commission income	1	1
Total income related to Temple Quay No.1 plc	**1**	**1**

The carrying amount of assets and liabilities in relation to this entity are listed as:

	2025 €m	2024 €m
Debt securities at amortised cost	–	21
Total carrying value of assets held related to Temple Quay No.1 plc	**–**	**21**

52 Interests in other entities *(continued)*

The Group's maximum exposure to loss in respect of Temple Quay No.1 plc was equal to the balance of the VRR loan note which is €nil at 31 December 2025 (2024: €21 million). There were no contractual arrangements that required the Group to provide financial support to Temple Quay No.1 plc. In 2025 and 2024 the Group did not provide financial or other support, nor does it expect or intend to do so.

Davy investment companies

Since the Davy acquisition in 2022, there are certain types of structured entities that the Group does not consolidate but in which it may hold an interest through the receipt of management fees and performance fees. These entities are constituted as open ended investment companies and unit trusts and invest in a range of asset classes as described in the relevant prospectuses. The total amount of management and performance fees recognised in the Group's income statement for the year ended 31 December 2025 amounted to €53 million (2024: €43 million) of which €6 million is receivable at 31 December 2025 (2024: €6 million).

At 31 December 2025, the Group also held investments in relation to these entities amounting to €1 million (2024: €1 million), which are included in Other financial assets at FVTPL in the Group's financial statements. The Group's maximum exposure to loss at 31 December 2025 in respect of these unconsolidated entities is €7 million (2024: €7 million). The Group has not provided financial support to these unconsolidated structured entities and has no intention of providing financial or other support.

Coterminous year end dates

The Group consolidates certain entities where the entity does not have the same year end reporting date as the Group. This is to ensure the reporting dates of these Group entities are kept consistent with the principal legal agreements used to engage in their core business.

53 Liquidity risk and profile

The following tables summarise the maturity profile of the Group's financial liabilities (excluding those arising from insurance and investment contracts in the Wealth and Insurance division) at 31 December 2025 and 31 December 2024 based on contractual undiscounted repayment obligations. The Group does not manage liquidity risk on the basis of contractual maturity. Instead the Group manages liquidity risk based on expected cash flows. The Group's approach to liquidity risk management is set out in section 3.5 of the Risk Management Report.

Unit-linked investment liabilities and unit-linked insurance liabilities with a carrying value of €10,179 million and €17,197 million respectively (2024: €9,203 million and €16,685 million respectively) are excluded from this analysis as their repayment is linked to the financial assets backing these contracts.

Customer accounts include a number of term accounts that contain easy access features. These allow the customer to access a portion or all of their deposit notwithstanding that this repayment could result in financial penalty being paid by the customer. For such accounts, the portion subject to the potential early access has been classified in the 'Demand' category in the table below.

The balances in the table below will not agree directly to the consolidated balance sheet as the table incorporates all cash flows, on an undiscounted basis, related to both principal and interest payments.

2025 Contractual maturity	Demand €m	Up to 3 months €m	3-12 months €m	1-5 years €m	Over 5 years €m	Total €m
Deposits from banks	132	689	–	–	–	821
Monetary Authorities secured funding	–	298	156	130	–	584
Customer accounts	95,091	5,748	5,484	1,633	–	107,956
Debt securities in issue	–	78	259	5,131	5,008	10,476
Subordinated liabilities	–	34	57	425	2,110	2,626
Lease liabilities	–	13	41	163	171	388
Contingent liabilities	777	90	24	118	50	1,059
Commitments	16,568	51	822	25	–	17,466
Short positions in trading securities	1	–	–	174	185	360
Total	**112,569**	**7,001**	**6,843**	**7,799**	**7,524**	**141,736**

53 Liquidity risk and profile *(continued)*

2024 Contractual maturity	Demand €m	Up to 3 months €m	3-12 months €m	1-5 years €m	Over 5 years €m	Total €m
Deposits from banks	205	478	–	–	–	683
Monetary Authorities secured funding	–	388	493	288	–	1,169
Customer accounts	91,458	5,913	3,445	2,713	–	103,529
Debt securities in issue	–	855	239	6,353	4,083	11,530
Subordinated liabilities	–	34	58	414	2,229	2,735
Lease liabilities	–	13	44	173	206	436
Contingent liabilities	756	59	42	185	11	1,053
Commitments	16,231	67	1,312	75	–	17,685
Short positions in trading securities	2	–	–	91	61	154
Total	**108,652**	**7,807**	**5,633**	**10,292**	**6,590**	**138,974**

The following tables present the estimated amount and timing of the remaining contractual undiscounted cash flows arising from portfolios of insurance contract liabilities and associated reinsurance contract assets and matched investment assets. Unit-linked contracts payable on demand are €14,654 million (2024: €13,957 million) and do not present a liquidity risk due to backing unit funds.

Liquidity risk is managed through matching assets of varying maturities, sufficient to meet current and near term liabilities and in compliance with all regulatory capital and liquidity requirements.

2025 Insurance contract cash flows	Year 1 €m	Year 2 €m	Year 3 €m	Year 4 €m	Years 5-9 €m	Years 10+ €m
Insurance contract liabilities	(150)	(144)	(146)	(149)	(712)	(1,694)
Reinsurance contract assets	83	81	81	82	395	773
Net insurance contract cash flows	**(67)**	**(63)**	**(65)**	**(67)**	**(317)**	**(921)**
Matched assets	92	95	104	86	468	1,325
Net cash flows	**25**	**32**	**39**	**19**	**151**	**404**

2024 Insurance contract cash flows	Year 1 €m	Year 2 €m	Year 3 €m	Year 4 €m	Years 5-9 €m	Years 10+ €m
Insurance contract liabilities	(135)	(137)	(142)	(152)	(750)	(1,784)
Reinsurance contract assets	81	81	82	82	406	851
Net insurance contract cash flows	**(54)**	**(56)**	**(60)**	**(70)**	**(344)**	**(933)**
Matched assets	99	83	91	89	425	1,258
Net cash flows	**45**	**27**	**31**	**19**	**81**	**325**

As set out in note 20, derivatives held for trading comprise derivatives entered into with trading intent as well as derivatives entered into with economic hedging intent to which the Group does not apply hedge accounting. Derivatives held with hedging intent include all derivatives to which the Group applies hedge accounting.

The following tables summarise the maturity profile of the Group's derivative liabilities.

The Group manages liquidity risk based on expected cash flows, therefore the undiscounted cash flows payable on derivatives liabilities held with hedging intent are classified according to their contractual maturity, while derivatives held with trading intent have been included at fair value in the 'Demand' time bucket.

53 Liquidity risk and profile *(continued)*

2025 Derivative financial instruments	Demand €m	Up to 3 months €m	3-12 months €m	1-5 years €m	Over 5 years €m	Total €m
Derivatives held with hedging intent						
Gross settled derivative liabilities - outflows	–	479	1,434	4,031	–	5,944
Gross settled derivative liabilities - inflows	–	(459)	(1,389)	(3,886)	–	(5,734)
Gross settled derivative liabilities - net flows	**–**	**20**	**45**	**145**	**–**	**210**
Net settled derivative liabilities	–	221	249	769	154	1,393
Total derivatives held with hedging intent	**–**	**241**	**294**	**914**	**154**	**1,603**
Derivative liabilities held with trading intent	308	–	–	–	–	308
Total derivative cash flows	**308**	**241**	**294**	**914**	**154**	**1,911**

2024 Derivative financial instruments	Demand €m	Up to 3 months €m	3-12 months €m	1-5 years €m	Over 5 years €m	Total €m
Derivatives held with hedging intent						
Gross settled derivative liabilities - outflows	–	622	1,697	6,764	83	9,166
Gross settled derivative liabilities - inflows	–	(561)	(1,497)	(6,272)	(62)	(8,392)
Gross settled derivative liabilities - net flows	**–**	**61**	**200**	**492**	**21**	**774**
Net settled derivative liabilities	–	349	757	1,699	124	2,929
Total derivatives held with hedging intent	**–**	**410**	**957**	**2,191**	**145**	**3,703**
Derivative liabilities held with trading intent	490	–	–	–	–	490
Total derivative cash flows	**490**	**410**	**957**	**2,191**	**145**	**4,193**

54 Measurement basis of financial assets and financial liabilities

The tables below analyse the carrying amounts of the financial assets and financial liabilities by accounting treatment and by balance sheet heading. In the tables below 'liabilities to customers under investment contracts' - Insurance investment contracts are accounted for as financial liabilities whose value is contractually linked to the fair value of the financial assets within the policyholders' unit-linked funds.

2025 Financial assets	FVTPL		FVOCI	Held at amortised cost €m	Derivatives designated as hedging instruments €m	Total €m
	Mandatorily €m	Designated €m	Debt Instruments €m			
Cash and balances at central banks	–	–	–	22,963	–	22,963
Items in the course of collection from other banks	–	–	–	139	–	139
Trading securities	244	–	–	–	–	244
Derivative financial instruments	1,041	–	–	–	1,620	2,661
Other financial assets at FVTPL	25,586	–	–	–	–	25,586
Loans and advances to banks	84	–	–	1,572	–	1,656
Debt securities at amortised cost	–	–	–	18,372	–	18,372
Financial assets at FVOCI	–	–	2,990	–	–	2,990
Loans and advances to customers	166	–	–	82,312	–	82,478
Interest in associates FVTPL	–	85	–	–	–	85
Other financial assets	–	–	–	402	–	402
Total financial assets	**27,121**	**85**	**2,990**	**125,760**	**1,620**	**157,576**

54 Measurement basis of financial assets and financial liabilities *(continued)*

2025 Financial liabilities	FVTPL Mandatorily €m	FVTPL Designated €m	FVOCI Debt Instruments €m	Held at amortised cost €m	Derivatives designated as hedging instruments €m	Total €m
Deposits from banks	–	–	–	1,371	–	1,371
Customer accounts	–	52	–	107,435	–	107,487
Items in the course of transmission to other banks	–	–	–	320	–	320
Derivative financial instruments	982	–	–	–	1,382	2,364
Debt securities in issue	–	184	–	7,610	–	7,794
Liabilities to customers under investment contracts	–	10,179	–	–	–	10,179
Other financial liabilities	–	–	–	2,474	–	2,474
Lease liabilities	–	–	–	324	–	324
Loss allowance provision on loan commitments and financial guarantees	–	–	–	92	–	92
Short positions in trading securities	360	–	–	–	–	360
Subordinated liabilities	–	–	–	1,848	–	1,848
Total financial liabilities	**1,342**	**10,415**	**–**	**121,474**	**1,382**	**134,613**

2024 Financial assets	FVTPL Mandatorily €m	FVTPL Designated €m	FVOCI Debt Instruments €m	Held at amortised cost €m	Derivatives designated as hedging instruments €m	Total €m
Cash and balances at central banks	–	–	–	32,436	–	32,436
Items in the course of collection from other banks	–	–	–	114	–	114
Trading securities	166	–	–	–	–	166
Derivative financial instruments	1,604	–	–	–	1,873	3,477
Other financial assets at FVTPL	24,000	–	–	–	–	24,000
Loans and advances to banks	55	–	–	1,683	–	1,738
Debt securities at amortised cost	–	–	–	6,387	–	6,387
Financial assets at FVOCI	–	–	3,384	–	–	3,384
Loans and advances to customers	185	–	–	82,353	–	82,538
Interest in associates FVTPL	–	76	–	–	–	76
Other financial assets	–	–	–	264	–	264
Total financial assets	**26,010**	**76**	**3,384**	**123,237**	**1,873**	**154,580**

2024 Financial liabilities	FVTPL Mandatorily €m	FVTPL Designated €m	FVOCI Debt Instruments €m	Held at amortised cost €m	Derivatives designated as hedging instruments €m	Total €m
Deposits from banks	–	–	–	1,805	–	1,805
Customer accounts	–	114	–	102,955	–	103,069
Items in the course of transmission to other banks	–	–	–	218	–	218
Derivative financial instruments	1,581	–	–	–	2,094	3,675
Debt securities in issue	–	204	–	8,926	–	9,130
Liabilities to customers under investment contracts	–	9,203	–	–	–	9,203
Other financial liabilities	37	–	–	2,569	–	2,606
Lease liabilities	–	–	–	366	–	366
Loss allowance provision on loan commitments and financial guarantees	–	–	–	80	–	80
Short positions in trading securities	154	–	–	–	–	154
Subordinated liabilities	–	–	–	1,853	–	1,853
Total financial liabilities	**1,772**	**9,521**	**–**	**118,772**	**2,094**	**132,159**

54 Measurement basis of financial assets and financial liabilities *(continued)*

The fair value and contractual amount due on maturity of financial liabilities designated at fair value upon initial recognition are shown in the table below. For financial assets and financial liabilities which are measured at FVTPL or FVOCI, a description of the methods and assumptions used to calculate those fair values are set out in note 55.

	2025		2024	
	Fair values €m	Contractual amount due on maturity €m	Fair values €m	Contractual amount due on maturity €m
Customer accounts	52	54	114	118
Liabilities to customers under investment contracts	10,179	10,179	9,203	9,203
Debt securities in issue	184	220	204	219
Financial liabilities designated at fair value through profit or loss	**10,415**	**10,453**	**9,521**	**9,540**

55 Fair values of assets and liabilities

Fair value of assets and liabilities

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Where possible, the Group calculates fair value using observable market prices. Where market prices are not available, fair values are determined using valuation techniques which may include DCF models or comparisons to instruments with characteristics either identical or similar to those of the instruments held by the Group or of recent arm's length market transactions. These fair values are classified within a three-level fair value hierarchy, based on the inputs used to value the instrument. Where the inputs might be categorised within different levels of the fair value hierarchy, the fair value measurement in its entirety is categorised in the same level of the hierarchy as the lowest level input that is significant to the entire measurement. The levels are defined as:

Level 1
Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2
Inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3
Inputs are unobservable inputs for the asset or liability.

Transfers between different levels are assessed at the end of all reporting periods.

Financial assets and financial liabilities recognised and subsequently measured at fair value

All financial instruments are initially recognised at fair value. The Group subsequently measures the following instruments at FVTPL or at FVOCI: trading securities, other financial assets and financial liabilities designated at FVTPL, derivatives, loans and advances to customers held at fair value, loans and advances to banks held at fair value, financial assets held at FVOCI, customer accounts held at fair value and debt securities in issue held at fair value.

A description of the methods and assumptions used to calculate the fair value of these assets and liabilities is set out below. For fair value measurements categorised within level 3 of the fair value hierarchy, the valuation policies and procedures are developed by the management of the relevant business unit. The valuation process is documented before being reviewed and approved by senior management to ensure that the valuation method is consistent with market practice, that the output is reasonable and that the methodology is consistent both across the Group and compared to prior years.

Loans and advances to customers held at fair value
These consist of assets mandatorily measured at FVTPL, of which €166 million (2024: €185 million) are 'Life loan mortgage products'. Unlike a standard mortgage product, borrowers do not make any periodic repayments and the outstanding loan balance increases through the life of the loan as interest due is capitalised. The mortgage is typically repaid out of the proceeds of the sale of the property.

These assets are valued using DCF models which incorporate unobservable inputs (level 3 inputs). Using reasonably possible alternative assumptions would not have a material impact on the value of these assets.

Loans and advances to banks held at fair value
These consist of assets mandatorily measured at FVTPL and include assets managed on a fair value basis by the life assurance business and those assets that do not meet the requirements in order to be measured at FVOCI or amortised cost.

The estimated fair value of floating rate placements and overnight placings is their carrying amount. The estimated fair value of fixed interest bearing placements is based on DCFs using prevailing money market interest rates for assets with similar credit risk and remaining maturity (level 2 inputs).

55 Fair values of assets and liabilities *(continued)*

Financial assets at fair value through other comprehensive income
Financial assets at FVOCI predominantly consist of government bonds and listed debt securities. For those assets where an active market exists, fair value has been determined directly from observable market prices (level 1 inputs) and where an active market does not exist, fair value has been derived either directly or indirectly from observable market prices (level 2 inputs).

Financial assets and financial liabilities held for trading
These instruments are valued using observable market prices (level 1 inputs), directly from a recognised pricing source or an independent broker or investment bank.

Derivative financial instruments
The Group's derivative financial instruments are valued using valuation techniques commonly used by market participants. These consist of DCF and options pricing models, which typically incorporate observable market data, principally interest rates, basis spreads, FX rates, equity prices and counterparty credit (level 2 inputs). The base models may not fully capture all factors relevant to the valuation of the Group's financial instruments such as credit risk, own credit and / or funding costs. The fair values of the Group's derivative financial liabilities reflect the impact of the cost of funding derivative positions (funding valuation adjustment (FVA)). The funding cost is derived from observable market data; however the model may perform numerical procedures in the pricing such as interpolation when market data input values do not directly correspond to the exact parameters of the trade.

Credit valuation adjustment (CVA) represents an estimate of the adjustment to fair value that market participants would make to incorporate the counterparty credit risk inherent in derivative exposures. Debit valuation adjustment (DVA) reflects the impact of changes in own credit spreads. Certain derivatives are valued using unobservable inputs relating to counterparty credit such as credit grade and own credit spread, which are sourced from independent brokers. These unobservable inputs may be significant to their valuation. The effect of using reasonably possible alternative assumptions in the valuation of these derivatives at 31 December 2025 would not be material. Where the impact of unobservable inputs is significant to the valuation of the asset or liability, it is categorised as level 3 on the fair value hierarchy.

In addition, a small number of derivative financial instruments are valued using significant unobservable inputs other than counterparty credit (level 3 inputs). However, changing one or more assumptions used in the valuation of these derivatives would not have a significant impact as they are entered into to hedge the exposure arising on certain customer accounts (see below), leaving the Group with no net valuation risk due to the unobservable inputs.

Other financial assets at fair value through profit or loss
These consist of assets mandatorily measured at FVTPL which are predominantly held for the benefit of unit linked policyholders, with any changes in valuation accruing to the policyholders. These assets consist principally of bonds, equities and unit trusts, which are traded on listed exchanges, are actively traded and have readily available prices. Substantially all of these assets are valued using valuation techniques which use observable market data i.e. level 1 or level 2 inputs. A small number of these assets have been valued using DCF models and discounted equity value method, which incorporates unobservable inputs (level 3). Certain private equity funds, which predominantly invest in properties, are valued with reference to the underlying property value which in itself incorporates unobservable inputs (level 3). Using reasonably possible alternative assumptions would not have a material impact on the value of these assets.

Interest in associates
Investments in associates, which are venture capital investments, are accounted for at FVTPL and are valued in accordance with the 'International Private Equity and Venture Capital Valuation Guidelines'. This requires the use of various inputs such as DCF analysis and comparison with the earnings multiples of listed comparative companies amongst others. Although the valuation of unquoted equity instruments is subjective by nature, the relevant methodologies are commonly applied by other market participants and have been consistently applied over time. As the inputs are unobservable, the valuation is deemed to be based on level 3 inputs. Using reasonably possible alternative assumptions would not have a material impact on the value of these assets.

Customer accounts
Customer accounts designated at FVTPL consist of deposits which contain an embedded derivative (typically an equity option). These instruments are typically valued using valuation techniques which use observable market data. The Group incorporates the effect of changes in its own credit spreads when valuing these instruments. The Group sources own credit spreads from independent brokers (level 3 inputs) as observable own credit spreads are not available. Where the impact of unobservable inputs is significant to the valuation of a customer account, that account is categorised as level 3 on the fair value hierarchy. Using reasonably possible alternative assumptions would not have had a material impact on the value of these liabilities at 31 December 2025.

A small number of customer accounts are valued using additional unobservable inputs (level 3 inputs). However, changing one or more assumptions used in the valuation of these customer accounts would not have a significant impact as these customer accounts are hedged with offsetting derivatives (see above), leaving the Group with no net valuation risk due to those unobservable inputs.

Liabilities to customers under investment contracts
The fair value of liabilities to customers under unit linked investment contracts is contractually linked to the fair value of the financial assets within the policyholders' unit linked funds. The value of the unit linked financial liabilities is determined using current unit prices multiplied by the number of units attributed to the contract holders at the reporting date. Their value is never less than the amount payable on surrender, discounted for the required notice period where applicable.

Debt securities in issue
Debt securities in issue with a fair value of €184 million (2024: €204 million) are measured at FVTPL, in order to reduce an accounting mismatch which would otherwise arise from the related hedging derivatives. Their fair value is typically based on valuation techniques incorporating observable market data. The Group incorporates the effect of changes in its own credit spread when valuing these instruments. The Group sources own credit spreads from independent brokers (level 3 inputs) as observable own credit spreads are not available.

55 Fair values of assets and liabilities *(continued)*

Where the impact of unobservable inputs is significant to the valuation of a debt security in issue, that issuance is categorised as level 3 on the fair value hierarchy: otherwise, it is categorised as level 2.

Other liabilities
Other liabilities carried at fair value consist of contingent consideration recognised for the acquisition of Davy, categorised as level 2 on the fair value hierarchy. This was settled in H125 and is therefore €nil at 31 December 2025 (2024: €37 million).

Financial assets and liabilities held at amortised cost
For financial assets and financial liabilities which are not subsequently measured at fair value on the balance sheet, the Group discloses their fair value in a way that permits them to be compared to their carrying amounts. The methods and assumptions used to calculate the fair values of these assets and liabilities are set out below.

Loans and advances to banks
The estimated fair value of floating rate placements and overnight placings which are held at amortised cost is their carrying amount. The estimated fair value of fixed interest bearing placements which are held at amortised cost is based on DCFs using prevailing money market interest rates for assets with similar credit risk and remaining maturity (level 2 inputs).

Loans and advances to customers held at amortised cost
The fair value of both fixed and variable rate loans and advances to customers held at amortised cost is estimated using valuation techniques which include the discounting of estimated future cash flows at current market rates, incorporating the impact of current credit spreads and margins. The fair value reflects both loan impairments at the reporting date and estimates of market participants' expectations of credit losses over the life of the loans (level 3 inputs), and recent arm's length transactions in similar assets.

Debt securities at amortised cost
For debt securities at amortised cost for which an active market exists, fair value has been determined directly from observable market prices (level 1 inputs). Debt securities at amortised cost where an active market does not exist but fair value has been derived either directly or indirectly from observable market prices are categorised as Level 2. Debt securities at amortised cost consist mainly of government bonds, asset backed securities and other debt securities.

Deposits from banks and customer accounts
The estimated fair value of deposits with no stated maturity, which includes non-interest bearing deposits, is the amount repayable on demand. For the estimated fair value of fixed interest bearing deposits and other borrowings without quoted market prices, a DCF model is used based on a current yield curve appropriate to the Group for the remaining term to maturity. The yield curve used incorporates the effect of changes in the Group's own credit spread (level 2 and level 3 inputs). For deposits from banks for which an active market exists, fair value has been determined directly from observable market prices (level 1 inputs). Level 1 deposits from banks consist of repurchase agreements, with underlying assets being government bonds.

Debt securities in issue and subordinated liabilities
The fair values of these instruments are calculated based on quoted market prices where available (level 1 inputs). For those debt securities in issue and subordinated liabilities where an active market does not exist, fair value has been derived either directly or indirectly from observable market prices (level 2 inputs) or a DCF model is used based on a current yield curve appropriate to the Group for the remaining term to maturity. The yield curve used incorporates the effect of changes in the Group's own credit spread (level 2 and level 3 inputs).

Fair value on offsetting positions
Where the Group manages certain financial assets and financial liabilities on the basis of its net exposure to either market risk or credit risk, the Group applies the exception allowed under paragraph 48 of IFRS 13.

That exception permits the Group to measure the fair value of a group of financial assets and financial liabilities on the basis of the price that would be received to sell a net long position (i.e. an asset) for a particular risk exposure or paid to transfer a net short position (i.e. a liability) for a particular risk exposure in an orderly transaction between market participants at the measurement date under current market conditions. Accordingly, the Group measures the fair value of the group of financial assets and financial liabilities consistently with how market participants would price the net risk exposure at the measurement date.

Fair value of non-financial assets
Investment properties
Investment properties are carried at fair value as determined by external qualified property surveyors (the 'Surveyors') appropriate to the properties held. The Surveyors arrive at their opinion of fair value by using their professional judgement in applying comparable current trends in the property market such as rental yields in the retail, office and industrial property sectors, to both the existing rental income stream and also to the future estimate of rental income. Other inputs taken into consideration include occupancy forecasts, rent free periods that may need to be granted to new incoming tenants, capital expenditure and fees. As these inputs are unobservable, the valuation is deemed to be based on level 3 inputs. All properties are valued based on highest and best use.

Climate change, sustainability, resilience and related ESG risks are increasingly influencing investment approaches as they may affect prospects for rental and capital growth and susceptibility to obsolescence. Properties that do not meet the sustainability characteristics expected in the market may represent a higher investment risk. The valuations monitor market movement and sentiment on ESG and reflect, as appropriate, its effect on the fair value of each property held within the funds.

Property
A revaluation of Group property was carried out at 31 December 2025. All freehold and long leasehold commercial properties were valued by Lisney Ltd (or its partner, Sanderson Weatherall) as external valuers, with the exception of some select properties which were valued internally by the Group's qualified surveyors. The valuations have been carried out in accordance with the Royal Institution of Chartered Surveyors Valuation - Global Standards.

55 Fair values of assets and liabilities *(continued)*

The valuers arrive at their valuation by using their professional judgement in applying market comparable methods of valuation such as the utilisation of comparable market rental values and rental yields. Other considerations taken into account include the individual property profile, lot size, layout and presentation of accommodation. As these inputs are unobservable, the valuation is deemed to be based on level 3 inputs. All properties are valued based on highest and best use.

The following table sets out the level of the fair value hierarchy for financial assets and financial liabilities held at fair value. Information is also given for items carried at amortised cost where the fair value is disclosed. Financial assets and liabilities carried at amortised cost where the carrying amount is a reasonable approximation of fair value are not included, as permitted by IFRS 7.

	2025				*Restated*[2] 2024			
	Level 1 €m	Level 2 €m	Level 3 €m	Total €m	Level 1 €m	Level 2 €m	Level 3 €m	Total €m
Financial assets held at fair value								
Trading securities	232	12	–	244	161	5	–	166
Derivative financial instruments	–	2,655	6	2,661	–	3,462	15	3,477
Other financial assets at FVTPL	25,161	150	275	25,586	23,562	116	322	24,000
Loans and advances to banks	–	84	–	84	–	55	–	55
Financial assets at FVOCI	2,837	153	–	2,990	3,384	–	–	3,384
Loans and advances to customers	–	–	166	166	–	–	185	185
Interest in associates	–	–	85	85	–	–	76	76
Non-financial assets held at fair value								
Investment property	–	–	833	833	–	–	771	771
Property held at fair value	–	–	134	134	–	–	134	134
	28,230	**3,054**	**1,499**	**32,783**	**27,107**	**3,638**	**1,503**	**32,248**
Financial liabilities held at fair value								
Customer accounts	–	52	–	52	–	114	–	114
Derivative financial instruments	1	2,355	8	2,364	1	3,659	15	3,675
Debt securities in issue	–	184	–	184	–	204	–	204
Liabilities to customers under investment contracts	–	10,179	–	10,179	–	9,203	–	9,203
Short positions in trading securities	360	–	–	360	154	–	–	154
Other liabilities[1]	–	–	–	–	–	37	–	37
	361	**12,770**	**8**	**13,139**	**155**	**13,217**	**15**	**13,387**
Fair value of financial assets held at amortised cost								
Loans and advances to banks	201	1,371	–	1,572	134	1,549	–	1,683
Debt securities at amortised cost	18,160	341	1	18,502	5,871	502	1	6,374
Loans and advances to customers	–	1	83,047	83,048	–	–	82,690	82,690
Fair value of financial liabilities held at amortised cost								
Deposits from banks	–	1,371	–	1,371	86	1,719	–	1,805
Customer accounts	–	107,394	–	107,394	–	102,925	–	102,925
Debt securities in issue	6,499	539	623	7,661	7,980	380	642	9,002
Subordinated liabilities[2]	1,910	–	–	1,910	1,920	–	–	1,920

[1] *In the table above, other liabilities relate to contingent consideration recognised for the acquisition of Davy. This was settled in H125 and is therefore €nil at 31 December 2025.*
[2] *The comparative figure for subordinated liabilities included in level 1 has been restated by increasing it to €1,920 million from €nil and the figure for subordinated liabilities included in level 2 has been reduced by the same amount to €nil to align with the fair value hierarchy classification methodology adopted by the Group during the year ended 31 December 2025 following a reassessment of the pricing information available at that date.*

During 2025, 'Debt securities in issue' with a fair value of €108 million and 'Other financial assets at fair value through profit and loss' with a fair value of €18 million were transferred from level 1 to level 2 as these were valued based on observable inputs other than quoted prices in active markets. There were no transfers between level 1 and level 2 for year ended 31 December 2024.

55 Fair values of assets and liabilities *(continued)*

Movements in level 3 assets 2025	Loans advances customers at FVTPL €m	Other financial assets at FVTPL €m	Derivative financial instruments €m	Interest in associates €m	Investment property €m	Property held at fair value €m	Total €m
Balance at 1 January 2025	**185**	**322**	**15**	**76**	**771**	**134**	**1,503**
Exchange adjustment	–	–	–	–	(12)	(2)	(14)
Total gains or (losses) in:							
Profit or loss							
Interest income	7	–	–	–	–	–	7
Net trading income	2	6	15	–	–	–	23
Share of results of associates	–	–	–	–	–	–	–
Revaluation	–	–	–	–	–	–	–
Total investment losses	–	(1)	–	–	–	–	(1)
Other comprehensive expense	**–**	**–**	**–**	**–**	**–**	**3**	**3**
Additions	–	5	–	11	84	–	100
Disposals	–	(29)	(20)	(2)	(9)	–	(60)
Redemptions	(28)	(28)	–	–	–	–	(56)
Reclassifications	–	–	–	–	(1)	(1)	(2)
Transfers out of level 3							
from level 3 to level 1	–	–	–	–	–	–	–
from level 3 to level 2	–	–	(4)	–	–	–	(4)
Transfers into level 3							
from level 2 to level 3	–	–	–	–	–	–	–
Balance at 31 December 2025	**166**	**275**	**6**	**85**	**833**	**134**	**1,499**
Total unrealised (losses) / gains for the year included in profit or loss for level 3 assets at the end of the year	**6**	**5**	**5**	**–**	**(13)**	**–**	**3**
Net trading income	*–*	*6*	*5*	*–*	*–*	*–*	*11*
Interest income	*6*	*–*	*–*	*–*	*–*	*–*	*6*
Share of results of associates	*–*	*–*	*–*	*–*	*–*	*–*	*–*
Total investment losses	*–*	*(1)*	*–*	*–*	*(8)*	*–*	*(9)*
Other operating income	*–*	*–*	*–*	*–*	*(5)*	*–*	*(5)*

The transfer from level 3 to level 2 arose as a result of the availability of observable inputs at 31 December 2025. There were no transfers between level 1 and 2 to level 3.

55 Fair values of assets and liabilities *(continued)*

Movements in level 3 assets 2024	Loans advances customers at FVTPL €m	Other financial assets at FVTPL €m	Derivative financial instruments €m	Interest in associates €m	Investment property €m	Property held at fair value €m	Total €m
Balance at 1 January 2024	**205**	**360**	**20**	**79**	**793**	**134**	**1,591**
Exchange adjustment	–	–	–	–	7	2	9
Total gains or losses in:							
Profit or loss							
Interest income	8	–	–	–	–	–	8
Net trading income	2	30	4	–	–	–	36
Share of results of associates	–	–	–	5	–	–	5
Revaluation	–	(3)	–	–	(40)	–	(43)
Total investment losses	–	(24)	–	–	–	–	(24)
Other comprehensive expense	**–**	**–**	**–**	**–**	**–**	**(2)**	**(2)**
Additions	–	36	–	12	24	–	72
Disposals	–	(25)	–	(20)	(13)	–	(58)
Redemptions	(30)	(14)	–	–	–	–	(44)
Reclassifications	–	(47)	–	–	–	–	(47)
Transfers out of level 3							
from level 3 to level 1	–	(23)	–	–	–	–	(23)
from level 3 to level 2	–	–	(10)	–	–	–	(10)
Transfers into level 3							
from level 2 to level 3	–	32	1	–	–	–	33
Balance at 31 December 2024	**185**	**322**	**15**	**76**	**771**	**134**	**1,503**
Total unrealised (losses) / gains for the year included in profit or loss for level 3 assets at the end of the year	**7**	**6**	**4**	**5**	**(32)**	**–**	**(10)**
Net trading income	*–*	*30*	*4*	*–*	*–*	*–*	*34*
Interest income	*7*	*–*	*–*	*–*	*–*	*–*	*7*
Total investment losses	*–*	*(24)*	*–*	*–*	*(21)*	*–*	*(45)*
Share of results of associates	*–*	*–*	*–*	*5*	*–*	*–*	*5*
Other operating income	*–*	*–*	*–*	*–*	*(11)*	*–*	*(11)*

The transfer from level 3 to level 1 and level 2 arose as a result of the availability of observable inputs at 31 December 2024. The transfer from level 2 to level 3 arose as a result of certain material inputs becoming unobservable.

55 Fair values of assets and liabilities *(continued)*

Movements in level 3 liabilities	2025 Derivative financial instruments €m	2025 Other liabilities[1] €m	2025 Total €m	2024 Derivative financial instruments €m	2024 Other liabilities[1] €m	2024 Total €m
Balance at 1 January	**15**	**–**	**15**	**17**	**33**	**50**
Exchange adjustment	(1)	–	(1)	–	–	–
Total (gains) or losses in:						
Profit or loss						
Net trading expense	1	–	1	2	–	2
Transfers out of level 3						
from level 3 to level 2	(7)	–	(7)	(5)	(33)	(38)
Transfer into level 3						
From level 2 to level 3	–	–	–	1	–	1
Balance at 31 December	**8**	**–**	**8**	**15**	**–**	**15**
Total unrealised losses for the year included in profit or loss for level 3 liabilities at the end of the year						
Net trading expense	8	–	8	14	–	14

[1] *Other Liabilities relate to the contingent consideration recognised for the acquisition of Davy. This was settled in H125 and is therefore €nil at 31 December 2025.*

For 31 December 2025 the transfers from level 3 to level 2 arose due to unobservable inputs becoming observable for the fair value measurement of these liabilities. There were no transfers between level 2 and level 3.

For December 2024 the transfers from level 3 to level 2 arose due to unobservable inputs becoming observable for the fair value measurement of these liabilities. The transfer from level 2 to level 3 arose as a result of certain material inputs becoming unobservable.

55 Fair values of assets and liabilities *(continued)*

Quantitative information about fair value measurements using significant unobservable inputs (Level 3)

Level 3 assets	Valuation technique	Unobservable input	Fair value 2025 €m	Fair value 2024 €m	Range 2025 %	Range 2024 %
Loans and advances to customers	Discounted Cash Flow	Discount market rate	166	185	4.50% - 4.90%	4.5% - 6.40%
		Collateral charges			0% - 3.90%	0% - 4.30%
Other financial assets at fair value through profit or loss	Discounted Cash Flow	Discount rate	275	322	0% - 15%	0% -15%
	Equity value less discount	Discount			0% - 50%	0% - 50%
	Market comparable property transaction	Yield			0.05% - 11.68%	3.05% - 14.17%
Derivative financial instruments	Discounted Cash Flow / Option Pricing Model	Counterparty credit spread	6	15	0% - 1.2%	0% - 1.5%
		Own credit spread			0.5% - 1%	0.3% - 1.7%
Interest in associates	Market comparable companies	Price of recent investment	85	76	–	–
		Earnings multiple				
		Revenue multiple				
Investment property	Market comparable property transaction	Yield	833	771	0.05% - 11.68%	3.05% - 14.17%
Property held at fair value	Market comparable property transaction	Yield	134	134	5.75% - 11.80%	6.25% - 12.36%

Level 3 liabilities	Valuation technique	Unobservable input	Fair Value 2025 €m	Fair Value 2024 €m	Range 2025 %	Range 2024 %
Derivative financial Instruments	Discounted cash flow / Option pricing model	Counterparty credit spread	8	15	0% - 1.2%	0% - 1.5%
		Own credit spread			0.5% - 1%	0.3% - 1.7%

Note: 100 basis points = 1%

Valuation techniques and unobservable inputs

In the tables above:

- discount market rates represent a range of discount rates that market participants would use in valuing these assets;
- holdings in real estate property funds (within other financial assets at fair value through profit and loss) are valued through market comparable property transactions;
- counterparty and own credit spreads represent the range of credit spreads that market participants would use in valuing these contracts;
- earnings and revenue multiples represent multiples that market participants would use in valuing these investments;
- the Group does not disclose the ranges for interests in associates. Given the wide range of diverse investments and the correspondingly large difference in prices, the Group believes disclosure of ranges would not provide meaningful information without a full list of the underlying investments which would be impractical.

55 Fair values of assets and liabilities *(continued)*

Financial assets and liabilities carried at amortised cost

The carrying amount and the fair value of the Group's financial assets and liabilities which are carried at amortised cost are set out in the table below. Items where the carrying amount is a reasonable approximation of fair value are not included, as permitted by IFRS 7.

	2025		2024	
Financial instruments	**Carrying amount €m**	**Fair values €m**	**Carrying amount €m**	**Fair values €m**
Assets				
Debt securities at amortised cost	18,372	18,502	6,387	6,374
Loans and advances to customers	82,312	83,048	82,353	82,690
Liabilities				
Customer accounts	107,435	107,394	102,955	102,925
Debt securities in issue	7,610	7,661	8,926	9,002
Subordinated liabilities	1,848	1,910	1,853	1,920

56 Transferred financial assets

Transferred financial assets not derecognised	**Carrying amount of transferred assets €m**	**Carrying amount of associated liabilities €m**	**Fair value of transferred assets €m**	**Fair value of associated liabilities €m**	**Net fair value position €m**
2025					
Securitisation - Loans and receivables					
Residential mortgages book (Bowbell Master Issuer plc and Bowbell No. 3 plc Special Purpose Entities)	1,197	623	1,106	626	480
Repurchase agreements					
Debt Securities (Davy)	–	–	–	–	–

Transferred financial assets not derecognised	**Carrying amount of transferred assets €m**	**Carrying amount of associated liabilities €m**	**Fair value of transferred assets €m**	**Fair value of associated liabilities €m**	**Net fair value position €m**
2024					
Securitisation - Loans and receivables					
Residential mortgages book (Bowbell No. 3 plc Special Purpose Entity)	403	379	372	381	(9)
Repurchase agreements					
Debt Securities (Davy)	156	86	–	–	–

Transferred financial assets not derecognised

The Group has transferred certain financial assets that are not derecognised from the Group's balance sheet. The Group is exposed to substantially all risks and rewards including credit and market risk associated with the transferred assets.

The Group holds interests in structured entities (Bowbell Master Issuer plc and Bowbell No. 3 plc), whose purpose is to acquire mortgage loans and other financial assets, and issue mortgage backed securities (note 52).

56 Transferred financial assets *(continued)*

For each securitisation the relevant loan book / pool is ring-fenced whereby the cash flows associated with these assets can only be used to repay the related notes holders plus associated issuance fees / costs.

Transfer of financial assets - Davy

In the ordinary course of business, Davy enters into transactions that result in the transfer of financial assets, primarily debt and equity securities. In accordance with the accounting policy set out in note 1, the transferred financial assets continue to be recognised in their entity or to the extent of Davy's continuing involvement, or are derecognised in their entirety.

Davy transfers financial assets that are not derecognised in their entirety or for which Davy has continuing involvement primarily through the sale of and repurchase agreements in which Davy sells a security and simultaneously agrees to repurchase it (or an asset that is substantially the same) at a fixed price on a future date. Davy continues to recognise the securities in their entirety in the Statement of Financial Position because it retains substantially all of the risks and rewards of ownership. The cash consideration received is recognised as a financial asset and a financial liability is recognised for the obligation to pay the repurchase price. As Davy sells the contractual rights to the cash flows of the securities, it does not have the ability to use the transferred assets during the term of the arrangement. At 31 December 2025, Davy did not hold any repurchase agreements, therefore no transferred assets (2024: €156 million).

Transferred financial assets derecognised in full with continuing involvement

Following the termination of the Mulcair Securities No. 3 DAC (Mulcair 3) securitisation in 2025, the Group was appointed as servicer to the refinanced securitisation Mulcair Securities No.4 DAC (Mulcair 4). Similar to the Mulcair 3 servicing agreement, under the Mulcair 4 servicing agreement, the Group is required to make payments to Mulcair 4 if the weighted average variable rate is less than the variable rate floor. During 2025, the total payments made to Mulcair 3 and Mulcair 4 were c.€3 million (2024: c.€5 million) and at 31 December 2025, the volume of loans being serviced was €177 million (2024: €219 million).

Following the termination of the Mulcair Securities No.2 DAC securitisation in 2024 and the repayment of the Group's holding of the VRR Loan in full, the Group was appointed as servicer to the refinanced securitisation, Jamestown Residential 2024-1 DAC (Jamestown). Under the servicing agreement, the Group is required to make payments to Jamestown if the weighted average variable rate is less than the variable rate floor. During 2025, the total payments made were c.€0.8 million (2024: c.€0.6 million) and at 31 December 2025, the volume of loans being serviced was €207 million (2024: €229 million).

Following the termination of Temple Quay No. 1 securitisation and repayment of the Groups holding of the VRR loan, the Group was appointed as servicer to the refinanced securitisation, Temple Quay No. 2. Similar to the Temple Quay No. 1 servicing agreement, under the Temple Quay No. 2 servicing agreement, the Group is required to make payments to Temple Quay No. 2 if the weighted average variable rate is less than the variable rate floor. During 2025, no payments were made to Temple Quay No. 1 or Temple Quay No. 2 (2024: €nil) and at 31 December 2025, the volume of loans being serviced was €307 million (2024: €368 million).

During 2025 the Group disposed of a portfolio of UK mortgages and was appointed servicer of the portfolio. Under the servicing agreement, the Group is required to make payments to the purchaser if the weighted average variable rate is less than the variable rate floor. During 2025 no such payments were made and the volume of loans being serviced was €159 million.

57 Offsetting financial assets and liabilities

The following tables set out the effect or potential effect of netting arrangements on the Group's financial position. This includes the effect or potential effect of rights of set off associated with the Group's recognised financial assets and recognised financial liabilities that are subject to an enforceable master netting arrangement, irrespective of whether they are set off in accordance with paragraph 42 of IAS 32.

The 'Financial Instruments' column identifies financial assets and liabilities that are subject to set off under netting agreements such as an ISDA Master agreement.

The agreement between the Group and the counterparty allows for net settlement of the relevant financial assets and liabilities when both elect to settle on a net basis. In the absence of such an election, financial assets and liabilities are settled on a gross basis; however each party to the master netting agreement has the option to settle all such amounts on a net basis in the event of default of the other party.

57 Offsetting financial assets and liabilities *(continued)*

2025 Assets	Gross amounts of recognised financial assets €m	Gross amounts of recognised financial liabilities set off in the balance sheet €m	Net amounts of financial assets presented in the balance sheet €m	Related amounts not set off in the balance sheet		Net amount €m
				Financial instruments €m	Cash collateral received €m	
Derivative financial assets	2,654	–	2,654	(2,193)	(363)	98
Loans and advances to customers	5	(5)	–	–	–	–
Loans and advances to banks	–	–	–	–	–	–
Total	**2,659**	**(5)**	**2,654**	**(2,193)**	**(363)**	**98**

2024 Assets	Gross amounts of recognised financial assets €m	Gross amounts of recognised financial liabilities set off in the balance sheet €m	Net amounts of financial assets presented in the balance sheet €m	Related amounts not set off in the balance sheet		Net amount €m
				Financial instruments €m	Cash collateral received €m	
Derivative financial assets	3,462	–	3,462	(3,137)	(234)	91
Loans and advances to customers	98	(98)	–	–	–	–
Loans and advances to banks	114	(49)	65	–	–	65
Total	**3,674**	**(147)**	**3,527**	**(3,137)**	**(234)**	**156**

Included in the gross amounts of recognised derivative financial assets, are amounts of €2,193 million that do not meet the offsetting criteria (2024: €3,137 million). Cash collateral amounts disclosed reflect the maximum collateral available for offset. Cash collateral received is reported within deposits from banks (note 34).

2025 Liabilities	Gross amounts of recognised financial liabilities €m	Gross amounts of recognised financial assets set off in the balance sheet €m	Net amounts of financial liabilities presented in the balance sheet €m	Related amounts not set off in the balance sheet		Net amount €m
				Financial instruments €m	Cash collateral pledged €m	
Derivative financial liabilities	2,359	–	2,359	(2,193)	(93)	73
Customer deposits	5	(5)	–	–	–	–
Deposits from banks	–	–	–	–	–	–
Total	**2,364**	**(5)**	**2,359**	**(2,193)**	**(93)**	**73**

2024 Liabilities	Gross amounts of recognised financial liabilities €m	Gross amounts of recognised financial assets set off in the balance sheet €m	Net amounts of financial liabilities presented in the balance sheet €m	Related amounts not set off in the balance sheet		Net amount €m
				Financial instruments €m	Cash collateral pledged €m	
Derivative financial liabilities	3,659	–	3,659	(3,137)	(343)	179
Customer deposits	98	(98)	–	–	–	–
Deposits from banks	135	(49)	86	–	–	86
Total	**3,892**	**(147)**	**3,745**	**(3,137)**	**(343)**	**265**

Included in the gross amounts of recognised derivative financial liabilities are amounts of €2,193 million that do not meet the offsetting criteria (2024: €3,137 million). Cash collateral amounts disclosed reflect the maximum collateral available for offset.

58 Post balance sheet events

Proposed distribution

In respect of the 2025 financial year, the Board have proposed a distribution of €1,197 million, including an approved interim ordinary dividend of 25 cents per share (€239 million) in respect of H125 (which was paid to shareholders on 30 October 2025) and a final ordinary dividend of €428 million, equivalent to 45 cents per share, subject to ordinary shareholder approval, and a share buyback of €530 million which has been approved by the ECB. The final ordinary dividend of 45 cents per share will be paid on 9 June 2026 to ordinary shareholders who appear on the Company's register on 24 April 2026, the record date for the dividend, subject to shareholder approval. The combination of the ordinary dividend and the share buyback represents a distribution payout ratio of 100% for 2025.

59 Approval of financial statements

The Board of Directors approved the consolidated and Company financial statements on 27 February 2026.

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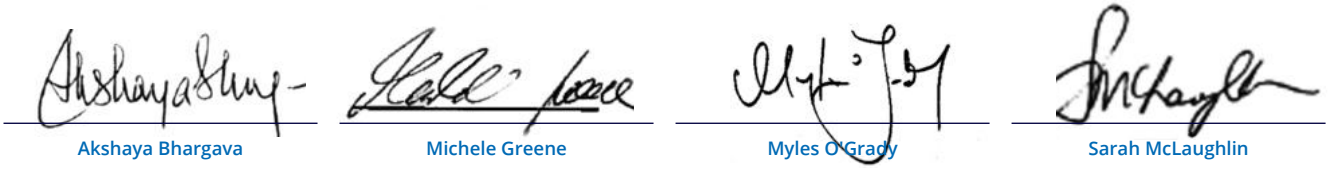
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Company balance sheet *(at 31 December 2025)*

	Note	2025 €m	2024 €m
Assets			
Loans and advances to banks	b	8,200	9,140
Shares in Group undertakings	c	8,282	8,151
Other assets	d	140	149
Total assets		**16,622**	**17,440**
Equity and liabilities			
Debt securities in issue	e	6,294	6,993
Subordinated liabilities	f	1,839	1,856
Other liabilities	g	134	152
Total liabilities		**8,267**	**9,001**
Equity			
Share capital	h	953	1,003
Share premium account		456	456
Retained earnings		5,630	5,846
Other reserves		126	75
Shareholders' equity		**7,165**	**7,380**
Other equity instruments		1,190	1,059
Total equity		**8,355**	**8,439**
Total equity and liabilities		**16,622**	**17,440**

The Company recorded a profit after tax of €972 million for the year ended 31 December 2025 (2024: €1,596 million).

The notes on pages 432 to 435 form an integral part of these consolidated financial statements.



Akshaya Bhargava
Chairman

Michele Greene
Deputy Chair

Myles O'Grady
Group Chief Executive Officer

Sarah McLaughlin
Group Secretary

Company statement of changes in equity *(for the year ended 31 December 2025)*

	2025					
	Share capital €m	Share premium account €m	Retained earnings €m	Other equity instruments €m	Other reserves[1] €m	Total €m
Balance at 1 January	**1,003**	**456**	**5,846**	**1,059**	**75**	**8,439**
Profit for the year	–	–	972	–	–	972
Total comprehensive income for the year	**–**	**–**	**972**	**–**	**–**	**972**
Transactions with owners						
AT1 securities issued, net of expenses (note i)	–	–	–	595	–	595
Share buyback - repurchase of shares (note h)	–	–	–	–	(590)	(590)
Dividends on ordinary shares	–	–	(513)	–	–	(513)
Redemption of AT1 securities (note i)	–	–	(5)	(464)	–	(469)
Distribution on other equity instruments AT1 coupon	–	–	(81)		–	(81)
Share buyback - cancellation of shares (note h)	(51)	–	(590)	–	641	–
Repurchase of AT1 securities (note h)	–	–	–	–	–	–
Total transactions with owners	**(51)**	**–**	**(1,189)**	**131**	**51**	**(1,058)**
Other movements	1	–	1	–	–	2
Balance at 31 December	**953**	**456**	**5,630**	**1,190**	**126**	**8,355**

[1] *Other reserves is a capital reserve of €126 million. There is a net €nil impact due to the repurchase and cancellation of shares as part of the share buyback programme.*

	2024					
	Share capital €m	Share premium account €m	Retained earnings €m	Other equity instruments €m	Other reserves[1] €m	Total €m
Balance at 1 January	**1,057**	**456**	**5,821**	**966**	**22**	**8,322**
Profit for the year	–	–	1,596	–	–	1,596
Total comprehensive income for the year	**–**	**–**	**1,596**	**–**	**–**	**1,596**
Transactions with owners						
AT1 securities issued, net of expenses (note i)	–	–	–	595	–	595
Share buyback - repurchase of shares (note h)	–	–	–	–	(520)	(520)
Dividends on ordinary shares	–	–	(973)	–	–	(973)
Redemption of AT1 securities (note h)	–	–	–	–	–	–
Distribution on other equity instruments AT1 coupon	–	–	(62)	–	–	(62)
Share buyback - cancellation of shares (note h)	(53)	–	(520)	–	573	–
Repurchase of AT1 securities (note i)	–	–	(16)	(502)	–	(518)
Total transactions with owners	**(53)**	**–**	**(1,571)**	**93**	**53**	**(1,478)**
Other movements	(1)	–	–	–	–	(1)
Balance at 31 December	**1,003**	**456**	**5,846**	**1,059**	**75**	**8,439**

[1] *Other reserves is a capital reserve of €75 million. There is a net €nil impact due to the repurchase and cancellation of shares as part of the share buyback programme.*

The notes on pages 432 to 435 form an integral part of these consolidated financial statements.

a Accounting policies

The Company financial statements have been prepared in accordance with FRS 101 'Reduced disclosure framework' and in accordance with Section 290 (1) of the Companies Act 2014.

These financial statements are financial statements of the Company only and do not consolidate the results of any subsidiaries.

In preparing these financial statements the Company applies the recognition, measurement and disclosure requirements of IFRS as adopted by the EU (but makes amendments where necessary in order to comply with the Companies Act 2014). The Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- statement of Cash Flows;
- disclosures in respect of transactions with wholly-owned subsidiaries;
- certain requirements of IAS 1 'Presentation of financial statements';
- disclosures required by IFRS 7 'Financial Instruments: disclosures';
- disclosures required by IFRS 13 'Fair value measurement'; and
- the effects of new but not yet effective IFRSs.

The financial statements are presented in euro millions except where otherwise indicated. They have been prepared under the historical cost convention. The accounting policies of the Company are the same as those of the Group which are set out in the Group accounting policies section of the Annual Report on pages 297 to 312, where applicable. The Company's investment in its subsidiary is stated at cost less any impairment.

The preparation of financial statements in conformity with FRS 101 requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

b Loans and advances to banks

Loans and advances to banks are classified as financial assets at amortised cost with the associated impairment loss allowance measured on a 12 month and lifetime ECL approach.

The impairment loss allowance on loans and advances to banks is all held against Stage 1 (not credit-impaired assets) with a PD 1-4.

	2025 €m	2024 €m
Placements with banks	8,202	9,142
Less impairment loss allowance on loans and advances to banks	(2)	(2)
Loans and advances to banks at amortised cost	**8,200**	**9,140**
Amounts include:		
Due from Group undertakings	8,200	9,140

c Shares in Group undertakings

The Company's investment in the Bank is reviewed for impairment if events or circumstances indicate that impairment may have occurred, by comparing the carrying value of the investment to its recoverable amount. An impairment charge arises if the carrying value exceeds the recoverable amount. No impairment charge was recognised in 2025 or 2024.

The recoverable amount of the investment is the higher of its fair value less costs to sell and its VIU. The subsidiary's fair value is calculated as the market capitalisation of the BoIG plc less the Company's net assets, excluding the investment in the Bank.

At 31 December 2025, the market capitalisation of BoIG plc less its investment in the subsidiary was €15.5 billion (2024: €8.5 billion). This was above the carrying amount of its investment of €8.2 billion and therefore the investment is not impaired and there is no requirement to estimate VIU.

An investment in Bank of €600 million was recognised in 2025, relating to the issuance of a new AT1 instrument, offset by redemptions of AT1 instruments, totalling €469 million.

	2025 €m	2024 €m
Balance at 1 January	**8,151**	**8,057**
Investment in Bank (AT1 issuance)	600	600
Investment in Bank (AT1 redemption)	(469)	–
Investment in Bank (AT1 repurchase)	–	(506)
Balance at 31 December	**8,282**	**8,151**
Group undertakings of which:		
Credit Institutions	8,235	8,104
Other	47	47
	8,282	**8,151**

d Other assets

	2025 €m	2024 €m
Accrued interest receivable	136	147
Sundry and other debtors	4	2
Total	**140**	**149**
Other assets are analysed as follows:		
Within 1 year	140	149
Amounts include:		
Due from Group undertakings	136	147

e Debt securities in issue

	2025 €m	2024 €m
Bonds and medium term notes	6,294	6,993
Debt securities in issue at amortised cost	**6,294**	**6,993**
Debt securities are analysed as follows:		
After 1 year	6,294	6,993
	6,294	**6,993**
Balance at 1 January	**6,993**	**6,561**
Issued during the year	1,493	924
Redemptions	(1,852)	(650)
Other movements	(340)	158
Balance at 31 December	**6,294**	**6,993**

f Subordinated liabilities

	2025 €m	2024 €m
Dated loan capital		
€500 million 1.375% Fixed Rate Reset Callable Subordinated Notes due 2031	500	499
€500 million 6.750% Fixed Rate Reset Callable Subordinated Notes due 2033	498	498
€500 million 4.750% Fixed Rate Reset Callable Subordinated Notes due 2034	498	498
£300 million 7.594% Fixed Rate Reset Callable Subordinated Notes due 2032	343	361
Total subordinated liabilities	**1,839**	**1,856**

Further details on subordinated liabilities are contained in note 43 to the consolidated financial statements.

g Other liabilities

	2025 €m	2024 €m
Accrued interest payable	123	133
Sundry creditors	11	19
Other liabilities	**134**	**152**
Other liabilities are analysed as follows:		
Within 1 year	134	148
After 1 year	–	4
	134	**152**
Amounts include:		
Due to Group undertakings	11	19

h Share capital

Ordinary shares

All ordinary shares carry the same voting rights.

There were no outstanding options on ordinary shares under employee schemes at 31 December 2025 or 2024.

In 2025, the Group completed the purchase of the €590 million (2024: €520 million) share buyback programme whereby the Group repurchased 50.74 million shares for cancellation, c.5.06% of the count outstanding at 1 January 2025, at a weighted average price of €11.610 per share.

Authorised	2025 €m	2024 €m
10 billion ordinary shares of €1.00 each	10,000	10,000
100 million preference shares of €0.10 each	10	10
Total	**10,010**	**10,010**
Allotted and fully paid		
953 million ordinary shares of €1.00 each (2024: 1,003 million ordinary shares)	**953**	**1,003**

i Other equity instruments - Additional Tier 1

Further details on other equity instruments are contained in note 45 to the consolidated financial statements.

	2025 €m	2024 €m
€600 million Additional Tier 1 Perpetual Contingent Temporary Write-Down Securities issued September 2024	595	595
€600 million Additional Tier 1 Perpetual Contingent Temporary Write-Down Securities issued March 2025	595	–
€300 million Additional Tier 1 Perpetual Contingent Temporary Write-Down Securities issued September 2020	–	297
€675 million Additional Tier 1 Perpetual Contingent Temporary Write-Down Securities issued May 2020	–	167
	1,190	**1,059**

j Post balance sheet events

Proposed dividend
On 25 July 2025, the Bank declared and approved an interim dividend of €239 million, equivalent to 1 cent per unit of ordinary stock, payable to its parent, BoIG plc. On 18 February 2026, the Bank declared and approved a final dividend of €958 million, equivalent to 3 cent per unit of ordinary stock receivable from GovCo in respect of the year ended 31 December 2025. Combined with the interim ordinary dividend of €239 million, this is equivalent to a dividend payout of 4 cent per unit of ordinary stock in respect of the full year ended 31 December 2025.

k Other information

- BoIG plc is incorporated in Ireland as a public limited company with registration number 593672. Its registered office is situated at 2 College Green, Dublin, D02 VR66.
- The Company is domiciled in Ireland.
- Company income statement: In accordance with Section 304 of the Companies Act, the Company is availing of the exemption to not present its individual income statement to the AGM and from filing it with the Registrar of Companies. The Company's profit after tax for the year ended 31 December 2025 determined in accordance with FRS 101 is €972 million (2024: €1,596 million).
- Information in relation to the Company's principal subsidiaries is contained in note 51 to the consolidated financial statements.
- Auditor's Remuneration: In accordance with Section 322 of the Companies Act 2014, the fees payable in the period to the statutory auditor for work engaged by the Company comprised audit fees of €nil (2024: €nil) and other assurance services of €nil (2024: €nil).
- BoIG plc had no employees at any time during the year (2024: no employees).
- Post balance sheet events are shown in note 58 to the consolidated financial statements.

l Directors and Secretary

The names of the persons who were Directors or Company Secretary of the Company at any time during the year ended 31 December 2025 and up to the date of the approval of the financial statements are set out in this note.

Directors
Giles Andrews, Akshaya Bhargava, Ian Buchanan, Emer Finnan, Eileen Fitzpatrick, Richard Goulding, Michele Greene, Niamh Marshall, Hans van der Noordaa, Myles O'Grady, Steve Pateman, Mark Spain and Margaret Sweeney

Group Secretary
Sarah McLaughlin

Other Information

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The information in the following section does not form an integral part of the audited financial statements.

Consolidated average balance sheet and interest rates

The following tables show the average balances and interest rates of interest earning assets and interest bearing liabilities for 2025 and 2024. The calculations of average balances can be based on daily, weekly or monthly averages, depending on the reporting unit. The average balances used are considered to be representative of the operations of the Group and are presented on an underlying basis which excludes non-core items (see page 27 for further details). The explanation of the underlying business trends in the Group's NIM is outlined in the OFR.

	2025			2024		
	Average Balance €m	Interest €m	Rate %	Average Balance €m	Interest €m	Rate %
Assets						
Loans and advances to banks	27,589	747	2.71%	31,896	1,269	3.98%
Loans and advances to customers at amortised cost	82,211	3,368	4.10%	80,742	3,285	4.07%
Debt securities at amortised cost, financial assets at FVOCI and FVTPL	15,825	426	2.69%	9,840	422	4.29%
Total interest earning assets	**125,625**	**4,541**	**3.61%**	**122,478**	**4,976**	**4.06%**
Non interest earning assets	37,223	–	–	36,070	–	–
Total assets	**162,848**	**4,541**	**2.79%**	**158,548**	**4,976**	**3.14%**
Liabilities and shareholders' equity						
Deposits from banks	1,324	40	3.02%	2,379	120	5.04%
Customer accounts	44,809	609	1.36%	42,183	559	1.33%
Debt securities in issue	8,057	393	4.88%	9,421	573	6.08%
Subordinated liabilities	1,846	106	5.74%	1,905	139	7.30%
Total interest bearing liabilities	**56,036**	**1,148**	**2.05%**	**55,888**	**1,391**	**2.49%**
Current accounts	60,330	1	–	58,698	1	–
Total interest bearing liabilities and current accounts	**116,366**	**1,149**	**0.99%**	**114,586**	**1,392**	**1.21%**
Lease Liabilities	342	11	3.22%	380	10	2.63%
Other FVTPL liabilities	615	10	1.67%	646	9	1.39%
Non interest bearing liabilities	32,448	–	–	30,049	–	–
Shareholders' equity and non-controlling interests	13,077	–	–	12,887	–	–
Total liabilities and shareholders' equity	**162,848**	**1,170**	**0.72%**	**158,548**	**1,411**	**0.89%**
Euro and sterling reference rates (average)						
ECB base rate (deposit)			2.26%			3.73%
ECB base rate (refinancing)			2.41%			4.13%
3 month Euribor rate			2.18%			3.57%
Bank of England base rate			4.24%			5.11%
Sonia rate			4.22%			5.06%

'Interest' represents underlying interest income or expenses recognised on the interest bearing items, net of interest on derivatives which are in hedge relationships with the relevant asset or liability and non-trading derivatives (economic hedges). There was no interest income arising from portfolio divestments in 2025 (2024: €36 million was excluded as non-core items).

In order that yields on products are presented on a consistent basis year on year and are not impacted by the resulting change in hedge accounting designations, net interest outflows of €265 million (2024: €1,061 million) on all derivatives designated as fair value hedges of 'current accounts', are presented together with gross interest income on 'loans and advances to customers' and not included in 'customer accounts', along with the non-trading derivatives net interest outflows of €39 million (2024: €23 million).

Shareholder information

Holders of ordinary shares

Listings
BoIG plc is a public limited company incorporated in Ireland in 2016. Its ordinary shares, of nominal value €1.00 per share, have a primary listing on the Euronext Dublin (formerly the Irish Stock Exchange) and are also listed on the London Stock Exchange.

Registrar
The Company's Registrar is:

Computershare Investor Services (Ireland) Limited,
3100 Lake Drive, Citywest Business Campus,
Dublin 24, D24 AK82
Telephone: + 353 1 247 5414 or
Contact via website: www.computershare.com/ie/contact-us.

Shareholders may view their shareholding on Computershare's website at: www.investorcentre.com/ie, by registering their details with Computershare. Once registered, shareholders will be sent a Computershare activation code and will then be able to download a confirmation of holding statement, view and amend their account details using the above link.

Amalgamating your shareholdings
If you receive more than one copy of a shareholder mailing with similar details on your accounts, it may be because the Company has more than one record of shareholdings in your name. To ensure that you do not receive duplicate mailings in future and to reduce the cost and waste associated with this, please have all your shareholdings amalgamated into one account by contacting the Company's Registrar (joint accounts cannot be merged with sole accounts or vice versa).

Shareholder profile	2025 % by value	2024 % by value
Ireland	1%	2%
UK	19%	19%
North America	47%	47%
Europe / Other	23%	20%
Retail	10%	12%
Total	**100%**	**100%**

Shareholder enquiries
All enquiries concerning shareholdings should be addressed to the Company's Registrar.

Communication
It is the policy of the Company to communicate with shareholders by electronic means or through the Group's website: www.bankofireland.com, in the interest of protecting the environment. Those shareholders who do not wish to receive documents or information by electronic means may request to receive the relevant information in paper form.

Bank of Ireland website
Further information about the Bank of Ireland Group can be obtained through the Group's website: www.bankofireland.com.

Forward-looking statement

This document contains forward-looking statements with respect to certain of Bank of Ireland Group plc (the 'Company' or 'BoIG plc') and its subsidiaries' (collectively the 'Group' or 'BoIG plc Group') plans and its current goals and expectations relating to its future financial condition and performance, the markets in which it operates and its future capital requirements. These forward-looking statements often can be identified by the fact that they do not relate only to historical or current facts.

Generally, but not always, words such as 'may', 'could', 'should', 'will', 'expect', 'intend', 'estimate', 'anticipate', 'assume', 'believe', 'plan', 'seek', 'continue', 'target', 'goal', 'would', or their negative variations or similar expressions identify forward-looking statements, but their absence does not mean that a statement is not forward-looking.

Examples of forward-looking statements include, among others: statements regarding the Group's near term and longer term future capital requirements and ratios, LDRs, expected impairment charges, the level of the Group's assets, the Group's financial position, future income, business strategy, projected costs, margins, future payment of dividends, future share buybacks, the implementation of changes in respect of certain of the Group's pension schemes, estimates of capital expenditures, discussions with Irish, United Kingdom, European and other regulators, plans and objectives for future operations, the potential impact from uncertainty around international trade and tariff policies, and the continued impact of regional conflicts on the above issues and generally on the global and domestic economies.

Such forward-looking statements are inherently subject to risks and uncertainties, and hence actual results may differ materially from those expressed or implied by such forward-looking statements.

Such risks and uncertainties include, but are not limited to, those as set out in the Risk Management Report. Investors should also read 'Principal Risks and Uncertainties' section in this document.

Nothing in this document should be considered to be a forecast of future profitability, dividend forecast or financial position of the Group and none of the information in this document is or is intended to be a profit forecast, dividend forecast or profit estimate. Any forward-looking statement speaks only at the date it is made. The Group does not undertake to release publicly any revision to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date hereof.

Other disclosures

TARGET- Ireland

On 16 March 2023, the Governor and Company of the Bank of Ireland (GovCo) entered into a participation agreement, and a deed of floating charge (the 'TARGET-Ireland Floating Charge'), with the CBI in respect of GovCo's participation in TARGET-Ireland. TARGET-Ireland is the Irish component system of T2, the Eurosystem's real-time gross settlement system. Under the TARGET-Ireland Floating Charge GovCo granted security over its present and future right, title, interest and benefit in and to the balances any time standing to the credit of GovCo's account held as a TARGET-Ireland participant with the CBI (the 'charged property'). The TARGET-Ireland Floating Charge provides that GovCo shall not (a) create or permit any encumbrance over the charged property or (b) sell, transfer, lend, or dispose, of the charged property otherwise than in the ordinary course of business or as permitted under the participation agreement.

EU Taxonomy disclosure tables

1 Assets for the calculation of GAR

Turnover Based

Key:
- *of which; use of proceeds*
- *of which; transitional*
- *of which; enabling*

2025		Total gross carrying amount €m	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)				
			of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m					of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				
				of which; Environmentally sustainable (Taxonomy-aligned) €m					of which; Environmentally sustainable (Taxonomy-aligned) €m				of which; Environmentally sustainable (Taxonomy-aligned) €m				of which; Environmentally sustainable (Taxonomy-aligned) €m				of which; Environmentally sustainable (Taxonomy-aligned) €m				of which; Environmentally sustainable (Taxonomy-aligned) €m				of which; Environmentally sustainable (Taxonomy-aligned) €m				
				€m	€m	€m			€m	€m			€m	€m			€m	€m			€m	€m			€m	€m			€m	€m		
	GAR - Covered assets in both numerator and denominator																															
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**64,307**	**53,868**	**5,653**	**5,619**	**5,546**	**7**	**29**	**0**	–	**0**	**0**	**0**	–	**0**	**3**	**0**	–	**0**	**1**	**0**	–	–	**27**	**6**	–	–	**53,928**	**5,659**	**5,619**	**5,546**	**7**
2	Financial undertakings	*5,748*	*1,054*	*112*	*79*	*6*	*6*	*29*	*0*	–	*0*	*0*	*0*	–	*0*	*3*	*0*	–	*0*	*1*	*0*	–	–	*27*	*6*	–	–	*1,114*	*118*	*79*	*6*	*6*
3	*Credit institutions*	*4,800*	*1,047*	*112*	*79*	*6*	*6*	*29*	*0*	–	*0*	*0*	*0*	–	*0*	*3*	*0*	–	*0*	*1*	*0*	–	–	*27*	*6*	–	–	*1,107*	*118*	*79*	*6*	*6*
4	*Loans and advances*	*475*	*23*	*2*	*1*	–	–	*0*	*0*	–	*0*	*0*	–	–	–	*0*	*0*	–	–	*0*	–	–	–	*0*	–	–	–	*23*	*2*	*1*	*0*	*0*
5	*Debt securities, including UoP*	*4,325*	*1,024*	*110*	*78*	*6*	*6*	*29*	*0*	–	*0*	*0*	*0*	–	*0*	*3*	*0*	–	*0*	*1*	*0*	–	–	*27*	*6*	–	–	*1,084*	*116*	*78*	*6*	*6*
6	*Equity instruments*	–	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–
7	***Other financial corporations***	***948***	***7***	***0***	***0***	***0***	***0***	***0***	***0***	–	***0***	***0***	***0***	–	–	***0***	***0***	–	***0***	***0***	***0***	–	–	***0***	–	–	–	***7***	***0***	***0***	***0***	***0***
8	*of which; **Investment firms***	***1***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
9	*Loans and advances*	*1*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
10	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
11	*Equity instruments*	*0*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–
12	*of which; **Management companies***	***5***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
13	*Loans and advances*	*5*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
14	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
15	*Equity instruments*	–	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–
16	*of which; **Insurance undertakings***	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
17	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
18	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
19	*Equity instruments*	–	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–
20	**Non-financial undertakings**	**292**	**10**	**1**	**–**	**–**	*1*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**10**	**1**	**–**	**–**	**1**
21	Loans and advances	292	10	1	–	–	*1*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	10	1	–	–	1
22	Debt securities, including UoP	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
23	Equity instruments	–	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–
24	**Households**	**58,229**	**52,766**	**5,502**	**5,502**	**5,502**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**52,766**	**5,502**	**5,502**	**5,502**	–
25	*of which; **Loans collateralised by residential immovable property***	*52,399*	*52,399*	*5,502*	*5,502*	*5,502*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*52,399*	*5,502*	*5,502*	*5,502*	–
26	*of which; **Building renovation loans***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
27	*of which; **Motor vehicle loans***	*3,964*	*367*	–	–	–	–																					*367*	–	–	–	–
28	**Local governments financing**	**38**	**38**	**38**	**38**	**38**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	38	38	38	38	–
29	Housing financing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
30	Other local government financing	38	38	38	38	38	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	38	38	38	38	–
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

EU Taxonomy disclosure tables *(continued)*

1 Assets for the calculation of GAR *(continued)*

Turnover Based *(continued)*

Key:

- *of which; use of proceeds*
- *of which; transitional*
- *of which; enabling*

2025		Total gross carrying amount €m	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)				
			of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m					*of which; Towards taxonomy relevant sectors (Taxonomy-eligible)* €m				*of which; Towards taxonomy relevant sectors (Taxonomy-eligible)* €m				*of which; Towards taxonomy relevant sectors (Taxonomy-eligible)* €m				*of which; Towards taxonomy relevant sectors (Taxonomy-eligible)* €m				*of which; Towards taxonomy relevant sectors (Taxonomy-eligible)* €m				*of which; Towards taxonomy relevant sectors (Taxonomy-eligible)* €m				
				of which; Environmentally sustainable (Taxonomy-aligned) €m					*of which; Environmentally sustainable (Taxonomy-aligned)* €m				*of which; Environmentally sustainable (Taxonomy-aligned)* €m				*of which; Environmentally sustainable (Taxonomy-aligned)* €m				*of which; Environmentally sustainable (Taxonomy-aligned)* €m				*of which; Environmentally sustainable (Taxonomy-aligned)* €m				*of which; Environmentally sustainable (Taxonomy-aligned)* €m			
					€m	€m	€m			€m	€m			€m	€m			€m	€m			€m	€m			€m	€m			€m	€m	€m
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	**38,266**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
33	Financial and Non-financial undertakings	30,260																														
34	*SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations*	*18,439*																														
35	Loans and advances	18,439																														
36	*of which; **Loans collateralised by commercial immovable property***	*3,881*																														
37	*of which; **Building renovation loans***	*–*																														
38	*Debt securities*	*0*																														
39	*Equity instruments*	*0*																														
40	***Non-EU country counterparties not subject to NFRD disclosure obligations***	*11,821*																														
41	Loans and advances	7,007																														
42	Debt securities	4,741																														
43	Equity instruments	73																														
44	**Derivatives**	**1,620**																														
45	**On demand interbank loans**	**125**																														
46	**Cash and cash-related assets**	**345**																														
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	**5,916**																														
48	**Total GAR assets**	**102,573**	**53,868**	**5,653**	**5,619**	**5,546**	**7**	**29**	**0**	**–**	**0**	**0**	**0**	**–**	**0**	**3**	**0**	**–**	**0**	**1**	**0**	**–**	**–**	**27**	**6**	**–**	**–**	**53,928**	**5,659**	**5,619**	**5,546**	**7**
49	**Assets not covered for GAR calculation**	**36,927**																														
50	**Central governments and Supranational issuers**	**12,100**																														
51	**Central banks exposure**	**23,541**																														
52	**Trading book**	**1,286**																														
53	**Total assets**	**139,500**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																																
54	**Financial guarantees**	**735**	**32**	**4**	**–**	**–**	**–**	**0**	**0**	**–**	**–**	**0**	**0**	**–**	**–**	**0**	**0**	**–**	**–**	**0**	**0**	**–**	**–**	**0**	**0**	**–**	**–**	**32**	**4**	**–**	**–**	**–**
55	**Assets under management[1]**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
56	***of which; Debt securities***	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
57	***of which; Equity instruments***	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

[1] *The AUM KPI is not material for the year ended 2025. The Group's Wealth and Insurance division offers clients access to a number of investment portfolios and funds that promote environmental and social characteristics but these investments are not considered sustainable investments within the context of the EU taxonomy regulation.*

EU Taxonomy disclosure tables *(continued)*

1 Assets for the calculation of GAR *(continued)*

Turnover Based

Key:
- *of which; use of proceeds*
- *of which; transitional*
- *of which; enabling*

2024		Total gross carrying amount €m	Climate Change Mitigation (CCM)						Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)				
			of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m						of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				
				of which; Environmentally sustainable (Taxonomy-aligned) €m						of which; Environmentally sustainable (Taxonomy-aligned) €m				of which; Environmentally sustainable (Taxonomy-aligned) €m				of which; Environmentally sustainable (Taxonomy-aligned) €m				of which; Environmentally sustainable (Taxonomy-aligned) €m				of which; Environmentally sustainable (Taxonomy-aligned) €m				of which; Environmentally sustainable (Taxonomy-aligned) €m			
			€m	€m	€m				€m	€m			€m	€m			€m	€m			€m	€m			€m	€m			€m	€m		
	GAR - Covered assets in both numerator and denominator																															
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	60,824	51,682	3,787	3,727	3,787	–	53	0	–	0	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	51,736	3,787	3,727	3,787	–
2	*Financial undertakings*	*4,548*	*704*	*60*	–	*60*	–	*53*	*0*	–	0	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*757*	*61*	–	*60*	–
3	*Credit institutions*	*3,492*	*704*	*60*	–	*60*	–	*53*	*0*	–	0	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*757*	*61*	–	*60*	–
4	*Loans and advances*	*484*	*84*	*4*	–	*4*	–	*1*	*0*	–	*0*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*85*	*4*	–	*4*	–
5	*Debt securities, including UoP*	*3,008*	*620*	*56*	–	*56*	–	*53*	*0*	–	*0*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*673*	*57*	–	*56*	–
6	*Equity instruments*	–	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–
7	***Other financial corporations***	*1,057*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
8	*of which; **Investment firms***	19	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
9	*Loans and advances*	*19*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
10	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
11	*Equity instruments*	–	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–
12	*of which; **Management companies***	***20***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
13	*Loans and advances*	*20*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
14	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
15	*Equity instruments*	–	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–
16	*of which; **Insurance undertakings***	***20***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
17	*Loans and advances*	*20*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
18	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
19	*Equity instruments*	–	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–
20	**Non-financial undertakings**	**315**	**78**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**78**	–	–	–	–
21	*Loans and advances*	*315*	*78*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*78*	–	–	–	–
22	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
23	*Equity instruments*	–	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–
24	**Households**	55,919	50,860	3,685	3,685	3,685	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	50,860	3,685	3,685	3,685	–
25	*of which; **Loans collateralised by residential immovable property***	***50,676***	***50,676***	***3,685***	*3,685*	*3,685*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	***50,676***	***3,685***	*3,685*	*3,685*	–
26	*of which; **Building renovation loans***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
27	*of which; **Motor vehicle loans***	***3,462***	***184***	–	–	–	–																					***184***	–	–	–	
28	**Local governments financing**	**41**	**41**	**41**	**41**	**41**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**41**	**41**	**41**	**41**	–
29	Housing financing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
30	Other local government financing	41	41	41	41	41	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	41	41	41	41	–
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

EU Taxonomy disclosure tables *(continued)*

1 Assets for the calculation of GAR *(continued)*

Turnover Based *(continued)*

Key:
- *of which; use of proceeds*
- *of which; transitional*
- *of which; enabling*

2024		Total gross carrying amount €m	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)				
			of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m					of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				
				of which; Environmentally sustainable (Taxonomy-aligned) €m					of which; Environmentally sustainable (Taxonomy-aligned) €m				of which; Environmentally sustainable (Taxonomy-aligned) €m				of which; Environmentally sustainable (Taxonomy-aligned) €m				of which; Environmentally sustainable (Taxonomy-aligned) €m				of which; Environmentally sustainable (Taxonomy-aligned) €m				of which; Environmentally sustainable (Taxonomy-aligned) €m				
				€m	€m	€m		€m	€m			€m	€m			€m	€m			€m	€m			€m	€m			€m	€m			
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	36,524	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
33	Financial and Non-financial undertakings	28,793																														
34	*SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations*	*17,789*																														
35	Loans and advances	17,785																														
36	*of which; **Loans collateralised by commercial immovable property***	*4,012*																														
37	*of which; **Building renovation loans***	–																														
38	*Debt securities*	–																														
39	*Equity instruments*	*4*																														
40	***Non-EU country counterparties not subject to NFRD disclosure obligations***	*11,004*																														
41	Loans and advances	9,624																														
42	Debt securities	1,295																														
43	Equity instruments	84																														
44	**Derivatives**	1,873																														
45	**On demand interbank loans**	130																														
46	**Cash and cash-related assets**	371																														
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	5,357																														
48	**Total GAR assets**	97,348	51,682	3,787	3,727	3,787	–	53	0	–	0	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	51,736	3,787	3,727	3,787	–
49	**Assets not covered for GAR calculation**	39,979																														
50	**Central governments and Supranational issuers**	5,130																														
51	**Central banks exposure**	33,076																														
52	**Trading book**	1,773																														
53	**Total assets**	137,327	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																																
54	**Financial guarantees**	732	28	3	–	3	–	0	0	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	28	3	–	3	–
55	**Assets under management**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
56	*of which; **Debt securities***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
57	*of which; **Equity instruments***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

EU Taxonomy disclosure tables *(continued)*

1 Assets for the calculation of GAR *(continued)*

CapEx Based

Key:
- *of which; use of proceeds*
- *of which; transitional*
- *of which: enabling*

2025		Total gross carrying amount €m	Climate Change Mitigation (CCM)						Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)				
			of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m						of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				
				of which; Environmentally sustainable (Taxonomy-aligned) €m						of which; Environmentally sustainable (Taxonomy-aligned) €m				of which; Environmentally sustainable (Taxonomy-aligned) €m				of which; Environmentally sustainable (Taxonomy-aligned) €m				of which; Environmentally sustainable (Taxonomy-aligned) €m				of which; Environmentally sustainable (Taxonomy-aligned) €m				of which; Environmentally sustainable (Taxonomy-aligned) €m			
				€m	€m	€m			€m	€m			€m	€m			€m	€m			€m	€m			€m	€m			€m	€m	€m		
	GAR - Covered assets in both numerator and denominator																																
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	64,307	53,821	5,656	5,610	5,544	6	47	0	–	0	0	0	–	–	2	0	–	0	0	0	–	–	44	10	–	–	53,914	5,666	5,610	5,544	6
2	*Financial undertakings*	5,748	998	115	70	4	5	47	0	–	0	0	0	–	–	2	0	–	0	0	0	–	–	44	10	–	–	1,091	125	70	4	5
3	*Credit institutions*	4,800	991	115	70	4	5	47	0	–	0	0	0	–	–	2	0	–	0	0	0	–	–	44	10	–	–	1,084	125	70	4	5
4	*Loans and advances*	475	23	2	1	0	0	0	0	–	–	0	–	–	–	0	0	–	–	0	–	–	–	0	–	–	–	23	2	1	0	0
5	*Debt securities, including UoP*	4,325	968	113	69	4	5	47	0	–	0	0	0	–	–	2	0	–	0	0	0	–	–	44	10	–	–	1,061	123	69	4	5
6	*Equity instruments*	–	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–		–	–
7	***Other financial corporations***	948	7	0	0	0	0	0	0	–	0	0	0	–	–	0	0	–	0	0	0	–	–	0	–	–	–	7	0	0	0	0
8	*of which; **Investment firms***	1	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
9	*Loans and advances*	1	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
10	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
11	*Equity instruments*	0	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–		–	–
12	*of which; **Management companies***	5	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
13	*Loans and advances*	5	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
14	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
15	*Equity instruments*	–	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–		–	–
16	*of which; **Insurance undertakings***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
17	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
18	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
19	*Equity instruments*	–	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–		–	–
20	**Non-financial undertakings**	292	19	1	–	0	1	–	–	–	–	–	–	–	–	0	–	–	–	–	–	–	–	–	–	–	–	19	1	–	0	1
21	Loans and advances	292	19	1	–	0	1	–	–	–	–	–	–	–	–	0	–	–	–	–	–	–	–	–	–	–	–	19	1	–	0	1
22	Debt securities, including UoP	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
23	Equity instruments	–	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–		–	–
24	**Households**	58,229	52,766	5,502	5,502	5,502	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	52,766	5,502	5,502	5,502	–
25	*of which; **Loans collateralised by residential immovable property***	52,399	52,399	5,502	5,502	5,502	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	52,399	5,502	5,502	5,502	–
26	*of which; **Building renovation loans***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
27	*of which; **Motor vehicle loans***	3,964	367	–	–	–	–																					367	–	–	–	–
28	**Local governments financing**	38	38	38	38	38	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	38	38	38	38	–
29	Housing financing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
30	Other local government financing	38	38	38	38	38	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	38	38	38	38	–
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

EU Taxonomy disclosure tables *(continued)*

1 Assets for the calculation of GAR *(continued)*

CapEx Based *(continued)*

Key:
- *of which; use of proceeds*
- *of which; transitional*
- *of which; enabling*

2025		Total gross carrying amount €m	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)				
			of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m		*of which; Environmentally sustainable (Taxonomy-aligned)* €m			*of which; Towards taxonomy relevant sectors (Taxonomy-eligible)* €m		*of which; Environmentally sustainable (Taxonomy-aligned)* €m		*of which; Towards taxonomy relevant sectors (Taxonomy-eligible)* €m		*of which; Environmentally sustainable (Taxonomy-aligned)* €m		*of which; Towards taxonomy relevant sectors (Taxonomy-eligible)* €m		*of which; Environmentally sustainable (Taxonomy-aligned)* €m		*of which; Towards taxonomy relevant sectors (Taxonomy-eligible)* €m		*of which; Environmentally sustainable (Taxonomy-aligned)* €m		*of which; Towards taxonomy relevant sectors (Taxonomy-eligible)* €m		*of which; Environmentally sustainable (Taxonomy-aligned)* €m		*of which; Towards taxonomy relevant sectors (Taxonomy-eligible)* €m		*of which; Environmentally sustainable (Taxonomy-aligned)* €m		
					€m	€m	€m			€m	€m			€m	€m			€m	€m			€m	€m			€m	€m			€m	€m	€m
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	38,266	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
33	Financial and Non-financial undertakings	30,260																														
34	*SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations*	*18,439*																														
35	Loans and advances	18,439																														
36	*of which; **Loans collateralised by commercial immovable property***	*3,881*																														
37	*of which; **Building renovation loans***	–																														
38	*Debt securities*	*0*																														
39	*Equity instruments*	*0*																														
40	***Non-EU country counterparties not subject to NFRD disclosure obligations***	*11,821*																														
41	Loans and advances	7,007																														
42	Debt securities	4,741																														
43	Equity instruments	73																														
44	**Derivatives**	1,620																														
45	**On demand interbank loans**	125																														
46	**Cash and cash-related assets**	345																														
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	5,916																														
48	**Total GAR assets**	102,573	53,821	5,656	5,610	5,544	6	47	0	–	0	0	0	–	–	2	0	–	0	0	0	–	–	44	10	–	–	53,914	5,666	5,610	5,544	6
49	**Assets not covered for GAR calculation**	36,927																														
50	Central governments and Supranational issuers	12,100																														
51	Central banks exposure	23,541																														
52	Trading book	1,286																														
53	**Total assets**	139,500	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																															
54	Financial guarantees	735	32	4	–	–	–	0	0	–	–	0	0	–	–	0	0	–	–	0	0	–	–	0	0	–	–	32	4	–	–	–
55	Assets under management[1]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
56	*of which; **Debt securities***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
57	*of which; **Equity instruments***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

[1] *The AUM KPI is not material for the year ended 2025. The Group's Wealth and Insurance division offers clients access to a number of investment portfolios and funds that promote environmental and social characteristics but these investments are not considered sustainable investments within the context of the EU taxonomy regulation.*

EU Taxonomy disclosure tables *(continued)*

1 Assets for the calculation of GAR *(continued)*

CapEx Based

Key:
- *of which; use of proceeds*
- *of which; transitional*
- *of which; enabling*

2024		Total gross carrying amount €m	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)				
			of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m			of which; Environmentally sustainable (Taxonomy-aligned) €m		of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m		of which; Environmentally sustainable (Taxonomy-aligned) €m		of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m		of which; Environmentally sustainable (Taxonomy-aligned) €m		of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m		of which; Environmentally sustainable (Taxonomy-aligned) €m		of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m		of which; Environmentally sustainable (Taxonomy-aligned) €m		of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m		of which; Environmentally sustainable (Taxonomy-aligned) €m		of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m		of which; Environmentally sustainable (Taxonomy-aligned) €m		
				€m	€m	€m	€m		€m	€m		€m	€m			€m	€m			€m	€m			€m	€m			€m	€m			
	GAR - Covered assets in both numerator and denominator																															
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**60,824**	**51,687**	**3,788**	**3,727**	**3,788**	–	**3**	**0**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**51,690**	**3,788**	**3,727**	**3,788**	–
2	Financial undertakings	*4,548*	*695*	*61*	–	*61*	–	*3*	*0*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*697*	*61*	–	*61*	–
3	*Credit institutions*	*3,492*	*695*	*61*	–	*61*	–	*3*	*0*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*697*	*61*	–	*61*	–
4	*Loans and advances*	*484*	*85*	*5*	–	*5*	–	*0*	*0*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*85*	*5*	–	*5*	–
5	*Debt securities, including UoP*	*3,008*	*610*	*57*	–	*57*	–	*2*	*0*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*612*	*57*	–	*57*	–
6	*Equity instruments*	–	–	–		–	–	–	–		–	–			–	–	–			–	–			–	–			–	–		–	–
7	***Other financial corporations***	***1,057***	**–**	**–**	–	–	–	**–**	**–**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**–**	**–**	–	–	–
8	*of which; **Investment firms***	**19**	**–**	**–**	–	–	–	**–**	**–**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**–**	**–**	–	–	–
9	*Loans and advances*	*19*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
10	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
11	*Equity instruments*	–	–	–		–	–	–	–		–	–			–	–	–			–	–			–	–			–	–		–	–
12	*of which; **Management companies***	***20***	**–**	**–**	–	–	–	**–**	**–**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**–**	**–**	–	–	–
13	*Loans and advances*	*20*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
14	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
15	*Equity instruments*	–	–	–		–	–	–	–		–	–			–	–	–			–	–			–	–			–	–		–	–
16	*of which; **Insurance undertakings***	***20***	**–**	**–**	–	–	–	**–**	**–**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**–**	**–**	–	–	–
17	*Loans and advances*	*20*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
18	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
19	*Equity instruments*	–	–	–		–	–	–	–		–	–			–	–	–			–	–			–	–			–	–		–	–
20	**Non-financial undertakings**	**315**	**92**	**0**	–	–	0	**–**	**–**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**92**	**0**	–	–	0
21	Loans and advances	315	92	0	–	–	0	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	92	0	–	–	0
22	Debt securities, including UoP	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
23	Equity instruments	–	–	–		–	–	–	–		–	–			–	–	–			–	–			–	–			–	–		–	–
24	**Households**	**55,919**	**50,860**	**3,685**	3,685	3,685	–	**–**	**–**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**50,860**	**3,685**	3,685	3,685	–
25	*of which; **Loans collateralised by residential immovable property***	***50,676***	***50,676***	***3,685***	*3,685*	*3,685*	–	**–**	**–**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	***50,676***	***3,685***	*3,685*	*3,685*	–
26	*of which; **Building renovation loans***	**–**	**–**	**–**	–	–	–	**–**	**–**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**–**	**–**	–	–	–
27	*of which; **Motor vehicle loans***	***3,462***	***184***	**–**	–	–	–																					***184***	**–**	–	–	–
28	**Local governments financing**	**41**	**41**	**41**	41	41	–	**–**	**–**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**41**	**41**	41	41	–
29	Housing financing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
30	Other local government financing	41	41	41	41	41	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	41	41	41	41	–
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**–**	**–**	**–**	–	–	–	**–**	**–**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**–**	**–**	–	–	–

EU Taxonomy disclosure tables *(continued)*

1 Assets for the calculation of GAR *(continued)*

CapEx Based *(continued)*

Key:

- *of which; use of proceeds*
- *of which; transitional*
- *of which; enabling*

			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)				
				of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m					of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				of which; Towards taxonomy relevant sectors (Taxonomy-eligible) €m				
				of which; Environmentally sustainable (Taxonomy-aligned) €m					of which; Environmentally sustainable (Taxonomy-aligned) €m				of which; Environmentally sustainable (Taxonomy-aligned) €m				of which; Environmentally sustainable (Taxonomy-aligned) €m				of which; Environmentally sustainable (Taxonomy-aligned) €m				of which; Environmentally sustainable (Taxonomy-aligned) €m				of which; Environmentally sustainable (Taxonomy-aligned) €m				
2024		**Total gross carrying amount €m**			**€m**	**€m**	**€m**			**€m**	**€m**			**€m**	**€m**			**€m**	**€m**			**€m**	**€m**			**€m**	**€m**			**€m**	**€m**	**€m**	**€m**
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	**36,524**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
33	Financial and Non-financial undertakings	28,793																														
34	*SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations*	*17,789*																														
35	Loans and advances	17,785																														
36	*of which; **Loans collateralised by commercial immovable property***	*4,012*																														
37	*of which; **Building renovation loans***	–																														
38	*Debt securities*	–																														
39	*Equity instruments*	*4*																														
40	***Non-EU country counterparties not subject to NFRD disclosure obligations***	*11,004*																														
41	Loans and advances	9,624																														
42	Debt securities	1,295																														
43	Equity instruments	84																														
44	**Derivatives**	**1,873**																														
45	**On demand interbank loans**	**130**																														
46	**Cash and cash-related assets**	**371**																														
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	**5,357**																														
48	**Total GAR assets**	**97,348**	**51,687**	**3,788**	**3,727**	**3,788**	–	**3**	**0**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**51,690**	**3,788**	**3,727**	**3,788**	–
49	**Assets not covered for GAR calculation**	**39,979**																														
50	Central governments and Supranational issuers	5,130																														
51	Central banks exposure	33,076																														
52	Trading book	1,773																														
53	**Total assets**	**137,327**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																																
54	**Financial guarantees**	**732**	**29**	**3**	–	–	–	**0**	**0**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**29**	**3**	–	–	–
55	**Assets under management**	**–**	**–**	**–**	–	–	–	**–**	**–**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**–**	**–**	–	–	–
56	*of which; **Debt securities***	**–**	**–**	**–**	–	–	–	**–**	**–**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**–**	**–**	–	–	–
57	*of which; **Equity instruments***	**–**	**–**	**–**	–	–	–	**–**	**–**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**–**	**–**	–	–	–

EU Taxonomy disclosure tables *(continued)*

2 GAR sector information

Turnover Based

2025 Breakdown by sector - NACE 4 digits level (code and label)		Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		(Gross) carrying amount €m	*of which; Environmentally sustainable €m*	(Gross) carrying amount €m	*of which; Environmentally sustainable €m*	(Gross) carrying amount €m	*of which; Environmentally sustainable €m*	(Gross) carrying amount €m	*of which; Environmentally sustainable €m*	(Gross) carrying amount €m	*of which; Environmentally sustainable €m*	(Gross) carrying amount €m	*of which; Environmentally sustainable €m*	(Gross) carrying amount €m	*of which; Environmentally sustainable €m*	(Gross) carrying amount €m	*of which; Environmentally sustainable €m*	(Gross) carrying amount €m	*of which; Environmentally sustainable €m*	(Gross) carrying amount €m	*of which; Environmentally sustainable €m*	(Gross) carrying amount €m	*of which; Environmentally sustainable €m*	(Gross) carrying amount €m	*of which; Environmentally sustainable €m*	(Gross) carrying amount €m	*of which; Environmentally sustainable €m*	(Gross) carrying amount €m	*of which; Environmentally sustainable €m*
1	A1.6.1 Support activities for crop production	103	–		–	–		–	–		–	–		–	–		–	–		–	–		–	–		103	–		
2	C10.5.1 - Operation of dairies and cheese making	22	–		–	–		–	–		–	–		–	–		–	–		–	–		–	–		22	–		
3	F41.2.0 Construction of residential and non-residential buildings	0	–		–	–		–	–		–	–		–	–		–	–		–	–		–	–		0	–		
4	G46.4.6 - Wholesale of pharmaceutical goods	156	–		–	–		–	–		–	–		–	–		–	–		–	–		–	–		156	–		
5	H51.1.0 - Passenger air transport	9	–		–	–		–	–		–	–		–	–		–	–		–	–		–	–		9	–		
6	I55.1.0 - Hotels and similar accommodation	2	1		–	–		–	–		–	–		–	–		–	–		–	–		–	–		2	1		

2024 Breakdown by sector - NACE 4 digits level (code and label)		Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		(Gross) carrying amount €m	*of which; Environmentally sustainable €m*	(Gross) carrying amount €m	*of which; Environmentally sustainable €m*	(Gross) carrying amount €m	*of which; Environmentally sustainable €m*	(Gross) carrying amount €m	*of which; Environmentally sustainable €m*	(Gross) carrying amount €m	*of which; Environmentally sustainable €m*	(Gross) carrying amount €m	*of which; Environmentally sustainable €m*	(Gross) carrying amount €m	*of which; Environmentally sustainable €m*	(Gross) carrying amount €m	*of which; Environmentally sustainable €m*	(Gross) carrying amount €m	*of which; Environmentally sustainable €m*	(Gross) carrying amount €m	*of which; Environmentally sustainable €m*	(Gross) carrying amount €m	*of which; Environmentally sustainable €m*	(Gross) carrying amount €m	*of which; Environmentally sustainable €m*	(Gross) carrying amount €m	*of which; Environmentally sustainable €m*	(Gross) carrying amount €m	*of which; Environmentally sustainable €m*
1	A1.6.1 Support activities for crop production	94	–		–	–		–	–		–	–		–	–		–	–		–	–		–	–		94	–		
2	C10.5.1 - Operation of dairies and cheese making	30	–		–	–		–	–		–	–		–	–		–	–		–	–		–	–		30	–		
3	F41.2.0 Construction of residential and non-residential buildings	1	–		–	–		–	–		–	–		–	–		–	–		–	–		–	–		1	–		
4	G46.4.6 - Wholesale of pharmaceutical goods	113	–		–	–		–	–		–	–		–	–		–	–		–	–		–	–		113	–		
5	H51.1.0 - Passenger air transport	38	–		–	–		–	–		–	–		–	–		–	–		–	–		–	–		38	–		
6	I55.1.0 - Hotels and similar accommodation	39	–		–	–		–	–		–	–		–	–		–	–		–	–		–	–		39	–		

EU Taxonomy disclosure tables *(continued)*

2 GAR sector information *(continued)*

CapEx Based

2025 Breakdown by sector - NACE 4 digits level (code and label)		Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		(Gross) carrying amount €m	of which; Environ-mentally sustainable €m	(Gross) carrying amount €m	of which; Environ-mentally sustainable €m	(Gross) carrying amount €m	of which; Environ-mentally sustainable €m	(Gross) carrying amount €m	of which; Environ-mentally sustainable €m	(Gross) carrying amount €m	of which; Environ-mentally sustainable €m	(Gross) carrying amount €m	of which; Environ-mentally sustainable €m	(Gross) carrying amount €m	of which; Environ-mentally sustainable €m	(Gross) carrying amount €m	of which; Environ-mentally sustainable €m	(Gross) carrying amount €m	of which; Environ-mentally sustainable €m	(Gross) carrying amount €m	of which; Environ-mentally sustainable €m	(Gross) carrying amount €m	of which; Environ-mentally sustainable €m	(Gross) carrying amount €m	of which; Environ-mentally sustainable €m	(Gross) carrying amount €m	of which; Environ-mentally sustainable €m	(Gross) carrying amount €m	of which; Environ-mentally sustainable €m
1	A1.6.1 Support activities for crop production	103	–		–	–		–	–		–	–		–	–		–	–		–	–		–	–		103	–		
2	C10.5.1 - Operation of dairies and cheese making	22	0		–	–		–	–		0	–		–	–		–	–		–	–		22	0		
3	F41.2.0 - Construction of residential and non-residential buildings	0	–		–	–		–	–		–	–		–	–		–	–		–	–		0	–		
4	G46.4.6 - Wholesale of pharmaceutical goods	156	–		–	–		–	–		–	–		–	–		–	–		–	–		156	–		
5	H51.1.0 - Passenger air transport	9	–		–	–		–	–		–	–		–	–		–	–		–	–		9	–		
6	I55.1.0 - Hotels and similar accommodation	2	1		–	–		–	–		–	–		–	–		–	–		–	–		2	1		

2024 Breakdown by sector - NACE 4 digits level (code and label)		Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		(Gross) carrying amount €m	of which; Environ-mentally sustainable €m	(Gross) carrying amount €m	of which; Environ-mentally sustainable €m	(Gross) carrying amount €m	of which; Environ-mentally sustainable €m	(Gross) carrying amount €m	of which; Environ-mentally sustainable €m	(Gross) carrying amount €m	of which; Environ-mentally sustainable €m	(Gross) carrying amount €m	of which; Environ-mentally sustainable €m	(Gross) carrying amount €m	of which; Environ-mentally sustainable €m	(Gross) carrying amount €m	of which; Environ-mentally sustainable €m	(Gross) carrying amount €m	of which; Environ-mentally sustainable €m	(Gross) carrying amount €m	of which; Environ-mentally sustainable €m	(Gross) carrying amount €m	of which; Environ-mentally sustainable €m	(Gross) carrying amount €m	of which; Environ-mentally sustainable €m	(Gross) carrying amount €m	of which; Environ-mentally sustainable €m	(Gross) carrying amount €m	of which; Environ-mentally sustainable €m
1	A1.6.1 Support activities for crop production	94	–		–	–		–	–		–	–		–	–		–	–		–	–		–	–		94	–		
2	C10.5.1 - Operation of dairies and cheese making	30	0		–	–		–	–		–	–		–	–		–	–		–	–		30	0		
3	F41.2.0 - Construction of residential and non-residential buildings	1	–		–	–		–	–		–	–		–	–		–	–		–	–		1	–		
4	G46.4.6 - Wholesale of pharmaceutical goods	113	–		–	–		–	–		–	–		–	–		–	–		–	–		113	–		
5	H51.1.0 - Passenger air transport	38	–		–	–		–	–		–	–		–	–		–	–		–	–		38	–		
6	I55.1.0 - Hotels and similar accommodation	39	–		–	–		–	–		–	–		–	–		–	–		–	–		39	–		

EU Taxonomy disclosure tables *(continued)*

3 GAR KPI stock

Turnover Based

Key:
- *of which; use of proceeds*
- *of which; transitional*
- *of which; enabling*

2025		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total assets covered %
				%	%	%			%	%			%	%			%	%			%	%			%	%			%	%	%	
	GAR - Covered assets in both numerator and denominator																															
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**83.77**	**8.79**	**8.74**	**8.62**	**0.01**	**0.05**	**0.00**	**–**	**0.00**	**0.00**	**0.00**	**–**	**0.00**	**0.00**	**0.00**	**–**	**0.00**	**0.00**	**0.00**	**–**	**–**	**0.04**	**0.01**	**–**	**–**	**83.86**	**8.80**	**8.74**	**8.62**	**0.01**	**46.10**
2	Financial undertakings	18.34	1.95	1.36	0.10	0.10	0.51	0.00	–	0.00	0.00	0.00	–	0.00	0.05	0.00	–	0.00	0.01	0.00	–	–	0.47	0.10	–	–	19.38	2.05	1.36	0.10	0.10	4.12
3	*Credit institutions*	*21.81*	*2.32*	*1.63*	*0.12*	*0.12*	*0.60*	*0.00*	*–*	*0.00*	*0.00*	*0.00*	*–*	*0.00*	*0.06*	*0.00*	*–*	*0.00*	*0.01*	*0.00*	*–*	*–*	*0.57*	*0.12*	*–*	*–*	*23.05*	*2.44*	*1.63*	*0.12*	*0.12*	*3.44*
4	*Loans and advances*	4.76	0.47	0.25	0.06	0.02	0.03	0.00	–	0.00	0.00	–	–	–	0.01	0.00	–	–	0.01	–	–	–	0.00	–	–	–	4.81	0.47	0.25	0.06	0.02	0.34
5	*Debt securities, including UoP*	23.67	2.52	1.78	0.13	0.13	0.67	0.01	–	0.00	0.00	0.00	–	0.00	0.06	0.00	–	0.00	0.01	0.00	–	–	0.63	0.14	–	–	25.04	2.67	1.78	0.13	0.13	3.10
6	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–
7	***Other financial corporations***	***0.74***	***0.04***	***0.03***	***0.00***	***0.00***	***0.00***	***0.00***	***–***	***0.00***	***0.00***	***0.00***	***–***	***–***	***0.00***	***0.00***	***–***	***0.00***	***0.00***	***0.00***	***–***	***–***	***0.00***	***–***	***–***	***–***	***0.74***	***0.04***	***0.03***	***0.00***	***0.00***	***0.68***
8	*of which; **Investment firms***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	***0.00***
9	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*0.00*
10	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
11	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	*0.00*
12	*of which; **Management companies***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	***0.00***
13	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*0.00*
14	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
15	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–
16	*of which; **Insurance undertakings***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
17	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
18	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
19	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–
20	**Non-financial undertakings**	**3.47**	**0.26**	**–**	**–**	**0.26**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**3.47**	**0.26**	**–**	**–**	**0.26**	**0.21**
21	Loans and advances	3.47	0.26	–	–	0.26	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	3.47	0.26	–	–	0.26	0.21
22	Debt securities, including UoP	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
23	Equity instruments	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–
24	**Households**	**90.62**	**9.45**	**9.45**	**9.45**	**–**	**–**	**–**	**–**	**–**					**–**	**–**	**–**	**–**									**90.62**	**9.45**	**9.45**	**9.45**	**–**	**41.74**
25	*of which; **Loans collateralised by residential immovable property***	***100.00***	***10.50***	***10.50***	***10.50***	***–***	***–***	***–***	***–***	***–***					***–***	***–***	***–***	***–***									***100.00***	***10.50***	***10.50***	***10.50***	***–***	***37.56***
26	*of which; **Building renovation loans***	–	–	–	–	–	–	–	–	–					–	–	–	–									–	–	–	–	–	–
27	*of which; **Motor vehicle loans***	***9.28***	***–***	***–***	***–***	***–***																					***9.28***	***–***				***2.84***
28	**Local governments financing**	**100.00**	**100.00**	**100.00**	**100.00**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**100.00**	**100.00**	**100.00**	**100.00**	**–**	**0.03**
29	Housing financing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
30	Other local government financing	100.00	100.00	100.00	100.00	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	100.00	100.00	100.00	100.00	–	0.03
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
32	**Total GAR assets**	**52.52**	**5.51**	**5.48**	**5.41**	**0.01**	**0.03**	**0.00**	**–**	**0.00**	**0.00**	**0.00**	**–**	**0.00**	**0.00**	**0.00**	**–**	**0.00**	**0.00**	**0.00**	**–**	**–**	**0.03**	**0.01**	**–**	**–**	**52.58**	**5.52**	**5.48**	**5.41**	**0.01**	**73.53**

EU Taxonomy disclosure tables *(continued)*

3 GAR KPI stock *(continued)*

Turnover Based *(continued)*

Key:
- *of which; use of proceeds*
- *of which; transitional*
- *of which; enabling*

2024		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %								Proportion of total assets covered %
				%	%	%			%	%			%	%			%	%			%	%			%	%			%	%	
	GAR - Covered assets in both numerator and denominator																														
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**84.97**	**6.23**	**6.13**	**6.23**	–	**0.09**	**0.00**	–	**0.00**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**85.06**	**6.23**	**6.13**	**6.23**	–	**44.29**
2	Financial undertakings	15.47	1.33	–	1.33	–	1.17	0.01	–	*0.01*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	16.65	1.34	–	1.33	–	3.31
3	*Credit institutions*	*20.15*	*1.73*	–	*1.73*	–	*1.53*	*0.01*	–	*0.01*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*21.68*	*1.74*	–	*1.73*	–	*2.54*
4	*Loans and advances*	*17.38*	*0.84*	–	*0.84*	–	*0.11*	*0.00*	–	*0.00*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*17.49*	*0.84*	–	*0.84*	–	*0.35*
5	*Debt securities, including UoP*	*20.60*	*1.87*	–	*1.87*	–	*1.76*	*0.01*	–	*0.01*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*22.36*	*1.88*	–	*1.87*	–	*2.19*
6	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–		–	–	–
7	***Other financial corporations***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	***0.77***
8	*of which; **Investment firms***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	***0.01***
9	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*0.01*
10	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
11	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–		–	–	–
12	*of which; **Management companies***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	***0.01***
13	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*0.01*
14	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
15	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–		–	–	–
16	*of which; **Insurance undertakings***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	***0.01***
17	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*0.01*
18	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
19	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–		–	–	–
20	**Non-financial undertakings**	***24.66***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	***24.66***	–	–	–	–	***0.23***
21	*Loans and advances*	24.66	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	24.66	–	–	–	–	0.23
22	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
23	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–		–	–	–
24	**Households**	**90.95**	**6.59**	6.59	**6.59**	–	–	–	–	–					–	–	–	–								**90.95**	**6.59**	**6.59**	**6.59**	–	**40.72**
25	*of which; **Loans collateralised by residential immovable property***	***100.00***	***7.27***	*7.27*	*7.27*	–	–	–	–	–					–	–	–	–								***100.00***	***7.27***	*7.27*	*7.27*	–	***36.90***
26	*of which; **Building renovation loans***	–	–	–	–	–	–	–	–	–					–	–	–	–								–	–	–	–	–	–
27	*of which; **Motor vehicle loans***	*5.31*	–	–	–	–																				*5.31*	–				
28	**Local governments financing**	100.00	100.00	100.00	100.00	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	100.00	100.00	100.00	100.00	–	0.03
29	Housing financing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
30	Other local government financing	100.00	100.00	100.00	100.00	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	100.00	100.00	100.00	100.00	–	0.03
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
32	**Total GAR assets**	**53.09**	**3.89**	**3.83**	**3.89**	–	**0.05**	**0.00**	–	**0.00**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**53.15**	**3.89**	**3.83**	**3.89**	–	**70.89**

EU Taxonomy disclosure tables *(continued)*

3 GAR KPI stock *(continued)*

CapEx Based

Key:
- *of which; use of proceeds*
- *of which; transitional*
- *of which; enabling*

2025		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %		Proportion of total assets covered %
				%	%	%			%	%			%	%			%	%			%	%			%	%			%	%	%	
	GAR - Covered assets in both numerator and denominator																															
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**83.69**	**8.80**	**8.72**	**8.62**	**0.01**	**0.07**	**0.00**	–	**0.00**	**0.00**	**0.00**	–	–	**0.00**	**0.00**	–	**0.00**	**0.00**	**0.00**	–	–	**0.07**	**0.02**	–	–	**83.83**	**8.82**	**8.72**	**8.62**	**0.01**	**46.10**
2	Financial undertakings	17.37	1.99	1.21	0.07	0.08	0.82	0.00	–	0.00	0.00	0.00	–	–	0.03	0.00	–	0.00	0.01	0.00	–	–	0.77	0.17	–	–	19.00	2.16	1.21	0.07	0.08	4.12
3	*Credit institutions*	*20.64*	*2.38*	*1.45*	*0.09*	*0.10*	*0.98*	*0.00*	–	*0.00*	*0.00*	*0.00*	–	–	*0.03*	*0.00*	–	*0.00*	*0.01*	*0.00*	–	–	*0.93*	*0.20*	–	–	*22.59*	*2.58*	*1.45*	*0.09*	*0.10*	*3.44*
4	*Loans and advances*	*4.78*	*0.49*	*0.25*	*0.06*	*0.03*	*0.04*	*0.00*	–	–	*0.00*	–	–	–	*0.01*	*0.00*	–	–	*0.00*	–	–	–	*0.00*	–	–	–	*4.83*	*0.49*	*0.25*	*0.06*	*0.03*	*0.34*
5	*Debt securities, including UoP*	*22.39*	*2.58*	*1.58*	*0.09*	*0.11*	*1.08*	*0.00*	–	*0.00*	*0.00*	*0.00*	–	–	*0.04*	*0.00*	–	*0.00*	*0.01*	*0.00*	–	–	*1.03*	*0.23*	–	–	*24.55*	*2.81*	*1.58*	*0.09*	*0.11*	*3.10*
6	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–
7	***Other financial corporations***	***0.76***	***0.04***	*0.03*	***0.00***	*0.00*	***0.00***	***0.00***	–	*0.00*	***0.00***	***0.00***	–	–	***0.00***	***0.00***	–	*0.00*	***0.00***	***0.00***	–	–	***0.00***	–	–	–	***0.76***	***0.04***	*0.03*	***0.00***	*0.00*	***0.68***
8	*of which; **Investment firms***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	***0.00***
9	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*0.00*
10	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
11	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	*0.00*
12	*of which; **Management companies***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	***0.00***
13	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*0.00*
14	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
15	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–
16	*of which; **Insurance undertakings***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
17	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
18	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
19	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–
20	**Non-financial undertakings**	6.38	0.32	–	0.02	0.26	–	–	–	–	–	–	–	–	0.02	–	–	–	–	–	–	–	–	–	–	–	6.40	0.32	–	0.02	0.26	**0.21**
21	*Loans and advances*	*6.38*	*0.32*	–	*0.02*	*0.26*	–	–	–	–	–	–	–	–	*0.02*	–	–	–	–	–	–	–	–	–	–	–	*6.40*	*0.32*	–	*0.02*	*0.26*	*0.21*
22	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
23	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–
24	**Households**	90.62	9.45	9.45	9.45	–	–	–	–	–					–	–	–	–									90.62	9.45	9.45	9.45	–	41.74
25	*of which; **Loans collateralised by residential immovable property***	***100.00***	***10.50***	*10.50*	*10.50*	–	–	–	–	–					–	–	–	–									***100.00***	***10.50***	*10.50*	*10.50*	–	*37.56*
26	*of which; **Building renovation loans***	–	–	–	–	–	–	–	–	–					–	–	–	–									–	–	–	–	–	–
27	*of which; **Motor vehicle loans***	***9.28***	–	–	–	–																					***9.28***	–				
28	**Local governments financing**	100.00	100.00	100.00	100.00	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	100.00	100.00	100.00	100.00	–	0.03
29	Housing financing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
30	Other local government financing	100.00	100.00	100.00	100.00	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	100.00	100.00	100.00	100.00	–	0.03
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
32	**Total GAR assets**	**52.47**	**5.51**	**5.47**	**5.41**	**0.01**	*0.05*	*0.00*	–	**0.00**	**0.00**	**0.00**	–	–	**0.00**	**0.00**	–	**0.00**	**0.00**	**0.00**	–	–	**0.04**	**0.01**	–	–	**52.56**	**5.52**	**5.47**	**5.41**	**0.01**	**73.53**

EU Taxonomy disclosure tables *(continued)*

3 GAR KPI stock *(continued)*

CapEx Based *(continued)*

Key:
- *of which; use of proceeds*
- *of which; transitional*
- *of which; enabling*

2024		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %								Proportion of total assets covered %
				%	%	%			%	%			%	%			%	%			%	%			%	%			%	%	
	GAR - Covered assets in both numerator and denominator																														
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**84.98**	**6.23**	**6.13**	**6.23**	–	**0.00**	**0.00**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**84.98**	**6.23**	**6.13**	**6.23**	–	44.29
2	Financial undertakings	15.27	1.35	–	1.35	–	0.06	0.00	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	15.32	1.35	–	1.35	–	3.31
3	*Credit institutions*	*19.89*	*1.76*	–	*1.76*	–	*0.07*	*0.00*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*19.96*	*1.76*	–	*1.76*	–	*2.54*
4	*Loans and advances*	*17.56*	*0.97*	–	*0.97*	–	*0.02*	*0.01*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*17.57*	*0.97*	–	*0.97*	–	*0.35*
5	*Debt securities, including UoP*	*20.27*	*1.88*	–	*1.88*	–	*0.08*	*0.00*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*20.35*	*1.89*	–	*1.88*	–	*2.19*
6	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–		–	–	–
7	***Other financial corporations***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	***0.77***
8	*of which; **Investment firms***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	***0.01***
9	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*0.01*
10	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
11	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–		–	–	–
12	*of which; **Management companies***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	***0.01***
13	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*0.01*
14	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
15	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–		–	–	–
16	*of which; **Insurance undertakings***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	***0.01***
17	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*0.01*
18	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
19	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–		–	–	–
20	**Non-financial undertakings**	29.07	0.07	–	–	0.07	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	29.07	0.07	–	–	0.07	**0.23**
21	*Loans and advances*	*29.07*	*0.07*	–	–	*0.07*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*29.07*	*0.07*	–	–	*0.07*	*0.23*
22	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
23	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–		–	–	–
24	**Households**	**90.95**	**6.59**	**6.59**	**6.59**	–	–	–	–	–					–	–	–	–	–							**90.95**	**6.59**	**6.59**	**6.59**	–	**40.72**
25	*of which; **Loans collateralised by residential immovable property***	***100.00***	***7.27***	***7.27***	***7.27***	–	–	–	–	–					–	–	–	–	–							***100.00***	***7.27***	***7.27***	***7.27***	–	***36.90***
26	*of which; **Building renovation loans***	–	–	–	–	–	–	–	–	–					–	–	–	–	–							–	–	–	–	–	–
27	*of which; **Motor vehicle loans***	*5.31*	–	–	–	–																				*5.31*	–				
28	**Local governments financing**	**100.00**	**100.00**	**100.00**	**100.00**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**100.00**	**100.00**	**100.00**	**100.00**	–	**0.03**
29	Housing financing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
30	Other local government financing	100.00	100.00	100.00	100.00	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	100.00	100.00	100.00	100.00	–	0.03
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
32	**Total GAR assets**	**53.10**	**3.89**	**3.83**	**3.89**	–	**0.00**	**0.00**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**53.10**	**3.89**	**3.83**	**3.89**	–	**70.89**

EU Taxonomy disclosure tables *(continued)*

4 GAR KPI flow

Turnover Based

Key:
- *of which; use of proceeds*
- *of which; transitional*
- *of which; enabling*

2025		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total assets covered %
				%	%	%			%	%			%	%			%	%			%	%			%	%			%	%	%	
	GAR - Covered assets in both numerator and denominator																															
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**79.54**	**17.49**	**17.43**	**17.41**	**0.01**	*0.00*	*0.00*	–	**0.00**	**0.00**	**0.00**	–	–	**0.00**	**0.00**	–	**0.00**	**0.00**	**0.00**	–	–	**0.00**	–	–	–	**79.54**	**17.49**	**17.43**	**17.41**	**0.01**	47.56
2	Financial undertakings	11.82	1.19	0.28	0.03	0.03	*0.01*	*0.00*	–	0.00	0.00	0.00	–	–	0.01	0.00	–	0.00	0.00	0.00	–	–	0.00	–	–	–	11.84	1.19	0.28	0.03	0.03	2.82
3	*Credit institutions*	*24.28*	*2.55*	*0.55*	*0.06*	*0.07*	*0.01*	*0.00*	–	*0.00*	*0.00*	–	–	–	*0.02*	*0.00*	–	–	*0.01*	–	–	–	*0.00*	–	–	–	*24.32*	*2.55*	*0.55*	*0.06*	*0.07*	*1.26*
4	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*0.00*
5	*Debt securities, including UoP*	*24.28*	*2.55*	*0.55*	*0.06*	*0.07*	*0.01*	*0.00*	–	*0.00*	–	–	–	–	*0.02*	*0.00*	–	–	*0.01*	–	–	–	*0.00*	–	–	–	*24.32*	*2.55*	*0.55*	*0.06*	*0.07*	*1.26*
6	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–
7	***Other financial corporations***	***1.85***	***0.10***	***0.07***	***0.00***	***0.00***	***0.00***	***0.00***	–	***0.00***	***0.00***	***0.00***	–	–	***0.00***	***0.00***	–	***0.00***	***0.00***	***0.00***	–	–	***0.00***	–	–	–	***1.85***	***0.10***	***0.07***	–	–	***1.57***
8	*of which; **Investment firms***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	***0.00***
9	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*0.00*
10	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
11	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	*0.00*
12	*of which; **Management companies***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
13	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
14	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
15	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–
16	*of which; **Insurance undertakings***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
17	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
18	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
19	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–
20	**Non-financial undertakings**	**16.93**	**11.19**	–	–	**11.19**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**16.93**	**11.19**	–	–	**11.19**	**0.03**
21	*Loans and advances*	*16.93*	*11.19*	–	–	11.19	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	16.93	11.19	–	–	11.19	0.03
22	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
23	*Equity instruments*	–	–		–	–	–	–		–	–			–	–	–		–	–	–		–	–	–		–	–	–		–	–	–
24	**Households**	**83.86**	**18.52**	**18.52**	**18.52**	–	–	–	–	–					–	–	–	–	–								**83.86**	**18.52**	**18.52**	**18.52**	–	**44.71**
25	*of which; **Loans collateralised by residential immovable property***	***100.00***	***22.70***	***22.70***	***22.70***	–	–	–	–	–					–	–	–	–	–								***100.00***	***22.70***	***22.70***	***22.70***	–	***36.48***
26	*of which; **Building renovation loans***	–	–	–	–	–	–	–	–	–					–	–	–	–	–								–	–	–	–	–	–
27	*of which; **Motor vehicle loans***	***12.30***	–	–	–	–																					***12.30***	–				
28	**Local governments financing**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
29	Housing financing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
30	Other local government financing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
32	**Total GAR assets**	**51.44**	**11.31**	**11.27**	**11.26**	**0.01**	**0.00**	**0.00**	–	**0.00**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**51.44**	**11.31**	**11.27**	**11.26**	**0.01**	**73.55**

EU Taxonomy disclosure tables *(continued)*

4 GAR KPI flow *(continued)*

Turnover Based *(continued)*

Key:
- *of which; use of proceeds*
- *of which; transitional*
- *of which; enabling*

2024		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total assets covered %
				%	%	%			%	%			%	%			%	%			%	%			%	%			%	%	
	GAR - Covered assets in both numerator and denominator																														
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**78.88**	**11.27**	**11.25**	**11.27**	–	**0.00**	**0.00**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**78.88**	**11.27**	**11.25**	**11.27**	–	60.64
2	Financial undertakings	3.42	0.38	–	0.38	–	0.08	0.00	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	3.50	0.38	–	0.38	–	3.64
3	*Credit institutions*	*18.29*	*2.06*	–	*2.06*	–	*0.44*	*0.00*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*18.73*	*2.06*	–	*2.06*	–	*0.68*
4	*Loans and advances*	18.29	2.06	–	2.06	–	0.44	0.00	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	18.73	2.06	–	2.06	–	0.68
5	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
6	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–
7	***Other financial corporations***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	***2.96***
8	*of which; **Investment firms***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	***0.09***
9	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*0.09*
10	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
11	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–
12	*of which; **Management companies***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	***0.09***
13	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*0.09*
14	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
15	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–
16	*of which; **Insurance undertakings***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
17	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
18	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
19	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–
20	**Non-financial undertakings**	0.54	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	0.54	–	–	–	–	**0.74**
21	*Loans and advances*	*0.54*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*0.54*	–	–	–	–	*0.74*
22	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
23	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–
24	**Households**	**84.79**	**12.12**	**12.12**	**12.12**	–	–	–	–	–					–	–	–	–	–							**84.79**	**12.12**	**12.12**	**12.12**	–	**56.26**
25	*of which; **Loans collateralised by residential immovable property***	***100.00***	***14.47***	***14.47***	***14.47***	–	–	–	–	–					–	–	–	–	–							***100.00***	***14.47***	***14.47***	***14.47***	–	***47.12***
26	*of which; **Building renovation loans***	–	–	–	–	–	–	–	–	–					–	–	–	–	–							–	–	–	–	–	–
27	*of which; **Motor vehicle loans***	***6.43***	–	–	–	–																			***6.43***	–				
28	**Local governments financing**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
29	Housing financing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
30	Other local government financing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
32	**Total GAR assets**	**49.19**	**7.03**	**7.01**	**7.03**	–	**0.00**	**0.00**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**49.19**	**7.03**	**7.01**	**7.03**	–	**97.25**

EU Taxonomy disclosure tables *(continued)*

4 GAR KPI flow *(continued)*

CapEx Based

Key:
- *of which; use of proceeds*
- *of which; transitional*
- *of which; enabling*

2025		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total assets covered %
				%	%	%			%	%			%	%			%	%			%	%			%	%			%	%	%	
	GAR - Covered assets in both numerator and denominator																															
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**79.30**	**17.45**	**17.43**	**17.41**	**0.01**	*0.00*	*0.00*	–	**0.00**	**0.00**	**0.00**	–	–	**0.00**	**0.00**	–	**0.00**	**0.00**	**0.00**	–	–	**0.00**	–	–	–	**79.30**	**17.45**	**17.43**	**17.41**	**0.01**	47.56
2	Financial undertakings	7.54	0.62	0.28	0.02	0.05	*0.01*	*0.00*	–	0.00	0.00	**0.00**	–	–	0.01	0.00	–	0.00	0.00	0.00	–	–	0.00	–	–	–	7.56	0.62	0.28	0.02	0.05	2.82
3	*Credit institutions*	*14.64*	*1.26*	*0.55*	*0.05*	*0.12*	*0.02*	*0.00*	–	*0.00*	*0.00*	–	–	–	*0.01*	*0.00*	–	–	*0.01*	–	–	–	*0.00*	–	–	–	*14.68*	*1.26*	*0.55*	*0.05*	*0.12*	*1.26*
4	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*0.00*
5	*Debt securities, including UoP*	*14.64*	*1.26*	*0.55*	*0.05*	*0.12*	*0.02*	*0.00*	–	*0.00*	*0.00*	–	–	–	*0.01*	*0.00*	–	–	*0.01*	–	–	–	*0.00*	–	–	–	*14.68*	*1.26*	*0.55*	*0.05*	*0.12*	*1.26*
6	*Equity instruments*	–	–		–	–	–	–		–	–	–	–	–	–	–		–	–	–		–	–	–	–	–	–	–		–	–	–
7	***Other financial corporations***	***1.86***	***0.10***	*0.07*	***0.00***	*0.00*	***0.00***	***0.00***	–	*0.00*	***0.00***	***0.00***	–	–	***0.00***	***0.00***	–	*0.00*	***0.00***	***0.00***	–	–	***0.00***	–	–	–	***1.86***	***0.10***	*0.07*	***0.00***	*0.00*	***1.57***
8	*of which; **Investment firms***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	***0.00***
9	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*0.00*
10	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
11	*Equity instruments*	–	–		–	–	–	–		–	–	–	–	–	–	–		–	–	–		–	–	–	–	–	–	–		–	–	*0.00*
12	*of which; **Management companies***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
13	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
14	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
15	*Equity instruments*	–	–		–	–	–	–		–	–	–	–	–	–	–		–	–	–		–	–	–	–	–	–	–		–	–	–
16	*of which; **Insurance undertakings***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
17	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
18	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
19	*Equity instruments*	–	–		–	–	–	–		–	–	–	–	–	–	–		–	–	–		–	–	–	–	–	–	–		–	–	–
20	**Non-financial undertakings**	**36.92**	**12.50**	–	–	**10.70**	–	–	–	–	–	–	–	–	**0.29**	–	–	–	–	–	–	–	–	–	–	–	37.21	12.50	–	–	**10.70**	**0.03**
21	*Loans and advances*	*36.92*	*12.50*	–	–	*10.70*	–	–	–	–	–	–	–	–	*0.29*	–	–	–	–	–	–	–	–	–	–	–	*37.21*	*12.50*	–	–	*10.70*	*0.03*
22	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
23	*Equity instruments*	–	–		–	–	–	–		–	–		–	–	–	–		–	–	–		–	–	–	–	–	–	–		–	–	–
24	**Households**	**83.86**	**18.52**	**18.52**	**18.52**	–	–	–	–	–					–	–	–	–	–								**83.86**	**18.52**	**18.52**	**18.52**	–	**44.71**
25	*of which; **Loans collateralised by residential immovable property***	***100.00***	***22.70***	***22.70***	***22.70***	–	–	–	–	–					–	–	–	–	–								***100.00***	***22.70***	***22.70***	***22.70***	–	***36.48***
26	*of which; **Building renovation loans***	–	–	–	–	–	–	–	–	–					–	–	–	–	–								–	–	–	–	–	–
27	*of which; **Motor vehicle loans***	***12.30***	–	–	–	–																					***12.30***	–				
28	**Local governments financing**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
29	Housing financing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
30	Other local government financing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
32	**Total GAR assets**	**51.28**	**11.29**	**11.27**	**11.26**	**0.01**	**0.00**	**0.00**	–	**0.00**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**51.28**	**11.29**	**11.27**	**11.26**	**0.01**	**73.55**

EU Taxonomy disclosure tables *(continued)*

4 GAR KPI flow *(continued)*

CapEx Based *(continued)*

Key:
- *of which; use of proceeds*
- *of which; transitional*
- *of which; enabling*

2024		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %								Proportion of total assets covered %
				%	%	%			%	%			%	%			%	%			%	%			%	%			%	%	
	GAR - Covered assets in both numerator and denominator																														
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**78.91**	**11.27**	**11.25**	**11.27**	–	**0.00**	**0.00**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**78.91**	**11.27**	**11.25**	**11.27**	–	60.64
2	Financial undertakings	3.44	0.40	–	0.40	–	0.00	**0.00**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	3.44	0.40	–	0.40	–	3.64
3	*Credit institutions*	*18.37*	*2.12*	–	*2.12*	–	*0.01*	*0.00*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*18.38*	*2.13*	–	*2.12*	–	*0.68*
4	*Loans and advances*	18.37	2.12	–	2.12	–	0.01	0.00	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	18.38	2.13	–	2.12	–	0.68
5	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
6	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–		–	–	–
7	***Other financial corporations***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	***2.96***
8	*of which; **Investment firms***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	***0.09***
9	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*0.09*
10	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
11	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–		–	–	–
12	*of which; **Management companies***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	***0.09***
13	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*0.09*
14	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
15	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–		–	–	–
16	*of which; **Insurance undertakings***	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
17	*Loans and advances*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
18	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
19	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–		–	–	–
20	**Non-financial undertakings**	3.24	0.17	–	0.17	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	3.24	0.17	–	0.17	–	0.74
21	*Loans and advances*	*3.24*	*0.17*	–	*0.17*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	*3.24*	*0.17*	–	*0.17*	–	*0.74*
22	*Debt securities, including UoP*	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
23	*Equity instruments*	–	–		–	–	–	–		–	–	–		–	–	–		–	–	–		–	–	–		–	–		–	–	–
24	**Households**	84.79	12.12	12.12	12.12	–	–	–	–	–					–	–	–	–	–							84.79	12.12	12.12	12.12	–	56.26
25	*of which; **Loans collateralised by residential immovable property***	***100.00***	***14.47***	***14.47***	***14.47***	–	–	–	–	–					–	–	–	–	–							***100.00***	***14.47***	***14.47***	***14.47***	–	***47.12***
26	*of which; **Building renovation loans***	–	–	–	–	–	–	–	–	–					–	–	–	–	–							–	–	–	–	–	–
27	*of which; **Motor vehicle loans***	***6.43***	–	–	–	–																				***6.43***	–				
28	**Local governments financing**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
29	Housing financing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
30	Other local government financing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
32	**Total GAR assets**	**49.21**	**7.03**	**7.01**	**7.03**	–	**0.00**	**0.00**	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**49.21**	**7.03**	**7.01**	**7.03**	–	**97.25**

EU Taxonomy disclosure tables *(continued)*

5 KPI stock off-balance sheet exposures

Turnover Based

Key:	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)				
of which; use of proceeds	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				
of which; transitional		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				
of which; enabling																														
2025 % (compared to total covered assets in the denominator)			%	%	%			%	%			%	%			%	%			%	%			%	%			%	%	%
1 Financial guarantees (FinGuar KPI)	4.35	0.50	–	0.50	–	0.02	0.00	–	–	0.00	0.00	–	–	0.01	0.00	–	–	0.00	0.00	–	–	0.00	0.00	–	–	4.38	0.50	–	0.50	–
2 Assets under management (AUM KPI)[1]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

Key:	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)				
of which; use of proceeds	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				
of which; transitional		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				
of which; enabling																														
2024 % (compared to total covered assets in the denominator)			%	%	%			%	%			%	%			%	%			%	%			%	%			%	%	%
1 Financial guarantees (FinGuar KPI)	3.87	0.40	–	0.40	–	0.00	0.00	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	3.87	0.40	–	0.40	–
2 Assets under management (AUM KPI)[1]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

[1] *In 2025 and 2024 the AUM KPI was not material. The Group's Wealth and Insurance division offers clients access to a number of investment portfolios and funds that promote environmental and social characteristics but these investments are not considered sustainable investments within the context of the EU taxonomy regulation.*

EU Taxonomy disclosure tables *(continued)*

5 KPI stock off-balance sheet exposures *(continued)*

CapEx Based

Key:		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)				
of which; use of proceeds		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				
of which; transitional			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				
of which; enabling				%	%	%			%	%			%	%			%	%			%	%			%	%			%	%	%
2025 % (compared to total covered assets in the denominator)																															
1	Financial guarantees (FinGuar KPI)	4.40	0.55	–	0.55	–	0.02	0.00	–	–	0.00	0.00	–	–	0.01	0.00	–	–	0.00	0.00	–	–	0.00	0.00	–	–	4.43	0.55	–	0.55	–
2	Assets under management (AUM KPI)[1]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

Key:		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)				
of which; use of proceeds		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				
of which; transitional			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				
of which; enabling				%	%	%			%	%			%	%			%	%			%	%			%	%			%	%	%
2024 % (compared to total covered assets in the denominator)																															
1	Financial guarantees (FinGuar KPI)	3.91	0.42	–	0.42	–	0.00	0.00	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	3.91	0.42	–	0.42	–
2	Assets under management (AUM KPI)[1]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

[1] *In 2025 and 2024 the AUM KPI was not material. The Group's Wealth and Insurance division offers clients access to a number of investment portfolios and funds that promote environmental and social characteristics but these investments are not considered sustainable investments within the context of the EU taxonomy regulation.*

EU Taxonomy disclosure tables *(continued)*

5 KPI flow off-balance sheet exposures *(continued)*

Turnover Based

Key:	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)				
of which; use of proceeds	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				
of which; transitional		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %			
of which; enabling																														
2025 % (compared to total covered assets in the denominator)			%	%	%			%	%			%	%			%	%			%	%			%	%			%	%	%
1 Financial guarantees (FinGuar KPI)	24.84	2.52	–	–	–	0.07	0.00	–	–	0.00	0.00	–	–	0.01	0.00	–	–	0.02	0.00	–	–	0.06	0.01	–	–	25.00	2.53	–	–	–
2 Assets under management (AUM KPI)[1]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

Key:	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)				
of which; use of proceeds	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				
of which; transitional		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %			
of which; enabling																														
2024 % (compared to total covered assets in the denominator)			%	%	%			%	%			%	%			%	%			%	%			%	%			%	%	%
1 Financial guarantees (FinGuar KPI)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
2 Assets under management (AUM KPI)[1]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

[1] *In 2025 and 2024 the AUM KPI was not material. The Group's Wealth and Insurance division offers clients access to a number of investment portfolios and funds that promote environmental and social characteristics but these investments are not considered sustainable investments within the context of the EU taxonomy regulation.*

EU Taxonomy disclosure tables *(continued)*

5 KPI flow off-balance sheet exposures *(continued)*

CapEx Based

Key:		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)				
of which; use of proceeds		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				
of which; transitional			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %			
of which; enabling				%	%	%			%	%			%	%			%	%			%	%			%	%			%	%	%
2025 % (compared to total covered assets in the denominator)																															
1	Financial guarantees (FinGuar KPI)	24.94	2.60	–	–	–	0.12	0.00	–	–	0.00	0.00	–	–	0.01	0.00	–	–	0.01	0.00	–	–	0.09	0.00	–	–	25.17	2.60	–	–	–
2	Assets under management (AUM KPI)[1]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

Key:		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water & Marine Resources (WTR)				Circular Economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM+CCA+WTR+CE+PPC+BIO)				
of which; use of proceeds		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) %				
of which; transitional			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) %			
of which; enabling				%	%	%			%	%			%	%			%	%			%	%			%	%			%	%	%
2024 % (compared to total covered assets in the denominator)																															
1	Financial guarantees (FinGuar KPI)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
2	Assets under management (AUM KPI)[1]	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

[1] *In 2025 and 2024 the AUM KPI was not material. The Group's Wealth and Insurance division offers clients access to a number of investment portfolios and funds that promote environmental and social characteristics but these investments are not considered sustainable investments within the context of the EU taxonomy regulation.*

EU Taxonomy disclosure tables *(continued)*

Annex XII

The disclosure requirements of Article 8(6) and (7) along with Annex XII of Regulation (EU) 2021/2178 were inserted by the Complimentary Climate Delegated Act and applied from 1 January 2023. This Act included specific nuclear and gas energy activities in the list of economic activities covered by the EU taxonomy. The criteria for the specific gas and nuclear activities are in line with EU climate and environmental objectives and will help accelerate the shift from solid or liquid fossil fuels, including coal, towards a climate-neutral future.

Template 1: Nuclear and fossil gas related activities

Nuclear energy related activities		
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	Yes
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	Yes
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes
Fossil gas related activities		
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes

EU Taxonomy disclosure tables *(continued)*

Template 2: Taxonomy-aligned economic activities (denominator)

Amount and proportion *(the information is to be presented in monetary amounts and as percentages)*	**Total**		**CCM**		**CCA**		**WTR**		**CE**		**PPC**		**BIO**	
Economic activities based on KPI Turnover	**€m**	**%**	**€m**	**%**	**€m**	**%**	**€m**	**%**	**€m**	**%**	**€m**	**%**	**€m**	**%**
1 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
2 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
3 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
4 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
5 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
6 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
7 Amount and proportion of taxonomy-aligned economic activity not referred to in rows 1 to 6 above in the denominator of the applicable KPI.	5,659	5.52	5,653	5.51	0	0.00	0	0.00	0	0.00	0	0.00	6	0.01
8 Total applicable KPI	**5,659**	**5.52**	**5,653**	**5.51**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**6**	**0.01**

EU Taxonomy disclosure tables *(continued)*

Template 2: Taxonomy-aligned economic activities (denominator) *(continued)*

Amount and proportion *(the information is to be presented in monetary amounts and as percentages)*	**Total**		**CCM**		**CCA**		**WTR**		**CE**		**PPC**		**BIO**	
Economic activities based on KPI CapEx	**€m**	**%**	**€m**	**%**	**€m**	**%**	**€m**	**%**	**€m**	**%**	**€m**	**%**	**€m**	**%**
1 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
2 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
3 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
4 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
5 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
6 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
7 Amount and proportion of taxonomy-aligned economic activity not referred to in rows 1 to 6 above in the denominator of the applicable KPI.	5,666	5.52	5,656	5.51	0	0.00	0	0.00	0	0.00	0	0.00	10	0.01
8 Total applicable KPI	**5,666**	**5.52**	**5,656**	**5.51**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**10**	**0.01**

EU Taxonomy disclosure tables *(continued)*

Template 3: Taxonomy-aligned economic activities (numerator)

Amount and proportion *(the information is to be presented in monetary amounts and as percentages)*	**Total**		**CCM**		**CCA**		**WTR**		**CE**		**PPC**		**BIO**	
Economic activities based on KPI Turnover	**€m**	**%**	**€m**	**%**	**€m**	**%**	**€m**	**%**	**€m**	**%**	**€m**	**%**	**€m**	**%**
1 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
2 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
3 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
4 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
5 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
6 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
7 Amount and proportion of taxonomy-aligned economic activity not referred to in rows 1 to 6 above in the denominator of the applicable KPI.	5,659	100.00	5,653	99.89	0	0.00	0	0.00	0	0.00	0	0.00	6	0.11
8 Total applicable KPI	**5,659**	**100.00**	**5,653**	**99.89**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**6**	**0.11**

EU Taxonomy disclosure tables *(continued)*

Template 3: Taxonomy-aligned economic activities (numerator) *(continued)*

Amount and proportion *(the information is to be presented in monetary amounts and as percentages)*	**Total**		**CCM**		**CCA**		**WTR**		**CE**		**PPC**		**BIO**	
Economic activities based on KPI CapEx	**€m**	**%**	**€m**	**%**	**€m**	**%**	**€m**	**%**	**€m**	**%**	**€m**	**%**	**€m**	**%**
1 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
2 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
3 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
4 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
5 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
6 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
7 Amount and proportion of taxonomy-aligned economic activity not referred to in rows 1 to 6 above in the denominator of the applicable KPI.	5,666	100.00	5,656	99.82	0	0.00	0	0.00	0	0.00	0	0.00	10	0.18
8 Total applicable KPI	**5,666**	**100.00**	**5,656**	**99.82**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**10**	**0.18**

EU Taxonomy disclosure tables *(continued)*

Template 4: Taxonomy-eligible but not taxonomy-aligned economic activities

	Amount and proportion *(the information is to be presented in monetary amounts and as percentages)*	**Total**		**CCM**		**CCA**		**WTR**		**CE**		**PPC**		**BIO**	
	Economic activities based on KPI Turnover	**€m**	**%**	**€m**	**%**	**€m**	**%**	**€m**	**%**	**€m**	**%**	**€m**	**%**	**€m**	**%**
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
7	Amount and proportion of taxonomy-aligned economic activity not referred to in rows 1 to 6 above in the denominator of the applicable KPI.	53,928	100.00	53,868	99.89	29	0.05	0	0.00	3	0.01	1	0.00	27	0.05
8	**Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity in the denominator of the applicable KPI**	**53,928**	**100.00**	**53,868**	**99.89**	**29**	**0.05**	**0**	**0.00**	**3**	**0.01**	**1**	**0.00**	**27**	**0.05**

EU Taxonomy disclosure tables *(continued)*

Template 4: Taxonomy-eligible but not taxonomy-aligned economic activities *(continued)*

Amount and proportion *(the information is to be presented in monetary amounts and as percentages)*	**Total**		**CCM**		**CCA**		**WTR**		**CE**		**PPC**		**BIO**	
Economic activities based on KPI CapEx	**€m**	**%**	**€m**	**%**	**€m**	**%**	**€m**	**%**	**€m**	**%**	**€m**	**%**	**€m**	**%**
1 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
2 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
3 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
4 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
5 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
6 Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–	–	–	–	–	–	–	–	–	–	–	–	–
7 Amount and proportion of taxonomy-aligned economic activity not referred to in rows 1 to 6 above in the denominator of the applicable KPI.	53,915	100.00	53,821	99.83	47	0.09	0	0.00	2	0.00	0	0.00	44	0.08
8 Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity in the denominator of the applicable KPI	**53,915**	**100.00**	**53,821**	**99.83**	**47**	**0.09**	**0**	**0.00**	**2**	**0.00**	**0**	**0.00**	**44**	**0.08**

EU Taxonomy disclosure tables *(continued)*

Template 5: Taxonomy non-eligible economic activities

	Economic activities based on KPI Turnover	€m	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	10.59	0.00
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI.**	**96,903**	**94.47**
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**96,914**	**94.47**

EU Taxonomy disclosure tables *(continued)*

Template 5: Taxonomy non-eligible economic activities *(continued)*

	Economic activities based on KPI CapEx	€m	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	10.59	0.00
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI.	–	–
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI.**	**96,896**	**94.47**
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**96,907**	**94.47**

Alternative performance measures

This section contains further information related to certain measures referred to in the Strategic Report, OFR and Financial Statements.
The OFR is prepared using IFRS and non-IFRS measures to analyse the Group's performance, providing comparability year on year. These performance measures are consistent with those presented to the Board and Group Executive Committee and include alternative performance measures as set out below. These performance measures may not be uniformly defined by all companies and accordingly they may not be directly comparable with similarly titled measures and disclosures by other companies. These measures should be considered in conjunction with IFRS measures as set out in the consolidated financial statements from page 288.

Annual Premium Equivalent is a common metric used by insurance companies. The approach taken by insurance companies is to take 100% of regular premiums, being the annual premiums received for a policy, and 10% of single premiums. This assumes that an average life insurance policy lasts 10 years and therefore taking 10% of single premiums annualises the single lump sum payment received over the 10 year duration.

Average cost of funds represents the underlying interest expense recognised on interest bearing liabilities, net of interest on derivatives which are in a hedge relationship with the relevant liability. See pages 28 and 437 for further information.

Calculation	Source	2025 €m	2024 €m
Interest expense	Income statement	1,876	3,141
Exclude impact of FV hedges of current accounts	Average balance sheet	(265)	(1,061)
Exclude interest on non-trading derivatives (not in hedge accounting relationships)	Note 5	(441)	(669)
Exclude interest on lease liabilities	Note 5	(11)	(10)
Exclude interest on other FVTPL liabilities	Average balance sheet	(10)	(9)
Underlying interest expense on interest bearing liabilities		**1,149**	**1,392**
Average interest bearing liabilities	Average balance sheet	**116,366**	**114,586**
Average cost of funds %		**(0.99%)**	**(1.21%)**

Business income is net other income before other expenses / income and other valuation items. See page 29 for further details.

Constant currency: to enable a better understanding of performance, certain variances are calculated on a constant currency basis by adjusting for the impact of movements in exchange rates during the year as follows:
- for balance sheet items, by reference to the closing rate at the end of the current and prior period ends; and
- for items relating to the income statement, by reference to the current and prior period average rates.

Growth in customer deposits on a constant currency basis
The Group calculates growth in customer deposits on a constant currency basis. For this calculation the Group applies the prior year end rate in both years so that the impact of movements in FX rates are eliminated.

Calculation	Source	2025 €m	2024 €m
Customer deposits	Note 35	107,487	103,069
Impact of foreign exchange movements		1,021	(824)
Customer deposits on a constant currency basis		**108,508**	**102,245**
Growth in customer deposits during the year		**5,439**	**2,062**

Alternative performance measures *(continued)*

Growth in loans and advances to customers on a constant currency basis
The Group calculates growth in loans and advances to customers on a constant currency basis. For this calculation the Group applies the prior year end rate in both years so that the impact of movements in FX rates is eliminated.

Calculation	Source	2025 €m	2024 €m
Loans and advances to customers	Note 25	82,478	82,538
Impact of foreign exchange movements		1,455	(1,325)
Loans and advances to customers on a constant currency basis		**83,933**	**81,213**
Growth in loans and advances to customers		**1,395**	**1,484**

Gross yield represents the underlying interest income recognised on interest earning assets, net of interest on derivatives which are in a hedge relationship with the relevant asset and non-trading derivatives (economic hedges). See pages 28 and 437 for further information.

Calculation	Source	2025 €m	2024 €m
Interest income	Income statement	5,247	6,742
Include impact of FV hedges of current accounts	Average balance sheet	(265)	(1,061)
Include interest expense on non-trading derivatives (not in hedge accounting relationships)	Note 5	(441)	(669)
Exclude portfolio divestment	Income statement - operating segments (OFR)	–	(36)
Underlying interest income on interest earning assets		**4,541**	**4,976**
Average interest earning assets	Average balance sheet	**125,625**	**122,478**
Average gross yield %		**3.61%**	**4.06%**

Gross yield - customer lending

Calculation	Source	2025 €m	2024 €m
Interest income on loans and advances to customers	Note 4	3,332	4,112
Include impact of FV hedges of current accounts	Average balance sheet	(265)	(1,061)
Include interest expense on non-trading derivatives (not in hedge accounting relationships)	Note 5	(441)	(669)
Include interest income on non-trading derivatives (not in hedge accounting relationships)	Note 4	402	645
Interest income on finance leases and hire purchase receivables	Note 4	340	294
Exclude portfolio divestments	Income statement - operating segments (OFR)	–	(36)
Underlying interest income on customer lending		**3,368**	**3,285**
Average customer lending assets	Average balance sheet	**82,211**	**80,742**
Average gross yield on customer lending %		**4.10%**	**4.07%**

Alternative performance measures *(continued)*

Gross yield - liquid assets

Calculation	Source	2025 €m	2024 €m
Interest income on loans and advances to banks	Note 4	747	1,269
Interest income on debt securities at amortised cost	Note 4	335	251
Interest income on debt securities at FVOCI	Note 4	89	168
Interest on other financial assets at FVTPL	Note 4	2	3
Underlying interest income on liquid assets		**1,173**	**1,691**
Loans and advances to banks	Average balance sheet	27,589	31,896
Debt securities at amortised cost, financial assets FVOCI and FVTPL	Average balance sheet	15,825	9,840
Average interest earning liquid assets		**43,414**	**41,736**
Average gross yield on liquid assets %		**2.70%**	**4.05%**

Liquid assets are comprised of cash and balances at central banks, loans and advances to banks, debt securities at amortised cost, financial assets at FVOCI and certain financial assets at FVTPL (excluding balances in W&I).

Liquidity Coverage Ratio (LCR) is calculated based on the Commission Delegated Regulation (EU) 2015/61 and is prepared on a regulatory group basis, in accordance with the Capital Requirements Directive (CRD IV), which comprises banking and other relevant financial institutions within the Group, but excludes non-banking related institutions such as insurance entities. For further information, see the Group's Pillar 3 disclosures (tab 1.3), available on the Group's website.

Loan to deposit ratio is calculated as being net loans and advances to customers divided by customer deposits.

Calculation	Source	2025 €m	2024 €m
Loans and advances to customers	Balance sheet	82,478	82,538
Customer deposits	Balance sheet	107,487	103,069
Loan to Deposit ratio %		**77%**	**80%**

Alternative performance measures *(continued)*

Net Impairment losses on loans and advances to customers at amortised cost (basis points) is the net impairment loss on loans and advances to customers at amortised cost (offset by reimbursement asset movements) divided by average gross loans and advances to customers at amortised cost.

Underlying net Impairment losses on loans and advances to customers at amortised cost (basis points) is the net impairment loss on loans and advances to customers at amortised cost (offset by reimbursement asset movements) excluding non-core, divided by average gross loans and advances to customers at amortised cost.

		Statutory		Underlying	
	Source	2025 €m	2024 €m	2025 €m	2024 €m
Net impairment losses on loans & advances to customers at amortised cost	Note 14 / Net impairment (losses) / gains (OFR)	(178)	(90)	(178)	(90)
Exclude portfolio divestment	Income statement - operating segments (OFR)	–	–	(1)	(16)
		(178)	**(90)**	**(179)**	**(106)**
Average gross loans and advances to customers		**83,192**	**82,524**	**83,192**	**82,524**
Net Impairment losses on loans and advances to customers at amortised cost (bps)		**(21)**	**(11)**	**(22)**	**(13)**

Net interest margin is stated on an underlying basis. See page 28 for further details.

Calculation	Source	2025 €m	2024 €m
Net interest income	Income statement	3,371	3,601
Exclude portfolio divestment income	Income statement - operating segments (OFR)	–	(36)
Underlying net interest income		**3,371**	**3,565**
Average interest earning assets	Average balance sheet	**125,625**	**122,478**
Net interest margin %		**2.68%**	**2.91%**

Net Stable Funding Ratio (NSFR) is prepared on a regulatory group basis, in accordance with the EU Capital Requirement Regulations and Directive, as amended, which requires the maintenance of an NSFR ratio greater than or equal to 100%. For further information see the Group's Pillar 3 disclosures (tab 1.3), available on the Group's website.

New lending volumes

- Net new lending volumes represent loans and advances to customers drawn down during the year (including revolving credit facility activity) and portfolio acquisitions, net of repayments and redemptions.
- Gross new lending volumes represent loans and advances to customers drawn down during the year and portfolio acquisitions.

Alternative performance measures *(continued)*

NPEs are:
- credit-impaired loans which includes loans where the borrower is considered unlikely to pay in full without recourse by the Group to actions such as realising security, and / or loans where the borrower is greater than 90 days past due and the arrears amount is material; and
- other loans meeting NPE criteria as aligned with regulatory requirements.

NPE ratio is calculated as NPEs on loans and advances to customers at amortised cost (excluding loans and advances to customers measured at FVTPL) as a percentage of the gross carrying value of loans and advances to customers at amortised cost.

Calculation	Source	2025 €m	2024 €m
Non-performing exposures	Loans and advances to customers (OFR)	1,831	1,867
Loans and advances to customers	Note 25	83,461	83,381
NPE ratio %		**2.2%**	**2.2%**

Net organic capital generation primarily consists of attributable profit after impairment and movements in regulatory deductions, and is calculated with reference to RWAs at the end of the year.

Return on assets is calculated as being statutory net profit / loss after tax divided by total assets, in line with the requirement in the EU (Capital Requirements) Regulations 2014.

Calculation	Source	2025 €m	2024 €m
Profit for the year	Income statement	1,201	1,531
Total assets	Balance sheet	164,799	161,813
Return on assets (bps)		**73**	**95**

Alternative performance measures *(continued)*

Return on Tangible Equity (RoTE) is calculated as being profit attributable to ordinary shareholders divided by average shareholders' equity less average intangible assets and goodwill.

Return on Tangible Equity (adjusted) is calculated by adjusting the RoTE to exclude other expenses and other valuation items (net of tax). The average shareholders tangible equity is adjusted for pension surplus and a CET1 ratio of 14.0% (2024: 14.0%), reflecting the Group's capital guidance.

	Reported		Adjusted	
	2025 €m	2024 €m	2025 €m	2024 €m
Profit for the year attributable to shareholders	1,201	1,531	1,201	1,531
Distribution on other equity instruments - AT1 coupon	(86)	(62)	(86)	(62)
Other expenses and other valuation items, net of tax	–	–	7	(13)
Reported / adjusted profit after tax	**1,115**	**1,469**	**1,122**	**1,456**
Shareholders' equity	11,727	11,947	11,727	11,947
Intangible assets and goodwill	(1,594)	(1,500)	(1,594)	(1,500)
Shareholders' tangible equity	**10,133**	**10,447**	**10,133**	**10,447**
Average shareholders' tangible equity	10,219	10,405	10,219	10,405
Adjustment for CET1 ratio at 14.0% (2024: 14.0%)	–	–	(1,244)	(837)
Adjustment for pension surplus	–	–	(877)	(876)
Adjusted Average shareholders tangible equity	**10,219**	**10,405**	**8,098**	**8,692**
Return on Tangible Equity	**10.9%**	**14.1%**	**13.9%**	**16.8%**

Statutory cost income ratio is calculated as other operating expenses and cost of restructuring divided by total operating income.

Calculation	Source	2025 €m	2024 €m
Operating expenses	Income statement	2,472	2,435
Cost of restructuring programme	Income statement	133	57
Total operating expenses		**2,605**	**2,492**
Total operating income	Income statement	**4,165**	**4,413**
Statutory cost / income ratio %		**63%**	**56%**

Alternative performance measures *(continued)*

Tangible Net Asset Value (TNAV) per share is calculated as shareholder equity less intangible assets and goodwill divided by the number of ordinary shares in issue, adjusted for treasury shares.

Calculation	Source	2025 €m	2024 €m
Shareholder equity	Balance sheet	11,727	11,947
Less - intangible assets and goodwill	Balance Sheet	(1,594)	(1,500)
Adjust for own shares held for the benefit of life assurance policyholders	Balance sheet	4	7
Tangible net asset value		**10,137**	**10,454**
Number of ordinary shares in issue	Note 44	953	1,003
Less - treasury shares held	Note 44	(1)	(1)
		952	**1,002**
Tangible net asset value per share (cent)		**1,065**	**1,043**

Underlying excludes non-core items which are those items that the Group believes obscure the underlying performance trends in the business. See page 32 for further information.

Underlying cost income ratio is calculated on an underlying basis (excluding non-core items), as operating expenses excluding levies and regulatory charges divided by operating income, excluding other expenses / income and other valuation items.

Calculation	Source	2025 €m	2024 €m
Operating expenses	Income statement	2,472	2,435
Cost of restructuring programme	Income statement	133	57
Total		**2,605**	**2,492**
Exclude:			
Levies and regulatory charges	Note 11	(129)	(125)
Customer redress charges	Non-core items (OFR)	(268)	(182)
Impairment of internally generated computer software	Non-core items (OFR)	–	(108)
Cost of restructuring	Non-core items (OFR)	(133)	(57)
Acquisition costs	Non-core items (OFR)	(22)	(37)
Portfolio divestments (operating expenses)	Non-core items (OFR)	1	(13)
Other transformation programme costs	Non-core items (OFR)	(20)	–
Underlying costs		**2,034**	**1,970**
Operating income	Income statement	**4,165**	**4,413**
Exclude:			
Portfolio divestments (operating income)	Non-core items (OFR)	(3)	(82)
Other valuation items	Other income (OFR)	4	(29)
Gross up of policyholder tax in the W&I business	Non-core items (OFR)	(13)	(27)
Other expenses	Other income (OFR)	4	12
Liability management exercises	Non-core items (OFR)	–	4
Investment return on treasury stock held for policyholders	Non-core items (OFR)	5	2
Acquisitions costs	Non-core items (OFR)	–	2
Underlying income		**4,162**	**4,295**
Underlying cost / income ratio %		**49%**	**46%**

Underlying divisional contribution reflects the underlying financial contribution of each division towards the consolidated Group underlying profit or loss, before tax, excluding non-core items which obscure the underlying performance of the business.

Alternative performance measures *(continued)*

Underlying earnings per share is calculated as profit attributable to shareholders adjusted for non-core items, divided by the weighted average number of ordinary shares in issue, adjusted for average treasury shares.

Calculation	Source	2025 €m	2024 €m
Profit attributable to shareholders	Income statement	1,201	1,531
Non-core items, including tax	Non-core items (OFR)	354	264
Distribution on other equity instruments - AT1 coupon	Note 18	(81)	(62)
Adjustment for redemption of AT1 securities	Note 18	(5)	–
Adjustment for repurchase of AT1 securities	Note 18	–	(16)
Underlying profit attributable to ordinary shareholders		**1,469**	**1,717**
Weighted average number of ordinary shares in issue		972	1,025
Average treasury shares held		(1)	(1)
Weighted average number of shares in issue excluding treasury shares	Note 18	**971**	**1,024**
Underlying earnings per share (cent)		**151.3**	**167.6**

Underlying effective tax rate is calculated as the Group's tax charge adjusted for non-core items divided by the Group's profit before tax adjusted for non-core items.

Calculation	Source	2025 €m	2024 €m
Tax charge	Income statement	(192)	(324)
Adjusted to exclude tax on non-core items		(76)	(6)
Underlying tax charge		**(268)**	**(330)**
Profit before tax	Income statement	1,393	1,855
Adjusted to exclude non-core items	Non-core items (OFR)	430	275
Underlying profit before tax		**1,823**	**2,130**
Underlying effective tax rate		**15%**	**15%**

Wholesale funding is comprised of deposits by banks (including collateral received) and debt securities in issue.

Abbreviations

1LOD	First Line Of Defence
2LOD	Second Line Of Defence
3LOD	Third Line of Defence
ACS	Asset Covered Securities
AGC	Annual General Court
AGM	Annual General Meeting
AIB	Allied Irish Banks Group plc and subsidiaries
ALCO	Group Asset and Liability Committee
AML	Anti-Money Laundering
APMs	Alternative Performance Measures
AT1	Additional tier 1
ATM	Automated Teller Machine
AUM	Assets Under Management
Bank / GovCo	The Governor and Company of the Bank of Ireland
BAU	Business As Usual
BCBS	Basel Committee on Banking Supervision
BER	Building Energy Rating
BEV	Battery Electric Vehicles
BMR	Benchmark Reform
BoE	Bank of England
BoI	Bank of Ireland
BoIG plc	Bank of Ireland Group plc
BoIGM	Bank of Ireland Global Markets
BoIMB	Bank of Ireland Mortgage Bank
BoI (UK) plc	Bank of Ireland (UK) plc
BPFI	Banking and Payments Federation of Ireland
bps	Basis points
BRC	Board Risk Committee
BRR	Board Risk Report
BRRD	Bank Recovery and Resolution Directive
BSPF	Bank of Ireland Staff Pensions Fund
BTL	Buy to let
B&C	Bribery & Corruption
B2DS	Beyond 2 Degrees Scenario
CBI	Central Bank of Ireland
CBR	Combined Buffer Requirement
CCA	Climate Change Adaptation
CCB	Capital Conservation Buffer
CCM	Climate Change Mitigation
CCyB	Countercyclical capital buffer
CDEAs	Cleared Derivatives Execution Agreements
CDP	Carbon Disclosure Project
CE	Circular Economy
CEO	Group Chief Executive Officer
CES	Customer Effort Score
CET1	Common equity tier 1
CFO	Chief Financial Officer
CGU	Cash generating units
CIR	Cost / Income Ratio
CORSIA	Carbon Offsetting and Reduction Scheme for International Aviation
CPI	Consumer Price Index
CPO	Chief People Officer
CRD	Capital Requirements Directive (EU)
CRE	Commercial Real Estate
CRO	Chief Risk Officer
CRR	Capital Requirements Regulation
CRU	Commission for Regulation of Utilities
CSAs	Credit Support Annexes
CSIRO	Chief Sustainability and Investor Relations Officer
CSM	Contractual Service Margin
CSO	Central Statistics Office
CSRD	Corporate Sustainability Reporting Directive
CVA	Credit Valuation Adjustment
DAC	Designated Activity Company
DAE	Directly Attributable Expenses
DB	Defined benefit
DC	Defined contribution
DCF	Discounted Cash Flow
DEFRA	Department of Environment, Food and Rural Affairs
DGS	Deposit Guarantee Scheme
DMA	Double Materiality Assessment
DNSH	Do No Significant Harm
DTA	Deferred tax asset
DVA	Debit Valuation Adjustment
EAD	Exposure at Default
EBA	European Banking Authority
EC	European Commission
ECB	European Central Bank
ECL	Expected credit losses
EEA	European Economic Area
EFRAG	European Financial Reporting Advisory Group
EGM	Extraordinary General Meeting
ELBE	Expected Loss Best Estimate
EMS	Environmental Management System
EPC	Energy Performance Certificate
ERC	Executive Risk Committee
ERU	Economic Research Unit
ESEF	European Single Electronic Format
ESG	Environmental, Social and Corporate Governance
ESMA	European Securities and Markets Authority
ESRS	European Sustainability Reporting Standards
EU	European Union
EURIBOR	Euro Inter Bank Offered Rate
EV	Electric Vehicle
FCA	Financial Conduct Authority
FCC	Financial Crime Compliance
FDI	Foreign Direct Investment
FHS	First Home Scheme
FIRB	Foundation Internal Rating Based
FLI	Forward-looking information
FRA	Fully Retrospective Approach
FSA	Fixed Share Allowance
FSQS	Financial Supplier Qualification System
FRES	First Rate Exchange Services Limited
FRESH	First Rate Exchange Services Holdings Limited
FRS	Financial Reporting Standards

Abbreviations *(continued)*

FSCS	Financial Services Compensation Scheme
FTE	Full Time Equivalent
FVA	Funding Valuation Adjustment
FVOCI	Fair Value through Other Comprehensive Income
FVTPL	Fair Value Through Profit or Loss
FX	Foreign exchange
GAC	Group Audit Committee
GAR	Green Asset Ratio
GB	Great Britain
GCA	Gross Carrying Amount
GCCO	Group Chief Compliance Officer
GCIA	Group Chief Internal Auditor
GCRC	Group Credit Risk Committee
GCRO	Group Chief Risk Officer
GCTC	Group Credit Transactions Committee
GDP	Gross Domestic Product
GEC	Group Executive Committee
GHG	Greenhouse gas
GIA	Group Internal Audit
GMCLR	Group Market, Capital & Liquidity Risk
GMM	Group Measurement Model
GNFRC	Group Non-Financial Risk Committee
GNP	Gross National Product
GORC	Group Operational Risk Committee
GPS	Group Performance Scheme
GRC	Group Remuneration Committee
GRCRC	Group Regulatory and Conduct Risk Committee
GRI	Global Reporting Initiative
GSC	Group Sustainability Committee
GTC	Group Transformation Committee
GTOC	Group Transformation Oversight Committee
GWP	Global Warming Potential
HICP	Harmonised Index of Consumer Prices
HVO	Hydrotreated Vegetable Oil
I&D	Inclusion and Diversity
IAASA	Irish Auditing Accounting Supervisory Authority
IAS	International Accounting Standard
IBCB	Irish Banking Culture Board
IBOR	Inter Bank Offered Rate
IBR	Incremental borrowing rate
ICAAP	Internal Capital Adequacy Assessment Process
ICE	Intercontinental Exchange Inc
ICROA	International Carbon Reduction and Offsetting Alliance
IFIE	Insurance Finance Income or Expenses
IFRS	International Financial Reporting Standards
ILA	Impairment Loss Allowance
ILAAP	Internal Liquidity Adequacy Assessment Process
ILO	International Labour Organisation
ILTR	Indexed Long-Term Repo
INED	Independent Non-Executive Director
IPCC	Intergovernmental Panel on Climate Change
IRB	Internal Ratings Based
IRO	Impact, Risk and Opportunity
IRRBB	interest rate risk in the banking book
ISA	Individual Savings Account
ISDA	International Swaps and Derivatives Association
ISSB	International Sustainability Standards Board
IT	Information Technology
IVU	Independent Validation Unit
JST	Joint Supervisory Team
KBCI	KBC Bank Ireland
KMP	Key management personnel
KPIs	Key performance indicators
KRIs	Key Risk Indicators
kWh	Kilowatt Hour
LAF	Leveraged Acquisition Finance
LDR	Loan to deposit ratio
LCR	Liquidity Coverage Ratio
LDI	Liability Driven Investment
LEI	Legal Entity Identifier
LGD	Loss Given Default
LIC	Liability Incurred Claims
LoA	Level of Aggregation
LOS	Loan Origination Standards
LRC	Liability for remaining coverage
LSE	London Stock Exchange
LTV	Loan to Value
MCEV	Market Consistent Embedded Value
MDD	Modified Domestic Demand
MFS	Minimum Funding Standard
MiFID	Markets in Financial Instruments Directive
MLRO	Money Laundering Reporting Officer
MREL	Minimum Requirement for own Funds and Eligible Liabilities
MRC	Model Risk Committee
MRT	Material Risk Taker
NACE	Nomenclature of Economic Activities
NCI	Non-controlling interests
NED	Non-Executive Director
NFRD	Non-Financial Reporting Directive
NGFS	Network of Central Banks and Supervisors for Greening the Financial System
NGO	Non-governmental organisation
N&G	Group Nomination and Governance Committee
NI	Northern Ireland
NIAC	New Ireland Assurance Company plc
NIM	Net interest margin
NPE	Non-performing exposure
NPS	Net Promoter Score
NSFR	Net Stable Funding Ratio
NTMA	National Treasury Management Agency
NUTS	Nomenclature of territorial units for statistics
NZEB	Nearly Zero-Energy Buildings
OCI	Other Comprehensive Income
OCIO	Outsourced Chief Investment Officer
OECD	Organisation for Economic Co-operation and Development
OFR	Operating and Financial Review
OKRs	Objective and Key Results
ORSA	Own Risk and Solvency Assessment

Abbreviations *(continued)*

O-SII	Other Systemically Important Institutions
OTC	Over The Counter
P2R	Pillar 2 Requirement
PAA	Premium Allocation Approach
PBT	Profit Before Tax
PCA	Portfolio Coverage Approach
PCAF	Partnership for Carbon Accounting Financials
PD	Probability of Default
PMA	Post-Model Adjustment
POCI	Purchased or Originated Credit-impaired financial asset
PPC	Pollution Prevention and Control
PPP	Public Private Partnership
PRA	Prudential Regulatory Authority
PSAG	Product and Service Approval and Governance
PV	Photovoltaics
RAG	Red Amber Green
RCF	Revolving Credit Facility
RCA	Root Cause Analyses
RCSA	Risk and Control Self Assessment
REAU	Real Estate Advisory Unit
RMC	Risk Measurement Committee
RMF	Risk Management Framework
RMR	Risk Mitigation Requirement
RNPS	Relationship Net Promoter Score
RNS	Regulatory News Services
RoI	Republic of Ireland
RoTE	Return on Tangible Equity
RoU	Right of Use
RPI	Retail Price Index
RPPI	Residential Property Price Index
RSB	Responsible and Sustainable Business
RWAs	Risk weighted assets
SAPS	Self Administered Pension Schemes
SASB	Sustainability Accounting Standards Board
SB&A	Small Business & Agriculture
SBT	Science-Based Target
SBTi	Science-Based Targets initiative
SBC	Sustainable Business Coach
SBCI	Strategic Banking Corporation of Ireland
SCM	Supplier Criticality Methodology
SCR	Solvency Capital Requirement
SDA	Sector Decarbonisation Approach
SDG	Sustainability Decision Group
SEAI	Sustainable Energy Authority of Ireland
SEAR	Senior Executive Accountability Regime
SEPA	Single Euro Payments Area
SFDR	Sustainable Finance Disclosure Regulation
SFWG	Sustainable Finance Working Group
SID	Senior Independent Director
SIP	Stock Incentive Plan
SIRP	Special Incentive and Retention Plan
SMBPN	Special Mortgage-Backed euro Promissory Note
SME	Small and Medium Enterprise
SONIA	Sterling Overnight Index Average
SQ	Sustainability Quotient
SRB	Single Resolution Board
SREP	Supervisory Review & Evaluation Process
SUI	Speak up & Investigation Unit
TCFD	Task Force for Climate-related Financial Disclosure
TFSME	Term Funding Scheme for Small and Medium-sized Enterprises
TNFD	Taskforce on Nature-related Financial Disclosures
ToR	Terms of Reference
TPRM	Third party risk management
TSA	The Standardised Approach
TSR	Total Shareholder Return
TtC	Through-the-Cycle
UK	United Kingdom
UN	United Nations
UNEP	United Nations Environment Programme
UNPRB	United Nations Principles for Responsible Banking
US	United States
UoP	Use of Proceeds
UTP	Unlikeliness To Pay
VaR	Value at Risk
VFA	Variable Fee Approach
VIF	Value of in Force
VIU	Value in Use
VRR	Vertical Risk Retention
W&I	Wealth and Insurance
WBT	Web-based Training
WED	Workforce Engagement Director
WRI	World Resources Institute
WTR	Water and Marine Resources
WWF	World Wildlife Fund

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