20
22

FY22
Debt Investor Presentation

31 December 2022

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Overview

Strong strategic progress and financial performance in 2022

FY22 financial performance

10.6%
ROTE[1] in FY22

- Underlying PBT of €1.2bn
- Total income[2] +11% y/y, reflecting higher net interest income and growth in fee income
- Strong cost discipline maintained; like-for-like costs lower, cost to income ratio[5] reduced to 54%
- NPEs down 40%, NPE ratio 3.6% (2021: 5.5%)

Strategic progress accelerated in 2022

+11%
New customer relationships[3] (+c.440k)

- AUM +c.75% to c.€39bn, including €18.4bn following Davy acquisition
- c.240k new current accounts opened (+c.100% y/y); €11bn growth in Irish customer balances
- Bank of Ireland is the only privately held domestic bank in Ireland, following State sell down
- €7.8bn KBCI portfolio acquisition completed and portfolios safely migrated

Step change in outlook reflected in new financial targets

€350m
Distribution for 2022[4] (FY21 €104m)

- New annual financial targets for 2023-2025 post strategy update
  - c.15% ROTE[1] (based off 14% CET1)
  - Cost to income ratio[5] < 50%
  - Build to c.40% ordinary dividend pay-out ratio[6]
  - Distribution of surplus capital to be considered annually

[1] Basis of calculation for adjusted ROTE is set out on slide 57
[2] Including share of associates and JVs; and including additional gains and valuation items
[3] Includes c.240k of new current accounts, c.150k of new KBC customers and c.50k of new Davy clients
[4] Subject to necessary approvals
[5] Basis of calculation of cost to income ratio is set out on slide 58
[6] c.40-60% ordinary dividend pay-out ratio in formal distribution policy provides flexibility. This pay-out ratio excludes distributions of surplus capital, which will be considered annually

Key business line highlights

Irish Mortgages	**+64%** y/y increase in new mortgage drawdowns	• €3.9bn in new mortgage drawdowns; net book growth of 2% (ex NPE disposals) • Market share increased to 28% (FY21 23%); 31% H2 2022 • Performance supported by enhanced digital and green offerings, while maintaining commercial discipline
Wealth and Insurance	**20%** NIAC market share (2021 20%)	• c.€39bn AUM (+c.75% y/y) – New Ireland Assurance (NIAC) €20.8bn, Davy €18.4bn • AUM net inflows of €1.1bn in challenging markets • Davy Private Client NPS +68; NIAC Wealth Advice & Distribution CES +70
Business and Corporate Lending	**17%** New SME lending volumes FY22 (€3.2bn)	• First year of net lending growth in Business Banking Ireland in over a decade • Banking partner to 6 out of every 10 new FDI companies • Disciplined approach to International Corporate lending, given macro uncertainties
Retail UK	**+10% y/y** Retail UK FY22 operating contribution (£325m)	• Cost to income ratio further improves to 43% (FY21 45%); (FY17 70%) • Northridge new business lending +30% y/y • Further modest deleveraging expected in UK in 2023, in line with strategy; pace will reflect ongoing pricing discipline and market dynamics

Significant progress on our ESG Strategy

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Commitment to green transition evidenced by tangible outcomes	**1st** First Irish bank to have Science Based Targets validated by SBTi	**c.€8bn** Sustainability-related finance on balance sheet
Financial Wellbeing at the heart of customer interactions	**> 4 million** Financial Wellbeing engagements via mobile app[1]	**UN co-lead** on UN Financial Health & Inclusion working group
Improved colleague engagement and culture	**68%** Colleague Engagement Index (+5pts y/y)	**76%** Colleague Culture Index (+1pt y/y)

Inaugural Sustainability report; ESG upgrades from Sustainalytics, MSCI and S&P Global

[1] Engagements in response to messages received in-app

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Strong track record of delivery through 2018-22 cycle

2018 CMD target outcomes achieved…

	Target	Delivery	
ROTE	>10%	10.6%	✔
Cost level	Costs <€1.7bn	c.€1.65bn	✔
Cost trajectory	Reduced annually	Reduced annually	✔

	Target	Delivery	
Cost to income ratio	<50%	54%	✘
CET1	>13%	15.4%	✔
Distributions[1]	Prudent & progressive	**Distributions resumed** Post-pandemic and acquisitions	–

…underpinned by strategic delivery

- Significant improvement in Relationship NPS score (+15pts vs end 2018)
- #1 Green mortgage lender in Ireland and 1st Irish bank with validated SBTi targets
- c.440k new customers following market exits (+11% y/y)
- Improvement in Colleague Engagement score to 68% (+19ppts vs 2017)

[1] Distributions recommenced in 2018 (in respect of 2017) at €124m and proposed at €350m in respect of 2022. Distributions paused in 2020/2021 reflecting ECB COVID-19 Recommendations

Highly attractive market and demographics

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Ireland is the fastest growing economy in the EU	**+6ppts[1]** Irish economic growth vs EU average 2023-25 (fastest in EU)	**4.4%** Ireland unemployment rate January 2023
Ireland has a younger population and higher savings ratio than most other EU countries	**33%** of population less than 25 years old (7ppts > EU average)	**19%** Irish savings ratio[2] (highest in EU)
Banking sector has consolidated with two mainstream banks departing in 2022	**+11%** Growth in new BOI customers	**+c.€11bn** Retail Ireland balances in 2022 (+18%) as customers switched due to exits

Global macro uncertainties and non-traditional competition are risks the Group is carefully managing

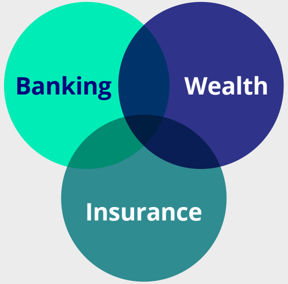
[1] Cumulative
[2] CSO Household savings ratio Q3 2022

Differentiated business model is increasing value creation

Leading, full-service bank with c.440k new customers[1] (+11%)

Leading ROI Retail franchise	Leading Business and Corporate franchises	Bolstered by recent market moves
>2.0m	**c.300k**	**c.200k**
Active personal customers	Active business/ corporate customers	New customers from Davy and KBC acquisitions

Unique wealth offering; Ireland's only bancassurer



Complementary international footprint

- Diversified across 6 countries with significant allocation to the UK
- #1 banking partner for Foreign Direct Investment (FDI) in Ireland

€48bn[2]	**€25bn**	**€7bn**
(60%)	(31%)	(9%)

Gross lending (% of total[4])

Strong financial profile (2022)

Attractive returns	Strong capital position	Effective risk management
10.6%	**15.4%**	**3.6%**
ROTE (410bps improvement[3])	CET1 (160bps improvement[3])	NPEs (470bps improvement[3])

[1] Included within active customer numbers
[2] 2022 pro-forma including impact of KBC acquisition
[3] Comparisons vs 2017
[4] Based on geographic location of customers

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Strategic pillars to deliver 2025 outcomes

Stronger Relationships

Activate
Further embedding a digital first customer acquisition model

Connect
Improved customer experiences (>10 Relationship NPS from +4 in 2022)

Grow
Needs-based customer offering, targeting increased product holding (>5% / +250k new products[1])

Driving Growth

Simpler Business

<50%
Annual cost-income ratio 2023-2025

+10pts
Improvement in customer effort score, from 50 in 2022

+6ppts
Improvement in Colleague Engagement score, from 68% in 2022

Improving Efficiency

Sustainable Company

c.15%
Annual ROTE target 2023-2025

#1
for Financial Wellbeing, maintained

€15bn
Sustainable financing, from c.€8bn in 2022

Enhancing Returns

Delivered through our key business lines

Irish Residential Mortgages | Everyday Banking | Wealth and Insurance | Business and Corporate | Retail UK

[1] Measured by average product holdings. Baseline c.1.8 products for retail and business customers across Retail Ireland and NIAC

Practical, meaningful ESG interventions

Managing environmental risks; leveraging opportunities	**c.€15bn** Sustainable financing by 2025 (and €30bn by 2030)	**Advisory** Providing leading advice on ESG (e.g. Davy Horizons for SMEs)
Delivering impact across society through our activities	**#1** Position for Financial Wellbeing	**50:50** Gender balance target for senior appointments
Embedding Governance into the "BAU"	**Alignment** Improved transparency and elevated disclosures and policies	**KPIs** Further embedding ESG into performance assessment

Operational Performance

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Strong financial performance in 2022

	FY 2021 (€m)	FY 2022 (€m)	y/y %
Net interest income	2,219	2,482	12%
Business income	636	774	22%
Additional gains, valuation and other items	89	(22)	nmf
Total Income	**2,944**	**3,234**	10%
Operating expenses	(1,647)	(1,746)	6%
Levies and Regulatory charges	(130)	(143)	10%
Operating profit pre-impairment	**1,167**	**1,345**	15%
Net impairment gains / (charges)	194	(187)	nmf
Share of associates / JVs	5	40	700%
Underlying profit / (loss) before tax	**1,366**	**1,198**	-12%
Non-core Items	(145)	(142)	-2%
Profit before tax	**1,221**	**1,056**	-14%

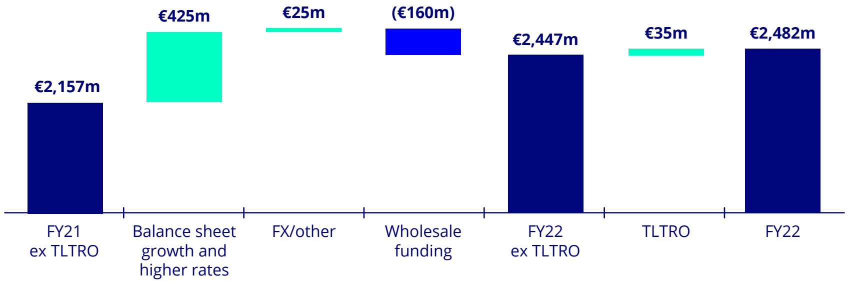
	FY 2021 (€m)	FY 2022 (€m)	y/y %
Net interest margin (NIM)	1.86%	1.96%	+10bps
Cost income ratio[1]	58%	54%	-4ppt
Underlying earnings per share	100.2c	87.0c	-13%
Return on Tangible Equity (RoTE) – adjusted[2]	12.0%	10.6%	-1.4ppt
TNAV[5]	880c	901c	2%

- FY 22 performance reflects positive business momentum, continued focus on efficiencies and more normalised impairment charge
- Operating profit pre-impairment +15% y/y reflecting
  - Net interest income +12% reflecting higher interest rates, higher customer balances and business momentum
  - Business income[3] +27% reflecting Davy acquisition and increased customer activity (+15% ex Davy)
  - Operating expenses +6% y/y; 0.4% lower on a like-for-like basis[4]
- Net credit impairment charge (€187m); reflects cautious macroeconomic assumptions and portfolio activity
- Adjusted ROTE[2] of 10.6%, decline vs FY21 primarily due to a more normalised impairment charge

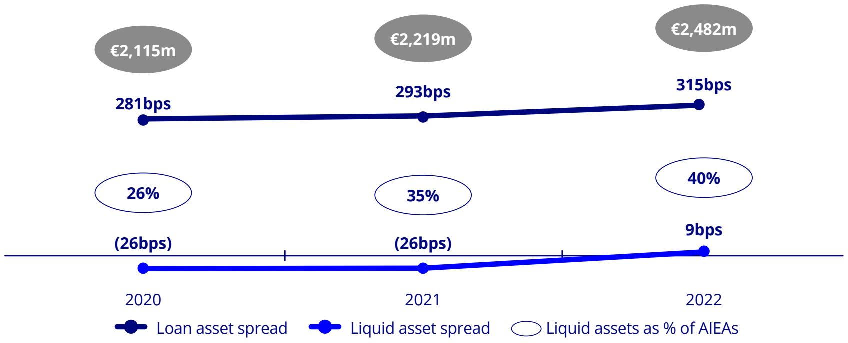
[1] See slide 58 for calculation
[2] Updated basis of calculation is set out on slide 57. 2021 has been restated on the same basis
[3] Including share of associates and JVs income
[4] Excluding Davy impact and one-off investment to capture opportunities from exiting banks
[5] See slide 55 for calculation

Net interest income 12% higher

Net interest income movement



Net interest income[2]



2022 Performance

- Net interest income (NII) +12% y/y primarily driven by
  - Higher liquid asset income reflecting higher interest rates and growth in our Irish deposit franchise of €11bn (including c.€7bn from new customers)
  - Higher UK NII reflecting higher interest rates and the benefits of the Group's value over volume strategy
  - Higher lending income in our other franchises
  - Partially offset by higher wholesale funding costs
- Pricing discipline maintained; loan asset spread 22bps higher vs 2021

2023 Outlook

- Q4 2022 NII (ex TLTRO) c.€3.0bn on annualised basis
- 2023 NII expected to be over 12% higher than Q4 2022 annualised level, reflecting
  - underlying business momentum
  - acquisition of KBC portfolios in Feb 2023 and
  - higher interest rate expectations in 2023[3]

1 c.€62m of TLTRO income included in 2021 NII, €35m included in 2022 NII
2 Spread = Loan asset yield or Liquid asset yield less Group's average cost of funds, excludes NII impact from TLTRO
3 Interest rate assumptions: ECB deposit rate of 3%, BOE base rate of 4.25% and Fed Funds rate of 4.25% at end 2023

Net interest income resilience from structural hedge

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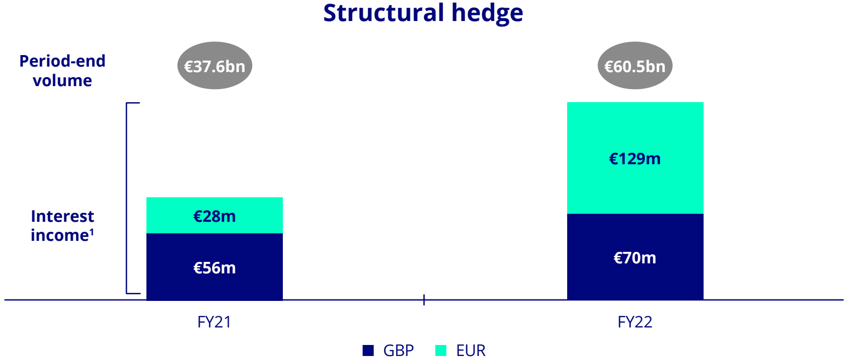


Illustrative NII sensitivity[2] to parallel shift in interest rates (annualised)

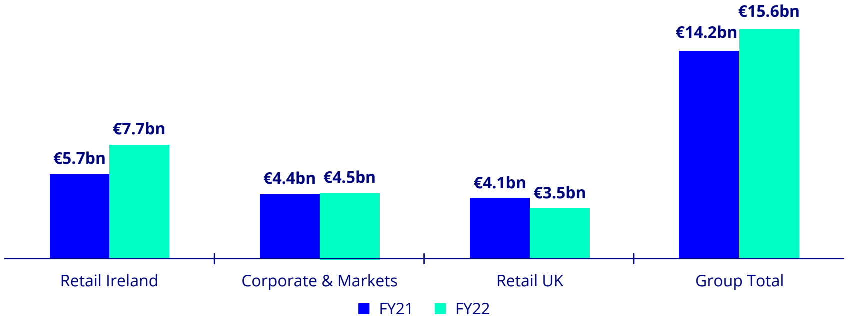
	EUR	GBP	USD	Total
+100bps	€200m	€50m	€20m	**€270m**
-100bps	(€300m)	(€60m)	(€20m)	**(€380m)**

- Increased structural hedge volumes of €60bn at end 2022 reflect
  - Increase in current account balances
  - Hedging of current account balances previously subject to negative interest rates
  - Decision to hedge a proportion of demand deposit balances
- Increased income in FY22 reflects higher swap rates and volumes; average yield increased from 23bps to 45bps between FY21 and FY22
- Average duration of hedge portfolio of c.3.5 years at end 2022, with one seventh of the portfolio rolling annually
- NII sensitivity reduced vs HY22[3] primarily reflecting increase in structural hedge volumes, with reduction partially offset by balance sheet growth
  - increased structural hedge enhances net interest income resilience

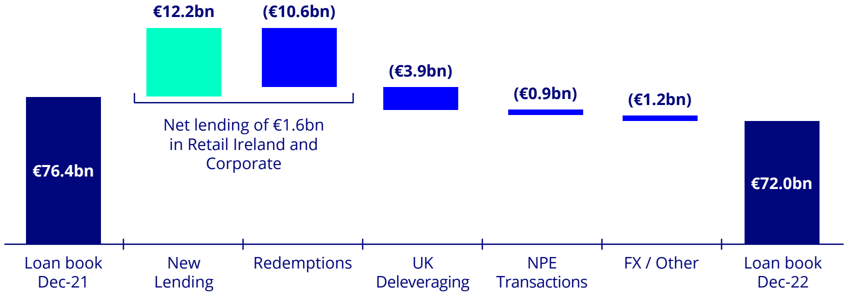
[1] Gross interest income from fixed leg of hedging swap
[2] The sensitivity assumes (i) an instantaneous and parallel movement in all interest rates, with a starting point of an ECB deposit rate of 2%; (ii) a static balance sheet in size and composition; (iii) assets and liabilities whose pricing is mechanically linked to market or central bank policy rates reprice immediately; (iv) certain other inputs including pass throughs to assets and liabilities. The sensitivities should not be considered a forecast of future performance in rate scenarios as they do not capture potential management action in response to unexpected changes in the interest rate environment. Net interest income sensitivities will change depending on interest rate starting point
[3] Total NII sensitivity at HY22 to +100bps parallel shift in interest rate = €435m

Net lending of €1.6bn in Retail Ireland and Corporate

New lending[1] by division



Group loan book movement



Strong growth in Irish mortgage lending

- Total new lending of €15.6bn in 2022 (+10% y/y)
  - Retail Ireland +36% y/y supported by 64% growth in mortgages
  - Corporate & Markets +2% y/y supported by 7% growth in Corporate Ireland
  - Retail UK -16% y/y driven by reduction in mortgages, reflecting pricing discipline and focus on value over volume
- Net lending of €1.0bn in Retail Ireland and €0.6bn in Corporate in 2022
  - Net lending of €0.7bn in Irish mortgages and €0.2bn in Irish SME; further net lending in Retail Ireland expected in 2023 supported by mortgage lending
  - Disciplined approach to international corporate lending
- UK deleveraging of €3.9bn in line with strategy; deleveraging expected to moderate in 2023, with pace reflecting ongoing pricing discipline and market dynamics

[1] On a constant currency basis

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Business income[1] +27% (+15% ex Davy[2])

	FY 2021 (€m)	FY 2022 (€m)	y/y %
Wealth and Insurance (incl. Davy)	266	382	44%
Retail Ireland	215	274	27%
Retail UK	2	(36)	nmf
Corporate and Markets	157	169	8%
Group Centre and other	(4)	(15)	nmf
Business Income	**636**	**774**	22%
Share of associates / JVs	5	40	700%
Business Income incl. JVs	**641**	**814**	27%
Additional gains	17	100	488%
Valuation and other items	72	(122)	-269%
Other Income	**730**	**792**	8%

- Wealth and Insurance +44% y/y following acquisition of Davy[2] (+15% ex Davy) and improved performance on the existing book
- Retail Ireland +27% y/y due to higher customer activity and attraction of new customers
- Retail UK fee expense primarily reflects partnership profit-sharing arrangement, with benefits reflected in net interest income
- Corporate and Markets +8% y/y due to higher FX income and rising interest rates
- Associates and JVs benefitting from recovery of UK travel industry post COVID-19
- Additional gains of €100m primarily reflect gains realised on bond sales in 2022. Valuation and other items charge reflects market volatility

2023 outlook

- Reported business income (including JVs) is expected to be high single digit % lower due to the adoption of IFRS 17[3]
- Adjusting for IFRS 17, business income is expected to increase supported by growth in Wealth, Retail Ireland and the benefit of a full year of Davy

[1] Including share of associates and JVs
[2] Davy acquired on 1 June 2022
[3] Further information on the expected impact of IFRS 17 are set out on slide 59

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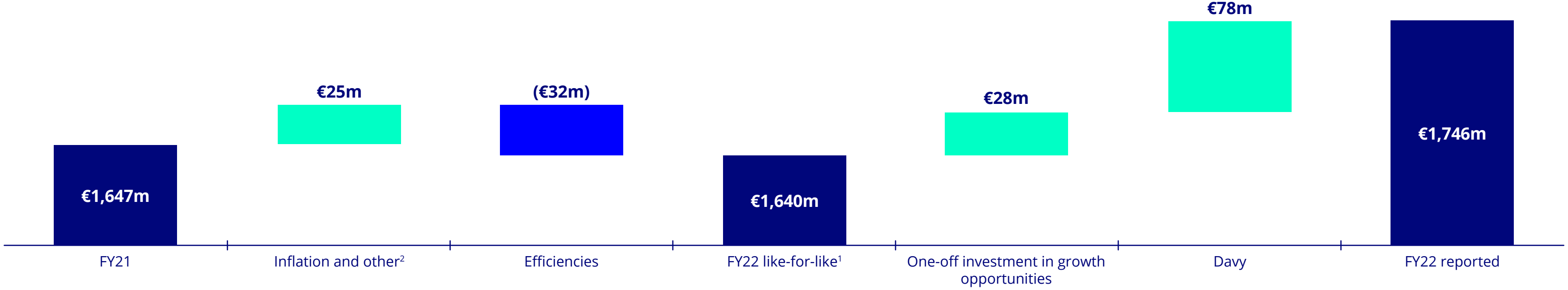
Like-for-like expenses[1] below FY21

Cost Movement



FY22 operating expenses

- Operating expenses[1] reduction of 0.4% y/y reflects ongoing efficiencies and other reductions, partially offset by inflation and other items[2]
- Reported costs 6% higher reflecting
  - Davy operating expenses €78m (acquired 1 June 2022)
  - Additional one-off costs of €28m supporting investment to capture opportunities from exiting banks in Ireland
- Levies and regulatory charges of €143m

2023 outlook

- Operating expenses expected to be mid single digit % higher than 2022 reported expenses reflecting
  - Like-for-like expenses broadly in line
  - Full year impact of Davy and IFRS 17[3] impacts largely offsetting each other
  - KBC portfolio impact of c.€25m, partially offset by lower strategic investment cost as one off customer onboarding concludes
  - Lifting of variable pay restrictions, with payment performance related
  - Additional investment to drive future efficiencies
- Levies expected to be c.€160m, driven by higher deposit balances

[1] FY22 operating expenses excluding Davy, one-off investment and levies and regulatory charges
[2] Comprises wage inflation, one off cost-of-living benefit, pension, adverse FX impacts and other items
[3] Further information on the expected impact of IFRS 17 is set out on slide 59

Non-core items

Non-core items	FY 2021 (€m)	FY 2022 (€m)
Transformation programme costs	(122)	(50)
Acquisition costs	(2)	(54)
Customer redress charges	(22)	(29)
Investment return on treasury stock held for policyholders	(8)	(8)
Gross-up for policyholder tax in the Wealth and Insurance business	24	(2)
Other	(15)	1
Total non-core items	**(145)**	**(142)**

2022 non-core items

- Net non-core charge of €142m primarily comprising
  - transformation programme charge (€50m) primarily related to Retail UK restructuring
  - acquisition costs (€54m) with €44m relating to Davy transaction and €10m relating to KBC transaction[1]
  - Customer redress charges (€29m) primarily relating to completion of Tracker Mortgage Examination review

2023 outlook

- 2023 non-core items expected to be lower than 2022

[1] Davy figure includes €11m relating to deferred consideration payable to certain Davy employees, which is treated as remuneration under accountancy rules

FY22 net impairment charge of €187m or 25bps

FY 2022

IFRS 9 models and management adjustments (PMAs)

(€20m) charge

- IFRS 9 model updates (€137m) reflecting downgrade of macroeconomic outlook and model parameter updates
- Net gain of €117m on PMAs in 2022 reflecting
  - Unwinding of PMAs of €177m (primarily COVID-19 PMA of €132m)
  - New PMA of €60m for SME NPEs earmarked for disposal

Loan loss experience and portfolio activity

(€167m) charge

- €214m charge split evenly over H1 and H2; primarily reflects net losses on case specific credit events and legacy NPE reduction
- €47m gain related to one-off recoveries received between 2018-2021 in respect of loans previously subject to ILA utilisation

Prudent approach applied in setting macroeconomic scenarios[1]

31 December 2022	2023	2024	2025-2027
Ireland Probability Weighted Scenario			
GDP growth	3.0%	3.2%	3.1%
Unemployment	5.4%	5.8%	5.7%
House Price Index	-4.7%	-2.1%	0.9%
Commercial Real Estate Prices	-7.8%	-4.0%	1.0%
Delta vs Central Scenario			
GDP growth	-1.1%	-0.6%	0.0%
Unemployment	0.5%	0.9%	0.9%
House Price Index	-4.7%	-2.1%	-1.1%
Commercial Real Estate Prices	-1.8%	-1.5%	-0.9%

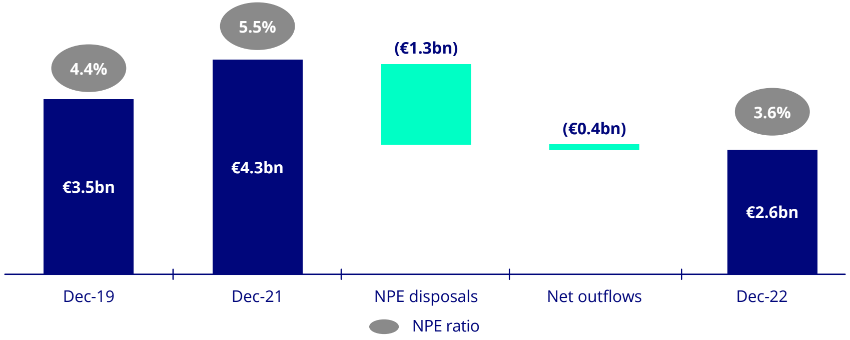
FY23 Outlook

Subject to no material change in the economic conditions or outlook, we expect the 2023 impairment charge to be mid-30s bps

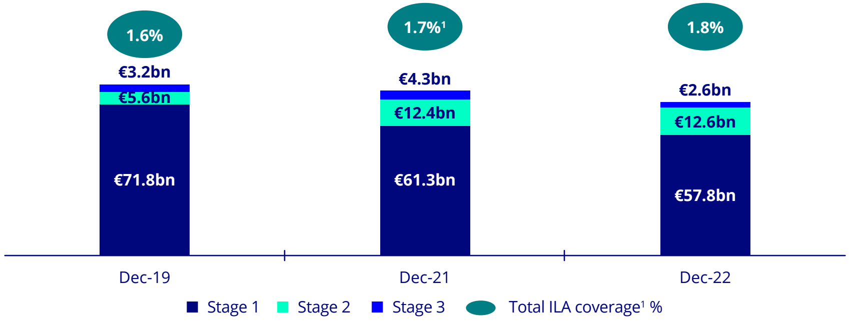
[1] See slide 53 for 2022-2027 macroeconomic assumptions used in IFRS 9 models

Significant reduction in NPEs

NPE movements – NPE ratio declines to 3.6%



Group loan book by stage



Non-performing exposures c.40% lower y/y

- NPE ratio significantly reduced following NPE disposals in H2 2022, now at 3.6%; 3.4% pro forma post KBC acquisition
- Proven track record of
  - Sustainable solutions with customers
  - Successful transaction execution
- Ambition remains to further reduce NPE ratio

Prudent provisioning approach – coverage level increased

- Coverage level[1] higher than 2021 and pre-COVID, alongside material reduction in NPEs
- Stage 2 volumes reflect pro active approach to performing asset quality categorisation
- Combined coverage on Stage 1 and 2 loans is c.40% above pre-COVID levels, increasing from 0.43% to 0.61%

[1] 2021 ILA coverage level is a pro-forma calculation reflecting coverage on loans and advances excluding NPEs disposed of in 2022

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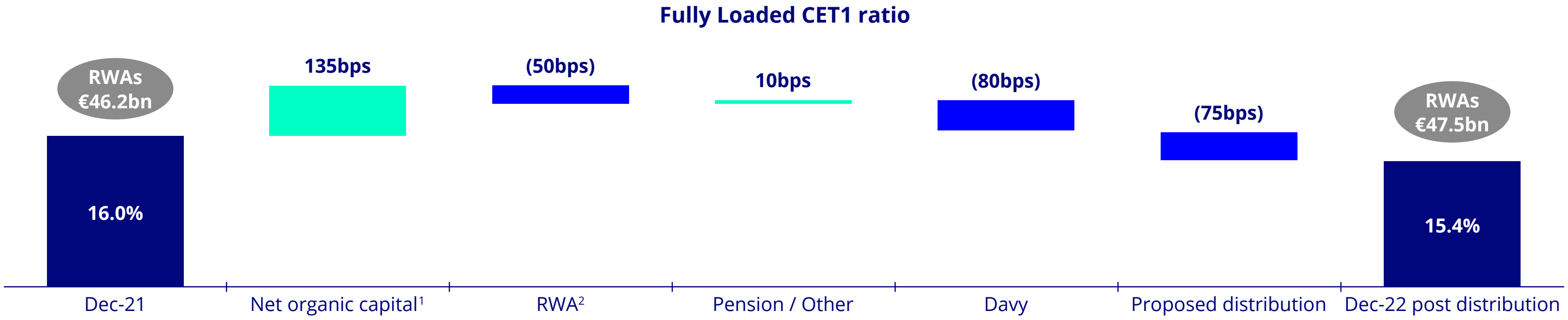
Capital & MREL

Strong capital generation supports material step up in distributions



Strong capital generation

- Organic capital generation of 135bps; significant step up in H2
- RWAs increased by c.€1.3bn, primarily reflecting loan book mix
- Capital position supports acquisition of KBC portfolios (c.110bps); completed in Feb 2023
- IFRS 17 implementation expected to impact CET1 by (c.30bps)
- Regulatory CET1 ratio of 15.9%; 585bps headroom to capital requirements

Distributions and capital guidance

- Total distribution of €350m, equivalent to 75bps of CET1
  - €225m ordinary dividend; 25% pay-out ratio of statutory profit
  - €125m additional distribution via share buyback, subject to regulatory approval
- CET1 guidance of >14% reflects updated management consideration as Group embarks on new strategic cycle, with updated distribution policy

[1] Net organic capital generation primarily consists of attributable profit after impairment and movements in regulatory deductions
[2] RWA movements from changes in loan book mix, asset quality and movements in other RWAs

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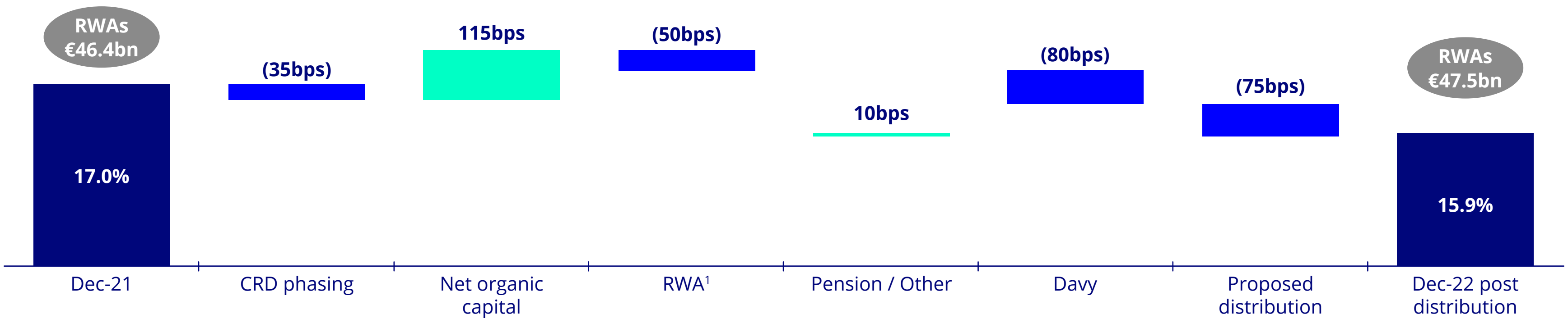
Regulatory ratios

Regulatory CET1 ratio



Regulatory Capital Metrics	Dec-21	Dec-22
CET1 Ratio	17.0%	15.9%
Tier 1 Items/ Instruments:	2.1%	2.1%
Tier 1 Ratio	19.1%	17.9%
Tier 2 Items/ Instruments:	3.2%	3.1%
Total Capital Ratio[1]	22.3%	21.0%
Risk Weighted Assets	€46.4bn	€47.5bn
MREL Ratio	31.4%	31.5%
Leverage Ratio	6.6%	6.5%

CET1
- Movement in Regulatory CET1 ratio broadly aligned with movement in fully loaded ratios

Tier 1 & Total Capital
- Reduction in Tier 1 and Total Capital ratios broadly aligned with reduction in CET1 ratio
- Tier 1 bucket (2.1%) unchanged over 2022
- Tier 2 bucket reduced modestly as c.€0.8bn of redemptions offset by c.€0.8bn of Tier 2 issuance

MREL
- MREL Ratio broadly unchanged over 2022
- MREL eligible senior debt issuance of c.€2bn in 2022; partially offset by exclusion of c.€1.2bn of bullet instruments with <12 months to maturity

[1] RWA movements from changes in loan book mix, asset quality and movements in other RWAs

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Balance sheet

	Dec-21 (€bn)	Dec-22 (€bn)
Customer loans	76	72
Liquid assets	50	49
Other assets	29	30
Total assets	**155**	**151**
Customer deposits	93	99
Wholesale funding	21	11
Shareholders' equity	10	11
Other liabilities	31	30
Total liabilities	**155**	**151**
TNAV per share	€8.80	€9.01
Closing EUR / GBP FX rates	0.84	0.89

	Dec-21	Dec-22
Liquidity Coverage Ratio	181%	221%
Net Stable Funding Ratio	144%	163%
Loan to Deposit Ratio	82%	73%

Funding & Liquidity

- Liquid Assets reduced by c.€1bn; c.€11bn repayment of TLTRO offset by c.€6bn growth in customer deposits and c.€4bn reduction in customer loans
- LDR reduced (82% to 73%), NSFR increased (144% to 163%) driven by growth in customer deposits and reduction in customer loans primarily due to NPE reduction and UK lending volumes
- LCR increased from 181% to 221% predominantly due to higher deposits and further MREL eligible senior debt issuance

Customer deposits: €99bn

- Growth of €6bn predominantly driven by higher household and SME volumes in Ireland combined with customer migration from banks exiting the Irish market, partially offset by lower Retail UK deposits arising from deleveraging in line with strategy

Wholesale funding: €11bn

- €10bn lower than Dec 2021 primarily due to the full repayment of TLTRO funding €11bn, an ACS bond maturity of €1bn partially offset by MREL eligible senior debt issuance of €2bn
- Capital and MREL requirements primary driver of new wholesale funding

Tangible Net Asset Value

- TNAV increased c.2% to €9.01 since Dec 21, with the increase primarily reflecting profit for the period, partially offset by goodwill on acquisition of Davy

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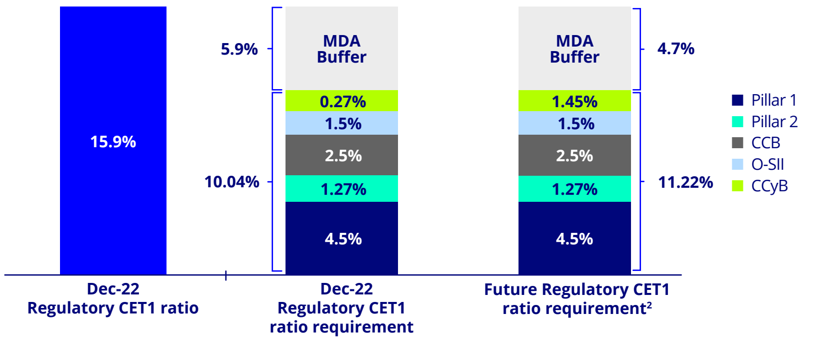
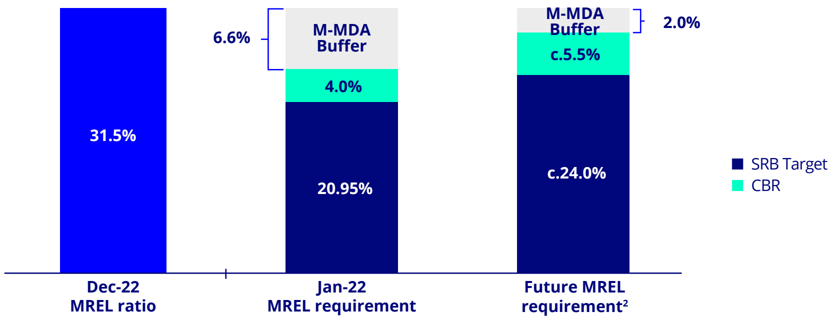
Significant buffer to potential MDA[1] restrictions

Regulatory CET1 ratio vs. MDA Threshold



MREL ratio vs. MREL-MDA Threshold



- Regulatory CET1 ratio of 15.9% at Dec 2022
  - Continued phase-in of existing transitional adjustments expected to consume c.25bps per annum in 2023/2024
  - Completion of KBCI transaction and transition to IFRS17 expected to consume c.140bps in Q1 2023
- Dec 2022 Regulatory CET1 ratio provides a buffer of c.5.9% to current MDA threshold and c.4.7% over future MDA threshold
- Future regulatory CET1 requirement reflects phase-in UK CCyB (1% from Dec 2022; 2% from Jul 2023) and ROI CCyB (0.5% from Jun 2023 and 1% from Nov 2023; expected to increase to 1.5% from mid-2024)
- Dec 22 MREL ratio of 31.5% (11.5% on a leverage basis) provides a buffer of c.6.6% to current MREL-MDA threshold
- Future MREL RWA requirement expected to increase to c.29.5%, reflecting phase-in of CCyB requirements into MREL requirement. MREL requirement of 7.6% on a leverage basis
- MREL eligible senior debt issuance of c.€1bn-€2bn p.a. anticipated; €750m issued in January 2023

[1] The Maximum Distributable Amount (MDA) is determined as a percentage of attributable profits earned in the period to which the buffer breach and MDA calculation pertains, and will vary depending on the extent of the breach of the CBR which is measured in quartiles (bottom quartile – 0%, second quartile – 20%, third quartile – 40% and top quartile – 60% of profits)

[2] Future capital and MREL requirements reflect expected increase in ROI CCyB to 1.5% and UK CCyB at 2%. The CBI stated its intention to increase the ROI CCyB to 1.5% by mid-2023 (effective mid-2024) conditional on macro-financial conditions

Risk weighted assets (RWAs) / Leverage ratio

Customer lending average credit risk weights – Dec 2022[1,2]

(Based on regulatory exposure class)

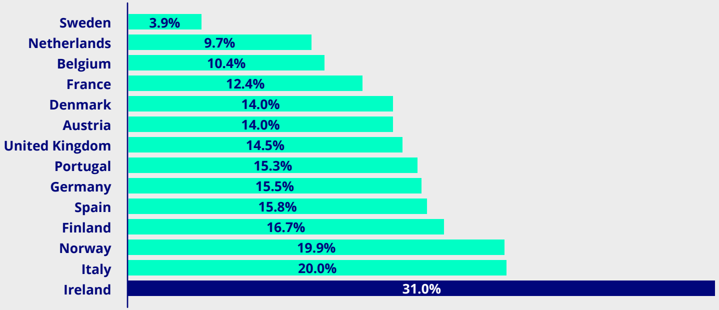
	EAD[3] (€bn)	RWA (€bn)	Avg. Risk Weight
Ireland Mortgages	22.3	5.1	23%
UK Mortgages	16.0	3.3	21%
SME	15.7	11.3	72%
Corporate	12.4	11.1	90%
Other Retail	5.9	4.3	73%
Customer lending credit risk	**72.4**	**35.2**	**49%**

- IRB approach accounts for:
  - 55% of credit EAD (Dec 2021: 55%)
  - 70% of credit RWA (Dec 2021: 70%)

EBA Transparency Exercise 2022

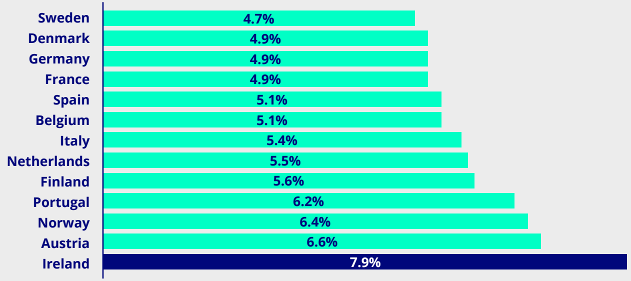
Country by Country Average IRB risk weights

Residential Mortgages – Jun 2022



EBA Risk Dashboard – Jun 2022

Country by Country Average Regulatory Leverage ratios

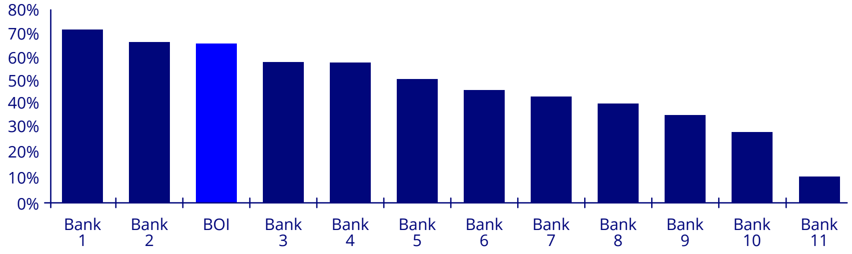


[1] EAD and RWA include both IRB and Standardised approaches and comprise both non-defaulted and defaulted loans
[2] Securitised exposures are excluded from the table (i.e. excludes exposures included in CRT transactions)
[3] Exposure at default (EAD) is a regulatory estimate of credit risk exposure consisting of both on balance exposures and off balance sheet commitments

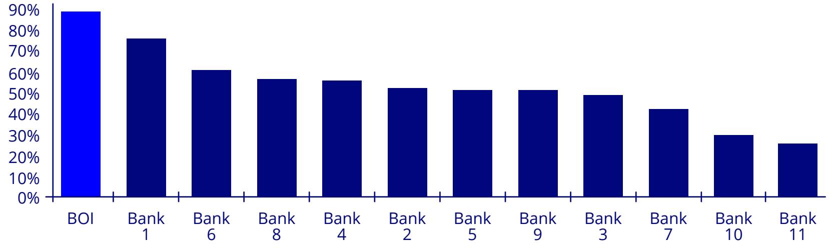
EBA Transparency Exercise 2022[1]

Bank of Ireland's IRB RWA density across major loan portfolios exceeds a wide distribution of European peers

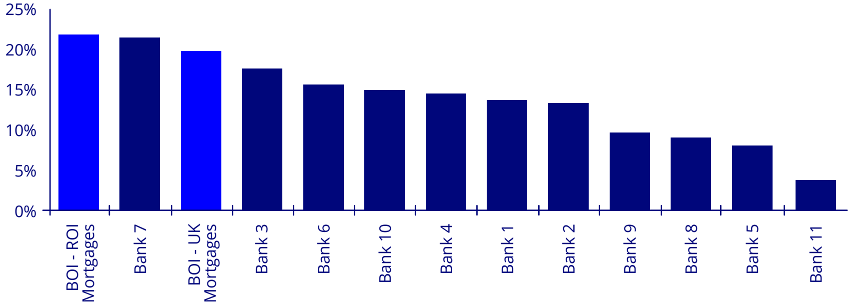
IRB RWA: SME Lending[2]



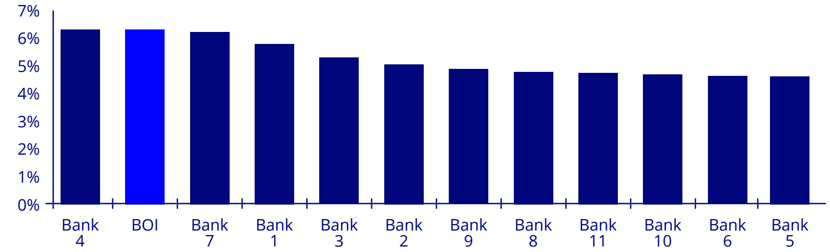
IRB RWA: Corporate Lending[3]



IRB RWA: Domestic Mortgage Lending[4]



Leverage Ratio (Regulatory Basis)[5]



[1] Charts represent 30 June 2022 figures published by the EBA for ABN AMRO, Banco Comercial Português, Groupe BPCE, CaixaBank, Commerzbank, Danske Bank, DNB Bank ASA, Erste Group, Intesa Sanpaolo, KBC Group, Svenska Handelsbanken
[2] Credit Risk IRB Approach Risk Exposure Amount divided by Exposure Value for "Corporates – Of Which SME" at 30 June 2022
[3] Credit Risk IRB Approach Risk Exposure Amount divided by Exposure Value for "Corporates – Excluding SME & Specialised Lending" at 30 June 2022
[4] Credit Risk IRB Approach Risk Exposure Amount divided by Exposure Value for "Retail – Secured on Real Estate Property - SME" and "Retail – Secured on Real Estate Property – Non SME" at 30 June 2022
[5] "Leverage Ratio – Using a transitional definition of Tier 1 Capital" at 30 June 2022

Regulatory capital requirements

Pro forma CET1 regulatory capital requirements	2022	2023	2024
Pillar 1 – CET1	**4.50%**	4.50%	4.50%
Pillar 2 Requirement (P2R)	**1.27%**	1.27%	1.27%
Capital Conservation Buffer (CCB)	**2.50%**	2.50%	2.50%
Ireland Countercyclical buffer (CCyB)[1]	**0.00%**	0.61%	0.92%
UK Countercyclical buffer (CCyB)	**0.26%**	0.52%	0.52%
US and other (c.10% of RWA)	**0.01%**	0.01%	0.01%
O-SII Buffer *(phase in July each year)*	**1.50%**	1.50%	1.50%
Systemic Risk Buffer – Ireland	**–**		
Pro forma minimum CET1 regulatory requirements	**10.04%**	**10.91%**	**11.22%**
Pillar 2 Guidance (P2G)	**Not disclosed in line with regulatory preference**		

Regulatory capital requirements

- The Group is required to maintain a CET1 ratio of 10.04% on a regulatory basis at 31 December 2022, increasing to 10.91% in Dec 2023 (excluding P2G)
- 2023 requirements include the phase-in of (i) the ROI CCyB to 0.5% from Jun 2023 and to 1.0% effective Nov 2023; and (ii) the UK CCyB to 2% from Jul 2023
- 2024 requirements assume Ireland CCyB increased to 1.5%[1]
- CET1 headroom of c.585bps to Dec 2022 regulatory capital requirements of 10.04%
- Regulatory total capital ratio of 21.0% at Dec 2022 provides headroom of c.650bps above 2022 total capital requirement of 14.52%

[1] The CBI stated its intention to increase the ROI CCyB to 1.5% by mid-2023 (effective mid-2024) conditional on macro-financial conditions, which if introduced would increase the Group's capital requirement by a further c.0.3% in 2024 vs end 2023 requirements

Bank of Ireland

Credit ratings

	BOIG (Stand alone ratings)	BOIG (Senior ratings)
Moody's	baa1 Stable	A3 Stable
FitchRatings	bbb Stable	BBB Stable
S&P Global	bbb Stable	BBB- Positive

Instrument ratings

	Moody's			FitchRatings		S&P Global	
	BOIG	GovCo	BOIMB (ACS)[1]	BOIG	GovCo	BOIG	GovCo
Investment Grade	Aaa	Aaa	**Aaa** C	AAA	AAA	AAA	AAA
	Aa1	Aa1	Aa1	AA+	AA+	AA+	AA+
	Aa2	Aa2	Aa2	AA	AA	AA	AA
	Aa3	Aa3	Aa3	AA-	AA-	AA-	AA-
	A1	**A1** S	A1	A+	A+	A+	A+
	A2	A2	A2	A	A	A	A
	A3 S	A3	A3	A-	A-	A-	**A-** S
	Baa1	Baa1	Baa1	BBB+	**BBB+** S	BBB+	BBB+
	Baa2 T2	Baa2	Baa2	**BBB** S	BBB	BBB	BBB
	Baa3	Baa3	Baa3	BBB-	BBB-	**BBB-** S	BBB-
Sub Investment Grade	**Ba1** AT1	Ba1	Ba1	**BB+** T2	BB+	BB+	BB+
	Ba2	Ba2	Ba2	BB	BB	**BB** T2	BB
	Ba3	Ba3	Ba3	**BB-** AT1	BB-	BB-	BB-
	B1	B1	B1	B+	B+	B+	B+
	B2	B2	B2	B	B	**B** AT1	B
	B3	B3	B3	B-	B-	B-	B-
	(…)	(…)	(…)	(…)	(…)	(…)	(…)

C Covered bond S Senior unsecured T2 Tier 2 AT1 Additional Tier 1

[1] BOIMB is the Group's issuer of Irish Covered Bonds (ACS). Moody's has not assigned an issuer rating to BOIMB

Summary highlights

Capital

- Significant step up in organic capital generation in H2 2022; expected to materially increase in 2023
- CET1 guidance of >14% reflects updated management consideration as Group embarks on new strategic cycle, with updated distribution policy
- Future capital issuance influenced by market conditions and refinancing/ growth

RWA

- IRB RWA density across largest customer loan portfolios continues to exceed a wide distribution of European peers
- RWA density offers potential mitigation against future implementation of Basel IV

MREL

- MREL ratio of 31.5% at Dec 2022, Jan 2022 interim requirement of 24.95%; Future MREL requirement of c.29.5%
- MREL eligible senior debt issuance of c.€1bn-€2bn p.a. anticipated; Green bonds will continue to form part of capital and MREL eligible senior debt issuance

Economy

- Ireland is the fastest growing economy in the EU; has a younger population and higher savings ratio than most other EU countries;
- Banking sector has consolidated with two mainstream banks departing in 2022

Asset Quality

- Significant improvement in asset quality; NPEs down 40%, NPE ratio 3.6% (2021: 5.5%)
- Coverage level higher than 2021 and pre-COVID, alongside material reduction in NPEs

Green Bond Framework

Green Bond Framework

Green Bonds are an important part of the Group's Responsible and Sustainable Business Strategy as we look to finance our customers' transition to the low carbon economy and take an active role in combating climate change through sustainable finance.

Key Features

- Aligned to the Green Bond Principles published by ICMA in 2018
- Second Party Opinion provided by Sustainalytics
- The Group will allocate an equivalent amount of the net proceeds to lending to eligible Green assets
- The Framework caters for secured, senior and subordinated issuance
- A 'lookback' period of 36 months has been applied to the Green Eligible Assets Portfolio

Improved ESG Ratings

SUSTAINALYTICS	ESG Risk rating 20.0 (Low Risk). Places the Group in the top 23rd percentile of Banks (Industry Group)
MSCI	BBB (average)
CDP	B (management level)
S&P Global	56

Green Bond Framework Pillars

1 Use of Proceeds

- An amount equivalent to net proceeds will be allocated to finance/ refinance:
  - Green Buildings & Energy Efficiency
  - Renewable Energy
  - Clean Transportation

2 Project Evaluation and Selection Criteria

- Green Bond Working Group is responsible for the evaluation and selection of assets for inclusion in the Green Eligible Assets Portfolio
- The portfolio is reviewed on a quarterly basis with loans no longer meeting eligibility criteria being removed

3 Management of Proceeds

- Net proceeds will be managed on a portfolio basis
- The Group will ensure that the balance of the Green Eligible Assets Portfolio matches or exceeds the total balance of Green bonds outstanding

4 Reporting & External Review

- Allocation Report – is published alongside independent external verification
- Impact Report – the Group provides investors with an impact report on the assets within the Green Eligible Assets Portfolio
- First published in March 2022 and annually thereafter

Bank of Ireland

Use of proceeds

Green Bond Principles Eligible Category	Eligibility Criteria	Impact	UN SDG
Green Buildings & Energy Efficiency – Residential	• Residential property with an energy efficiency rating within the Top 15% in Ireland, equivalent to BER of 'B3' or better • Residential property with a date of construction of 2015 or later • New buildings where the net primary energy demand of the new construction is at least 20% lower than the primary energy demand resulting from the relevant NZEB requirements; and/or: • Renovations to residential property achieving savings in net Primary Energy • Demand of 30%	Annual energy efficiency improvements, MWh tCO2e avoided	7 AFFORDABLE AND CLEAN ENERGY 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Green Buildings & Energy Efficiency - Commercial	• Commercial property in Ireland, UK and US holding a BREEAM 'Outstanding' or 'Excellent' or LEED 'Platinum' or 'Gold' Certification • Net primary energy demand of the new construction is a Commercial property belonging to the top 15% of buildings in Ireland and UK, in terms of energy efficiency[1] • New commercial property where at least 20% lower than the primary energy demand resulting from the relevant NZEB requirements, and/or: • Renovations to commercial property where the renovation achieves savings in net Primary Energy Demand of at least 30%	Annual energy efficiency improvements, MWh tCO2e avoided	7 AFFORDABLE AND CLEAN ENERGY 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Renewable Energy	• Renewable energy generation facilities including onshore and offshore wind, solar and geothermal	Renewable energy capacity added, MW tCO2e avoided	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Clean Transportation	• Financing of the purchase, manufacture and operation of Battery Electric Vehicles and electrically-powered public transport systems, and the infrastructure that supports clean transportation	tCO2e avoided	11 SUSTAINABLE CITIES AND COMMUNITIES

[1] As determined by reference to established energy performance benchmarks. Bank of Ireland anticipates drawing on the most current dataset available at the time of the allocation process (including datasets compiled by any retained technical consultants). As average building energy efficiencies and related datasets improve, relevant benchmarks and determinations involving proxies (e.g. Building Energy Ratings) will be updated accordingly.

Green Bond Allocation Report - 31 December 2022

Green Eligible Assets Portfolio			Green Liabilities			
Eligibility Criteria	**Number of Loans**	**Amount (EUR)**	**ISIN**	**Settlement Date**	**Maturity Date**	**Amount (EUR)**
Green Buildings - Residential	15,389	5,402,836,557	XS2311407352	10-Mar-21	10-May-27[1]	750,000,000
Green Buildings - Commercial	16	667,685,594	XS2340236327	11-May-21	11-Aug-31[2]	500,000,000
Renewable Energy	8[3]	186,053,349	XS2528657567	06-Sep-22	06-Dec-32[4]	338,850,000[6]
Clean Transportation	2,878	68,261,507	XS2532384372	16-Sep-22	16-Sep-26[5]	934,100,000[6]
Total	**18,291**	**6,324,837,007[6]**	**Total**			**2,522,950,000**

- Total Green Eligible Assets Portfolio* : **€6,324,837,007**
- Amount of Proceeds allocated to Green Eligible Assets Portfolio : **€2,522,950,000**
- Percentage of Proceeds allocated to Green Eligible Assets Portfolio : **100%**
- Unallocated Green Eligible Portfolio Assets : **€3,801,887,007**
- New eligible loans added since 31 December 2021 : **€2,812,299,971[7]**

* Amount of Green Eligible Assets outstanding as at 31 December 2022. Criteria as outlined in Bank of Ireland Green Bond Framework.[8]

1 Optional Redemption Date of 10-May-2026
2 Optional Redemption Period from 11-May-2026 to 11-Aug-2026
3 Ireland only
4 Optional Redemption Period from 06-Sep-2027 to 06-Dec-2027
5 Optional Redemption Date of 16-Sep-2025
6 Euro equivalent amount (Exchange rate of 30 December 2022; GBP 1 = EUR 1.1295, USD 1 = EUR 0.9341)
7 Represents new loans added to the portfolio since Dec 2021, resulting in a net increase of €2,197,371,624
8 https://investorrelations.bankofireland.com/app/uploads/Green-Bond-Framework-March-2021.pdf

Outlook

2023 guidance[1]

Net interest income

> 12% higher than Q4 2022 annualised rate of c.€3bn

Business income (incl. JVs)

High single digit % lower than 2022 due to impact of IFRS 17

Capital

Organic generation to materially increase in 2023

Total cost of risk

Mid-30s (bps)

Costs

Like-for-like costs broadly in line; Reported costs mid single digit % higher than 2022

[1] See slides 12 (net interest income), 15 (business income), 16 (costs) and 18 (cost of risk) for more detail on each element of 2023 guidance

Bank of Ireland

Financial Targets – Step change in returns and distributions

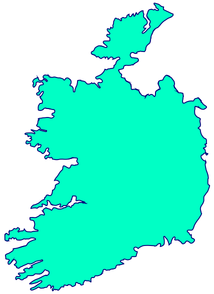
	FY22 Performance	FY23-25 Financial Targets (all targets apply to each year)
Return on Tangible Equity[1] (ROTE)	10.6%	c.15%
Cost to Income Ratio[2] (CIR)	54%	< 50%
Ordinary dividend	25% Of statutory profits	Building to c.40% pay-out c.40-60% policy provides flexibility
Surplus capital	€125m Share buyback[3]	Distribution considered on an annual basis[4]

[1] ROTE basis of calculation set out on slide 57
[2] Basis of calculation for Cost to Income Ratio set out on slide 58
[3] Subject to regulatory approval
[4] 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 regulatory and accounting environments

Bank of Ireland

Financial targets based on prudent economic assumptions

Ireland	2023	2024	2025
GDP growth	4.1%	3.8%	3.4%
CPI inflation	6.4%	2.7%	1.9%
Unemployment	4.9%	4.9%	4.8%
House prices (HPI)	0.0%	0.0%	1.0%
CRE prices	-6.0%	-2.5%	1.5%
ECB deposit rate (year end)	3.00%	2.75%	2.50%



UK	2023	2024	2025
GDP growth	-0.6%	0.7%	1.7%
CPI inflation	7.6%	2.7%	1.2%
Unemployment	4.4%	4.8%	4.7%
House prices (HPI)	-7.0%	-4.0%	0.0%
CRE prices	-10.5%	-2.5%	1.5%
BOE base rate (year end)	4.25%	3.50%	3.25%

Prudent approach given the uncertain economic backdrop, while Irish outlook remains supportive

Interest rates projected to decrease in 2024 and 2025, as inflationary pressures recede

Irish mortgage market anticipated to grow to c.€15bn per annum by 2025, supported by new home building of c.25-30k units per annum

Appendix

Bank of Ireland

Appendix

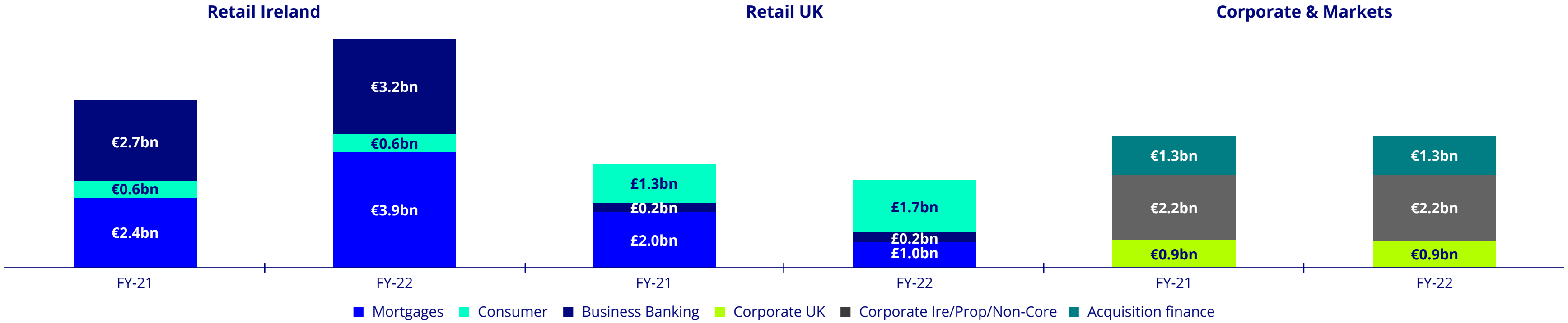
Bank of Ireland

Overview of customer loans

Profile of customer loans[1] at Dec 2022 (Gross)

Composition (Dec 22)	Ireland (€bn)	UK (€bn)	RoW (€bn)	Total (€bn)	Total (%)
Mortgages	22.5	15.6	0.0	38.0	52%
Non-property SME and corporate	10.9	5.2	5.4	21.5	29%
Property & construction	5.1	1.5	1.8	8.2	11%
Consumer	2.2	3.2	0.0	5.4	7%
Customer loans (gross)	40.6	25.1	7.3	73.0	100%
Geographic (%)	56%	34%	10%	100%	

Gross new lending volumes



[1] Based on geographic location of customer

Irish Residential Mortgages | Capture value in a growing market

Starting point

Market

93%	2022 new lending growth since 2017
30k	New home construction in 2022; annual underlying demand for 35k+ homes

BOI

€30bn	BOI mortgage book[1], c.28% market share (flow)
1.3% NPEs[2]	Risk profile supported by macroprudential rules
#1	Position in green mortgage lending

2025 target outcomes

Increased market share	**Market expected to grow** by c.5% p.a. BOI market share to continue to grow
Positioned for continued success	Maintain risk and commercial **discipline**
Reduced cost-to-serve	Further **modernisation** of the platform and **digital capabilities** improving customer **experience** and **efficiency**
#1 in green mortgages	Maintain **#1 position** and expand **green product suite**

Stronger Relationships | **Simpler Business** | **Sustainable Company**

[1] Pro-forma, including benefit of KBC acquisition
[2] Irish residential mortgage NPEs as % of total Irish residential mortgage stock

Bank of Ireland

Everyday Banking | Protect and grow relationship value

Starting point

-Market- | BOI

49%	Ireland deposit market growth since 2017[1]
€76bn	Deposits & current account balances[2]
>35%	PCA and BCA market share
>80%	Digitally submitted day-to-day banking applications self-served
34pts	Improvement in mobile CES since new app launch

2025 target outcomes

Efficient funding, growing >GDP	**Growth in customers and balances** targeting stable funding and **increased income**
Deeper relationships	**Deeper relationships and personalisation** will enhance customer experience and increase product holding
Reduced cost-to-serve	**Ongoing digitisation** of the service model feeding through to increased **efficiencies**
#1 for Financial Wellbeing	**Maintain position** as #1 Financial Wellbeing provider

Stronger Relationships | Simpler Business | Sustainable Company

[1] Irish household deposits; Central Bank of Ireland table A.11.1
[2] c.€49bn excluding deposits

Wealth and Insurance | Market leadership via clear brand propositions

Starting point

Market

- **c.30%** — AUM growth across our key markets since 2017
- **>€400bn** — Substantial markets
  - Pensions
  - Uninvested deposits
  - Investment and retirement

BOI

- **€39bn** — AuM/FuM, market-leading with strong market share
- **650k** — Customers across all key segments; Ireland's only bancassurer
- **#1** — In High Net Worth by AuM; Ireland's leading wealth provider

2025 target outcomes

Strong growth above market[1]

#1 partner of choice for Wealth & Insurance in Ireland

5-10% p.a. AUM growth, driver of business income growth

Optimise brands targeting life, pension, protection, wealth and investment

Leading digital offerings

Value creation and scale from BOI customer base, partnerships and technology

Financial Wellbeing

Offer leading hybrid **advice, strong protection solutions** and **investment excellence**

Stronger Relationships | Simpler Business | Sustainable Company

[1] While maintaining risk and commercial discipline

Business & Corporate | Serving simple and complex customer needs

Bank of Ireland

Starting point

Market

- Market consolidation in 2022 following bank exits
- **6% p.a.** Growth in business and corporate lending since 2020[1]

BOI

- **€29bn** Net business and corporate loans
- **c.300k** Active customer base
- **#1** In business banking and FDI

2025 target outcomes

Leading positions in Ireland maintained

- **Best-in-class Irish franchise** delivering net lending growth
- **A sustain and maintain approach** to international portfolios
- Maintaining **strong tradition of trusted relationships**

Enhanced business efficiency

- **Deploying progressive technology** to meet simpler customer needs

Increased sustainable financing

- Sector-specific **decarbonisation** solutions
- Advisory services through **Davy Horizons**

DAVY

Stronger Relationships | **Simpler Business** | **Sustainable Company**

[1] Central Bank of Ireland data

Retail UK | Continuing to deliver returns through niche strategy

Starting point

Market

£311bn	New UK mortgage lending in 12 months to Sept 2022
0.6% p.a.	UK GDP growth expected 2023-2025

BOI

187%	Underlying PBT growth since 2017
27%	Reduction in lending assets since 2017
c.20%	Market share NI business banking lending

2025 target outcomes

Selective growth in Bespoke mortgages[1]

- Improve **intermediary integration**
- Further digitise the **customer experience**
- Develop **green mortgage** propositions

Growth in car financing[1]

- Expand **distribution** network
- Further digitise the **customer experience**
- Develop new **EV** propositions

Northridge FINANCE

Maintained position in NI

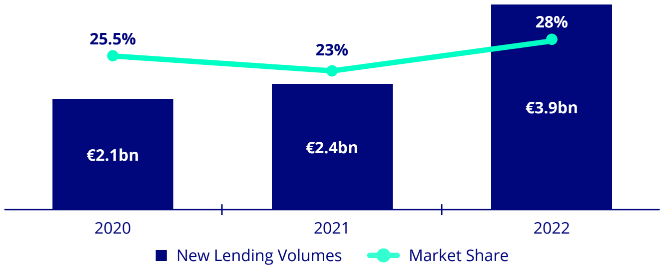
- Improve **personal current account** capability
- Improve **business banking** propositions

Stronger Relationships | **Simpler Business** | **Sustainable Company**

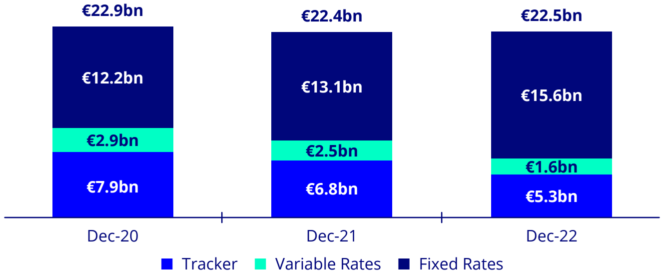
[1] While maintaining risk and commercial discipline

Ireland Mortgages: €22.5bn

New Lending volumes and Market Share



Ireland Mortgages (gross)



Pricing strategy

- Fixed rate led mortgage pricing strategy which provides value, certainty and stability to our customers and to the Group
- Fixed rate products accounted for c.98% of our new lending in 2022, up from c.30% in 2014

Distribution strategy – continued expansion into broker channel

- The Group has continued building out The Mortgage Store broker channel in 2022, establishing a large network of active brokers at a national level

Wider proposition

- 6 in 10 Ireland first time buyers who take out a new mortgage take out a life assurance policy through the Bank of Ireland Group
- 3 in 10 Ireland customers who take out a new mortgage take out a general insurance policy through the Bank of Ireland Group with insurance partners

LTV profile

- Average LTV of 51% on mortgage stock at December 2022 (December 2021: 54%)
- Average LTV of 72% on new mortgages in 2022 (2021: 71%)

Tracker mortgages

- €5.1bn or 98% of trackers at December 2022 are on a capital and interest repayment basis
- 84% of trackers are Owner Occupier mortgages; 16% of trackers are Buy-to-Let mortgages
- Loan asset spread on ECB tracker mortgages was c.148bps[1] in 2022

Macroprudential rules

- 61% of Irish residential mortgage book (63% of owner occupied mortgages) originated since introduction of Central Bank of Ireland macroprudential rules in 2015
- Weighted average LTV for pre-2015 mortgages is c.40%

[1] Average customer pay rate of 170bps less Group average cost of funds of 22bps

Income statement

Net interest income analysis

	H1 2021			H2 2021			H1 2022			H2 2022		
	Average Volumes (€bn)	Gross Interest (€m)	Gross Rate (%)	Average Volumes (€bn)	Gross Interest (€m)	Gross Rate (%)	Average Volumes (€bn)	Gross Interest (€m)	Gross Rate (%)	Average Volumes (€bn)	Gross Interest (€m)	Gross Rate (%)
Ireland Loans	32.8	537	3.30%	32.3	526	3.23%	32.2	507	3.17%	32.7	527	3.20%
UK Loans	27.8	350	2.54%	26.8	341	2.53%	25.0	351	2.83%	22.6	396	3.47%
C&T	17.5	296	3.41%	18.1	317	3.47%	18.8	334	3.58%	19.7	457	4.59%
Total Loans and Advances to Customers	**78.1**	**1,183**	**3.05%**	**77.2**	**1,184**	**3.04%**	**76.0**	**1,192**	**3.16%**	**75.0**	**1,380**	**3.65%**
Liquid Assets[1]	36.8	(24)	(0.13%)	46.2	(32)	(0.14%)	49.3	(28)	(0.11%)	52.2	210	0.80%
Total Liquid Assets	**36.8**	**(24)**	**(0.13%)**	**46.2**	**(32)**	**(0.14%)**	**49.3**	**(28)**	**(0.11%)**	**52.2**	**210**	**0.80%**
Total Interest Earning Assets	**114.9**	**1,159**	**2.03%**	**123.4**	**1,152**	**1.85%**	**125.3**	**1,164**	**1.87%**	**127.3**	**1,590**	**2.48%**
Ireland Deposits	22.2	6	0.05%	22.5	9	0.08%	22.9	11	0.09%	24.6	1	0.01%
Credit Balances[2]	47.1	18	0.08%	50.2	26	0.10%	53.2	32	0.12%	58.1	5	0.02%
UK Deposits	15.5	(40)	(0.52%)	14.3	(28)	(0.38%)	12.4	(17)	(0.28%)	10.0	(22)	(0.44%)
C&T Deposits	3.8	4	0.20%	3.9	4	0.20%	4.1	3	0.15%	4.8	(11)	(0.44%)
Total Deposits	**88.7**	**(12)**	**(0.03%)**	**90.9**	**11**	**(0.02%)**	**92.7**	**29**	**0.06%**	**97.6**	**(27)**	**(0.05%)**
Wholesale Funding[1,3]	14.6	(30)	(0.42%)	20.4	(40)	(0.39%)	21.3	(61)	(0.58%)	19.5	(154)	(1.56%)
Subordinated Liabilities	1.5	(30)	(3.95%)	1.9	(33)	(3.36%)	2.0	(36)	(3.69%)	1.8	(42)	(4.59%)
Total Interest Bearing Liabilities	**104.9**	**(72)**	**(0.14%)**	**113.3**	**(61)**	**(0.11%)**	**116.0**	**(68)**	**(0.12%)**	**118.9**	**(223)**	**(0.37%)**
Other[1,4]		(5)			48			(24)			43	
Net Interest Margin as reported	**114.9**	**1,080**	**1.90%**	**123.4**	**1,139**	**1.83%**	**125.3**	**1,072**	**1.73%**	**127.3**	**1,410**	**2.20%**
Average ECB Base rate			0.00%			0.00%			0.00%			1.23%
Average 3 month Euribor			(0.54%)			(0.56%)			(0.44%)			1.12%
Average BOE Base rate			0.10%			0.11%			0.71%			2.22%

[1] Volume impact of TLTRO included in liquid assets and wholesale funding; Income impact (€16m) of TLTRO in H1 22 and €51m in H2 2022 included in Other
[2] Credit balances in H2 2022: ROI €46.5bn, UK €5.3bn, C&T €6.2bn
[3] Includes impact of credit risk transfer transactions executed in Nov 2017, Dec 2019, Oct 2021 and Dec 2021
[4] Includes IFRS 16 lease expense, interest on certain FVPTL items and adjustments that are of a non-recurring nature such as customer termination fees and EIR adjustments

Bank of Ireland

Non-performing exposures by portfolio

Composition (Dec-22)	Advances (€bn)	Non-performing exposures (€bn)	Non-performing exposures as % of advances	Impairment loss allowance (€bn)	Impairment loss allowance as % of non-performing exposures
Residential Mortgages	**38.0**	**0.5**	**1.3%**	**0.1**	**30%**
– Republic of Ireland	22.5	0.3	1.3%	0.1	34%
– UK	15.5	0.2	1.3%	0.0	24%
Non-property SME and corporate	**21.5**	**1.6**	**7.3%**	**0.8**	**50%**
– Republic of Ireland SME	7.2	0.6	8.1%	0.4	63%
– UK SME	1.6	0.1	7.2%	0.1	57%
– Corporate	12.7	0.9	6.9%	0.4	40%
Property and construction	**8.2**	**0.4**	**5.1%**	**0.2**	**46%**
– Investment	7.1	0.4	5.7%	0.2	45%
– Development	1.1	0.0	1.4%	0.0	83%
Consumer	**5.4**	**0.1**	**2.7%**	**0.2**	**116%**
Total loans and advances to customers	**73.0**	**2.6**	**3.6%**	**1.3**	**49%**

Composition (Dec-21)	Advances (€bn)	Non-performing exposures (€bn)	Non-performing exposures as % of advances	Impairment loss allowance (€bn)	Impairment loss allowance as % of non-performing exposures
Residential Mortgages	**43.3**	**1.8**	**4.2%**	**0.5**	**28%**
– Republic of Ireland	22.4	1.1	4.7%	0.4	39%
– UK	20.9	0.7	3.6%	0.1	12%
Non-property SME and corporate	**20.8**	**1.3**	**6.3%**	**0.8**	**57%**
– Republic of Ireland SME	7.0	0.7	10.0%	0.4	61%
– UK SME	1.7	0.1	7.4%	0.1	45%
– Corporate	12.1	0.5	4.1%	0.3	55%
Property and construction	**8.6**	**1.0**	**12.2%**	**0.5**	**51%**
– Investment	7.6	1.0	13.4%	0.5	50%
– Development	1.0	0.0	3.1%	0.0	56%
Consumer	**5.2**	**0.2**	**2.6%**	**0.2**	**125%**
Total loans and advances to customers	**77.9**	**4.3**	**5.5%**	**2.0**	**46%**

Portfolio by stage

Composition (Dec-22)	Gross carrying amount (before impairment loss allowance)					Impairment loss allowance					ILA % of gross loans
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	
Residential Mortgages	**34,020**	**3,546**	**450**	**4**	**38,020**	**18**	**38**	**89**	**1**	**146**	**0.4%**
– Ireland	19,733	2,484	251	4	22,472	8	22	69	1	100	0.4%
– UK	14,287	1,062	199	–	15,548	10	16	20	–	46	0.3%
Non-property SME and corporate	**15,253**	**4,665**	**1,534**	**16**	**21,468**	**65**	**153**	**563**	**2**	**783**	**3.6%**
– Ireland SME	4,931	1,683	561	–	7,175	39	63	269	–	371	5.2%
– UK SME	1,177	280	121	–	1,578	4	12	45	–	61	3.9%
– Corporate	9,145	2,702	852	16	12,715	22	78	249	2	351	2.8%
Property and construction	**3,864**	**3,922**	**355**	**60**	**8,201**	**10**	**53**	**102**	**30**	**195**	**2.4%**
– Investment	3,216	3,469	339	60	7,084	7	47	97	30	181	2.6%
– Development	648	453	16	–	1,117	3	6	5	–	14	1.3%
Consumer	**4,694**	**510**	**146**	**–**	**5,350**	**49**	**41**	**81**	**–**	**171**	**3.2%**
– BIF Consumer	1,553	225	27	–	1,805	3	4	9	–	16	0.9%
– Loans & Overdrafts	1,216	126	45	–	1,387	31	25	34	–	90	6.5%
– Credit Cards	736	–	23	–	759	4	–	10	–	14	1.8%
– Northridge	686	137	40	–	863	8	9	21	–	38	4.4%
– Unsecured Loans	503	22	11	–	536	3	3	7	–	13	2.4%
Total	**57,831**	**12,643**	**2,485**	**80**	**73,039**	**142**	**285**	**835**	**33**	**1,295**	**1.8%**

Composition (Dec-21)[1]	Gross carrying amount (before impairment loss allowance)					Impairment loss allowance					ILA % of gross loans
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	
Residential Mortgages	**38,708**	**2,779**	**1,773**	**2**	**43,262**	**28**	**60**	**416**	**–**	**504**	**1.2%**
– Ireland	19,573	1,776	1,047	2	22,398	17	47	362	–	426	1.9%
– UK	19,135	1,003	726	–	20,864	11	13	54	–	78	0.4%
Non-property SME and corporate	**14,430**	**5,100**	**1,305**	**15**	**20,850**	**67**	**247**	**439**	**2**	**755**	**3.6%**
– Ireland SME	4,258	2,076	680	–	7,014	39	136	258	–	433	6.2%
– UK SME	1,161	450	137	–	1,748	4	16	30	–	50	2.9%
– Corporate	9,011	2,574	488	15	12,088	24	95	151	2	272	2.3%
Property and construction	**3,280**	**4,299**	**970**	**64**	**8,613**	**10**	**78**	**416**	**23**	**527**	**6.1%**
– Investment	2,596	3,953	939	64	7,552	6	71	408	23	508	6.7%
– Development	684	346	31	–	1,061	4	7	8	–	19	1.8%
Consumer	**4,863**	**229**	**137**	**–**	**5,229**	**65**	**31**	**76**	**–**	**172**	**3.3%**
– BIF Consumer	1,731	46	26	–	1,803	**7**	3	11	–	21	1.2%
– Loans & Overdrafts	1,297	48	43	–	1,388	39	19	33	–	91	6.6%
– Credit Cards	720	–	27	–	747	8	–	9	–	17	2.3%
– Northridge	653	122	30	–	805	9	7	16	–	32	4.0%
– Unsecured Loans	462	13	11	–	486	2	2	7	–	11	2.3%
Total	**61,281**	**12,407**	**4,185**	**81**	**77,954**	**170**	**416**	**1,347**	**25**	**1,958**	**2.5%**

[1] Dec-21 figures have been restated to reflect the impact of the voluntary change in accounting policy for the presentation of portfolio fair value hedge adjustment

Non-property SME and corporate by stage[1,2]

Composition (Dec-22) Sectoral analysis by stage	Gross carrying amount 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	ILA % of gross loans
Non-property SME and corporate											
– Manufacturing	3,388	1,114	320	–	4,822	11	36	127	–	174	3.6%
– Administrative and support service activities	2,544	428	161	16	3,149	12	17	67	2	98	3.1%
– Wholesale and retail trade	1,713	395	77	–	2,185	7	10	43	–	60	2.7%
– Agriculture, forestry and fishing	1,282	350	100	–	1,732	10	11	40	–	61	3.5%
– Accommodation and food service activities	608	794	195	–	1,597	3	16	56	–	75	4.7%
– Human health services and social work activities	880	444	199	–	1,523	3	17	40	–	60	3.9%
– Financial and insurance activities	921	40	10	–	971	1	3	5	–	9	0.9%
– Transport and storage	562	165	107	–	834	2	6	43	–	51	6.1%
– Professional, scientific and technical activities	643	154	32	–	829	3	5	21	–	29	3.5%
– Other services	579	91	97	–	767	2	6	25	–	33	4.3%
– Real estate activities	390	246	98	–	734	5	9	49	–	63	8.6%
– Education	418	51	1	–	470	2	2	1	–	5	1.1%
– Arts, entertainment and recreation	241	142	47	–	430	1	8	18	–	27	6.3%
– Other sectors	1,084	251	90	–	1,425	3	7	28	–	38	2.7%
Total	**15,253**	**4,665**	**1,534**	**16**	**21,468**	**65**	**153**	**563**	**2**	**783**	**3.6%**

Composition (Dec-21)[3] 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	ILA % of gross loans
Non-property SME and corporate											
– Manufacturing	3,239	876	127	–	4,242	12	39	32	–	83	2.0%
– Administrative and support service activities	1,803	762	122	15	2,702	7	41	51	2	101	3.7%
– Wholesale and retail trade	1,895	301	111	–	2,307	10	16	49	–	75	3.3%
– Agriculture, forestry and fishing	1,427	159	124	–	1,710	11	7	36	–	54	3.2%
– Accommodation and food service activities	243	1,231	227	–	1,701	1	44	53	–	98	5.8%
– Human health services and social work activities	994	604	65	–	1,663	5	30	21	–	56	3.4%
– Financial and insurance activities	988	50	16	–	1,054	2	4	7	–	13	1.2%
– Transport and storage	568	189	150	–	907	3	8	56	–	67	7.4%
– Other services	619	170	97	–	886	2	11	48	–	61	6.9%
– Real estate activities	418	242	112	–	772	5	15	46	–	66	8.5%
– Professional, scientific and technical activities	578	99	26	–	703	4	3	9	–	16	2.3%
– Arts, entertainment and recreation	199	233	60	–	492	–	21	16	–	37	7.5%
– Education	375	28	1	–	404	2	1	–	–	3	0.7%
– Other sectors	1,084	156	67	–	1,307	3	7	15	–	25	1.9%
Total	**14,430**	**5,100**	**1,305**	**15**	**20,850**	**67**	**247**	**439**	**2**	**755**	**3.6%**

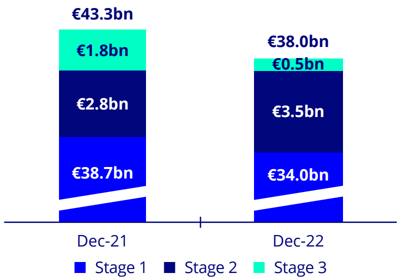
[1] The Non-property SME and corporate portfolio is analysed by NACE code. The NACE code classification system is a pan-European classification system that groups organisations according to their business activities
[2] Exposures to NACE codes totalling less than €400 million are grouped together as 'Other sectors'. The NACE codes reported in the table above can therefore differ period on period
[3] Dec-21 figures have been restated to reflect the impact of the voluntary change in accounting policy for the presentation of portfolio fair value hedge adjustment

Bank of Ireland

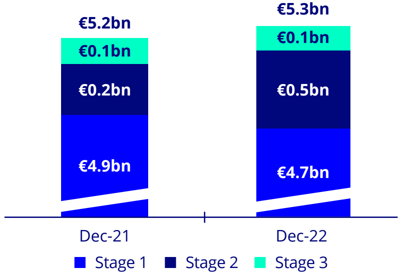
Residential mortgages / Consumer loans

Gross loans by stage

Residential mortgages

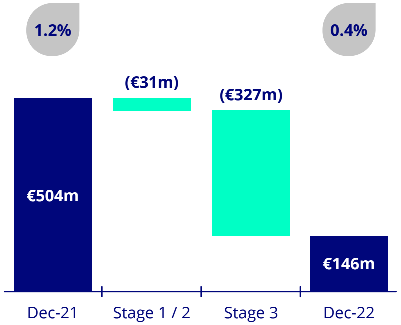


Consumer

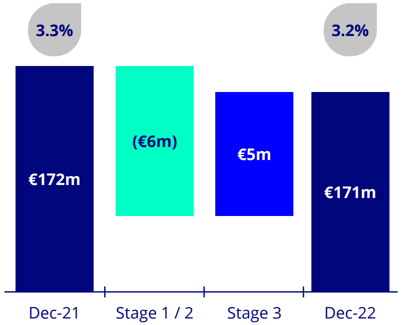


ILA movement

Residential Mortgages



Consumer



ILA % of gross loans

Residential mortgages

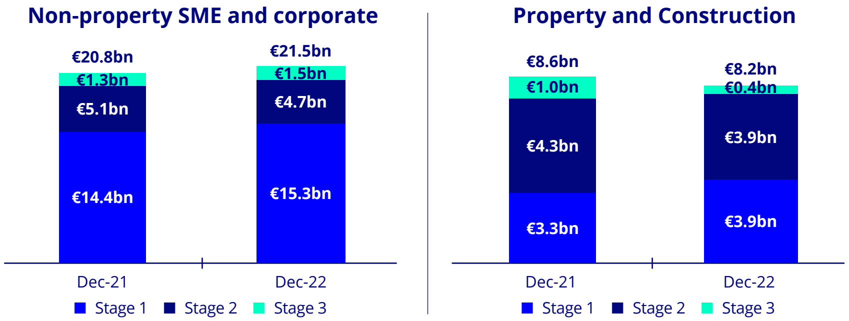
- Mortgage portfolios 53% of Group loan book
  - Average LTV of 53% on stock
  - 92% of the portfolio has LTV < 80%
- Stage 2 loans increased from €2.8bn at FY 2021 to €3.5bn at FY 2022 reflecting net impact of portfolio activity (incl. credit risk assessments) and model updates
- Stage 3 loans reduced by €1.3bn to €0.5bn primarily reflecting NPE portfolio disposal
- Stage 3 cover decreased to 20% at FY 2022 (FY 2021: 23%) as NPE portfolio disposals removed longer in default cases with higher average cover than the retained Stage 3 portfolio
- €0.4bn reduction in ILA primarily reflects the impact of NPE disposals (ILA utilisation of €0.4bn)
- Total impairment cover decreased from 1.2% at FY 2021 to 0.4% at FY 2022, reflecting impact of NPE disposals

Consumer

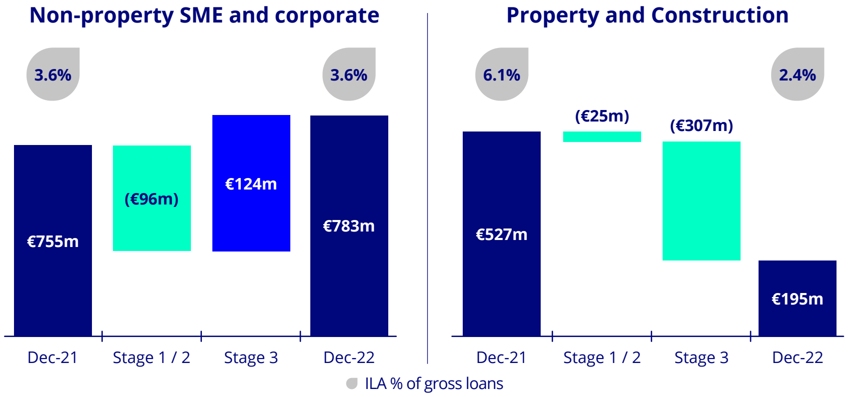
- 7% of Group loan book
- Stage 2 loans increased from €0.2bn at FY 2021 to €0.5bn at FY 2022 primarily reflecting portfolio activity (incl. credit risk assessments)
- No material change in ILA reflecting offsetting dynamics. ILA increases from FLI/model updates and portfolio activity, offset by ILA reduction from removal of the COVID-19 PMA
- Total impairment cover remained stable at 3.2% (3.3% at FY 2021)

Non-property SME and corporate / Property & Construction

Gross loans by stage



ILA movement



Non-property SME and corporate

- 29% of Group loan book, well diversified by geography and sector
- €0.4bn decrease in stage 2 loans since FY 2021 given the removal of the COVID-related PMA and net repayments in 2022, offset by FLI/model updates
- Stage 3 balances increased by €0.2bn given emergence of new defaults in the Corporate portfolio, with stage 3 cover increasing to 36% (FY 2021: 33%) including application of new NPE PMA
- Total impairment cover of 3.6% at FY 2022 was stable vs FY 2021, and remains higher than FY 2019 (2.4%)
- While impairment cover has remained stable on a total portfolio basis since FY 2021, there has been some individual portfolio movement, including
  - Manufacturing coverage 3.6% (FY 2021: 2.0%);
  - Accommodation and food services coverage 4.7% (FY 2021: 5.8%);
  - Wholesale and retail trade coverage 2.7% (FY 2021: 3.3%)

Property and Construction

- 11% of Group loan book; €7.1bn investment property; €1.1bn development lending
- €0.4bn reduction in stage 2 loans in FY 2022 due to net repayments/ redemptions and removal of the COVID-19 PMA, partly offset by increases due to FLI/model updates
- Decrease in stage 3 loans to €0.4bn (FY 2021: €1.0bn) reflects NPE resolution actions for large legacy cases, with limited emergence of new defaults
- Total impairment cover decreased from 6.1% at FY 2021 to 2.4% at FY 2022, driven by the resolution of large legacy cases with higher than average ILA cover
- Investment property exposures Office (36%), Retail (25%), Residential (21%) and Other (18%);

Forward looking information – macroeconomic scenarios

31 December 2022	Ireland			United Kingdom		
	2023	2024	2025-2027	2023	2024	2025-2027
Central scenario – 45% probability weighting						
GDP growth[1]	4.1%	3.8%	3.1%	(0.6%)	0.7%	1.9%
GNP growth[1]	3.7%	2.8%	3.0%	n/a	n/a	n/a
Unemployment rate[2]	4.9%	4.9%	4.8%	4.4%	4.8%	4.2%
Inflation (CPI)[2]	6.4%	2.7%	2.0%	7.6%	2.7%	1.6%
Residential property price growth[3]	0.0%	0.0%	2.0%	(7.0%)	(4.0%)	1.7%
Commercial property price growth[3]	(6.0%)	(2.5%)	1.8%	(10.5%)	(2.5%)	2.2%
Upside scenario – 15% probability weighting						
GDP growth[1]	4.6%	4.5%	3.4%	0.2%	1.4%	2.1%
GNP growth[1]	4.2%	3.7%	3.3%	n/a	n/a	n/a
Unemployment rate[2]	4.5%	4.4%	4.3%	4.2%	4.1%	3.7%
Inflation (CPI)[2]	5.5%	2.4%	2.0%	6.8%	1.7%	1.7%
Residential property price growth[3]	2.0%	1.0%	1.7%	(4.0%)	(2.0%)	2.0%
Commercial property price growth[3]	(3.5%)	(0.5%)	2.7%	(8.0%)	0.0%	2.7%
Downside scenario 1 – 25% probability weighting						
GDP growth[1]	2.0%	2.8%	3.0%	(2.0%)	(1.2%)	1.8%
GNP growth[1]	1.8%	2.0%	2.8%	n/a	n/a	n/a
Unemployment rate[2]	6.0%	6.6%	6.4%	5.3%	6.5%	6.2%
Inflation (CPI)[2]	8.5%	3.0%	1.8%	8.7%	3.6%	1.5%
Residential property price growth[3]	(11.0%)	(4.0%)	0.0%	(13.0%)	(7.0%)	(0.7%)
Commercial property price growth[3]	(9.5%)	(6.0%)	0.0%	(14.0%)	(6.0%)	0.3%
Downside scenario 2 – 15% probability weighting						
GDP growth[1]	0.0%	1.0%	2.8%	(3.3%)	(3.0%)	1.5%
GNP growth[1]	(0.4%)	(0.1%)	2.7%	n/a	n/a	n/a
Unemployment rate[2]	7.1%	8.8%	8.9%	6.2%	8.2%	8.2%
Inflation (CPI)[2]	7.2%	2.9%	1.6%	9.2%	4.0%	1.5%
Residential property price growth[3]	(15.0%)	(8.0%)	(1.7%)	(17.0%)	(11.0%)	(1.7%)
Commercial property price growth[3]	(14.5%)	(8.5%)	(1.8%)	(19.0%)	(8.5%)	(1.7%)

1 Annual growth rate
2 Average yearly rate
3 Year-end figures

Bank of Ireland

ILA sensitivity to macroeconomic scenarios

The following table indicates the approximate extent to which impairment loss allowance (ILA), excluding Group management adjustments, would be higher or lower than reported were a 100% weighting applied to the central, upside and downside future macroeconomic scenarios respectively.

31 December 2022	Multiple scenarios	Change in impairment loss allowance							
		Central scenario		Upside scenario		Downside scenario 1		Downside scenario 2	
Impact of applying only a central, upside or downside scenario rather than multiple probability weighted scenarios[1]	Impairment loss allowance €m	Impairment loss allowance €m	Impact %	Impairment loss allowance €m	Impact %	Impairment loss allowance €m	Impact %	Impairment loss allowance €m	Impact %
Total	**1,235**	**(112)**	**(10%)**	**(167)**	**(14%)**	**173**	**14%**	**593**	**48%**

The following table indicates the approximate extent to which impairment loss allowances for the residential mortgage portfolios, 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.

31 December 2022	Central scenario	Change in impairment loss allowance							
		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 of an immediate change in residential property prices compared to a central scenario impairment loss allowance	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	**120**	**17**	**14%**	**8**	**7%**	**(7)**	**(6%)**	**(13)**	**(11%)**

[1] The scenarios outlined in the table are based on the FLI weightings outlined on slide 53

Ordinary shareholders' equity and TNAV

Movement in ordinary shareholders' equity	Dec-21 (€m)	Dec-22 (€m)
Ordinary shareholders' equity at beginning of period	**8,587**	**10,304**
Movements:		
Profit / (Loss) for the period	1,055	897
Impact of adopting IFRS 9	–	–
Dividend paid to ordinary shareholders	–	(54)
Dividends on preference equity interests	–	(8)
Distribution on other equity instruments – additional tier 1 coupon (net of tax)	(68)	(69)
Re-measurement of the net defined benefit pension liability	597	91
Debt instruments at FVOCI reserve movements	(34)	(146)
Available for sale (AFS) reserve movements	–	–
Cash flow hedge reserve movements	(10)	5
Liability credit reserve movements	–	15
Foreign exchange movements	184	(93)
Other movements	(7)	(43)
Shareholder equity issued during the period (AT1)	–	–
Reserve for stock to be redeemed	5	–
Ordinary shareholders' equity at end of period	**10,304**	**10,899**

Tangible net asset value	Dec-21 (€m)	Dec-22 (€m)
Ordinary shareholders' equity at the end of period	**10,304**	**10,899**
Adjustments:		
Intangible assets and goodwill	(852)	(1,276)
Own shares held for benefit of life assurance policyholders	20	10
Tangible net asset value (TNAV)	**9,472**	**9,633**
Number of ordinary shares in issue at the end of the period excluding treasury shares	1,076	1,069
TNAV per share (€)	**€8.80**	**€9.01**

Fully Loaded CET1 ratio

Capital ratios – 31 December 2022

	Fully loaded ratio (€bn) Dec-21	Fully loaded ratio (€bn) Dec-22
Total Equity	11.3	11.9
Foreseeable distribution[1]	(0.1)	(0.3)
Less Additional Tier 1	(1.0)	(1.0)
Deferred Tax Assets	(1.1)	(1.0)
Intangible assets and goodwill	(0.5)	(1.0)
Expected loss deduction	0.0	(0.2)
Pension Fund Asset	(0.6)	(0.6)
Other items[2]	(0.5)	(0.5)
Common Equity Tier 1 Capital	**7.4**	**7.3**
Credit RWA	35.5	35.9
Operational RWA	4.3	4.8
Market, Counterparty Credit Risk and Securitisations	2.5	2.6
Other Assets / 10% / 15% threshold deduction	3.9	4.2
Total RWA	**46.2**	**47.5**
Common Equity Tier 1 ratio	**16.0%**	**15.4%**
Total Capital ratio	**21.4%**	**20.5%**
Leverage ratio	**6.2%**	**6.4%**

[1] A foreseeable distribution of €350 million (31 December 2021: €104 million) has been deducted reflecting proposed ordinary dividend of €225 million, as required under Article 2 of European Union Regulation No. 241/2014, and proposed share buyback of €125 million which is subject to regulatory approval

[2] Other items primarily include prudential valuation adjustment, 10%/15% deduction and calendar provisioning deduction

Bank of Ireland

Return on tangible equity (RoTE)

FY22: Headline vs. Adjusted

	FY 2022 Headline (€m)	Adjustments: Additional gains & valuation items, net of tax	Adjustments: Adjusted for CET1 ratio at 14.0%	Pension Surplus	FY 2022 Adjusted (€m)
Profit for the period	**897**				
Coupon on Additional Tier 1 securities	(69)				
Preference share dividends	(8)				
Adjusted profit after tax	**820**	**20**	**–**	**–**	**840**
At December 2022					
Shareholders' equity	10,899		(596)	(736)	**9,568**
Intangible assets	(1,276)				**(1,276)**
Shareholders' tangible equity	9,623		(596)	(736)	**8,291**
Average shareholders' tangible equity	**9,844**	**–**	**(816)**	**(1,111)**	**7,917**
Return on tangible equity (RoTE)	**8.3%**				**10.6%**
Profit after tax (per above)					**820**
Average CET1 @ 14%					**6,610**
Return on Capital					**12.4%**

- **FY 2022 adjusted return on tangible equity is adjusted for:**
  - Additional gains and valuation items, net of tax €20m
  - Average shareholders' tangible equity calculated on a CET1 Ratio at 14.0% – €816m
  - Removal of average pension surplus €1,111m
- Tangible Net Asset Value (TNAV) per share as at end December 2022 was €9.01, or €8.32 excluding the pension surplus

Cost income ratio: FY 2022

Headline vs Adjusted

	FY 2022 Headline (€m)	Pro forma adjustments (€m)	FY 2022 Pro forma (€m)
Net interest income	2,482		2,482
Other income			
– Business income	774		774
– Additional gains	100	(100)	
– Other valuation items	(122)	122	
Total Income	**3,234**	**22**	**3,256**
Costs			
– Operating expenses	(1,746)	–	(1,746)
Costs	**(1,746)**	**–**	**(1,746)**
Cost income ratio	**54%**		**54%**

- **Cost income ratio excludes:**
  - Levies and regulatory charges
  - Non-core items
- **FY 2022 adjusted cost income ratio is adjusted for:**
  - Additional gains and valuation items of (€22m)

IFRS 17 – key messages

Impact on Wealth and Insurance (2022)[1]	IFRS 4 (€m)	IFRS 17 (€m)
Income	295	135-160
Cost	(140)	(60-70)
Operating Profit	**155**	**75-95**

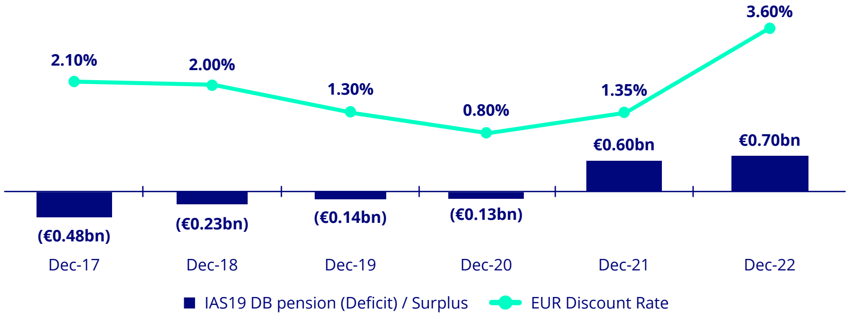
- **IFRS 17 is an accounting change which impacts the phasing of profit recognition for insurance contracts**
  - Under IFRS 4, expected future profit on insurance contracts is recognised as new business income at inception
  - Under IFRS 17, profit on new business will no longer be recognised upfront and is deferred to the balance sheet and recognised over the period the service is provided
  - Most one-off assumption changes are also deferred and released over the service period
- **IFRS 17 will not change the economic value of the insurance business**
  - Cash flows and capital generation from the W&I business remain unchanged
- **IFRS 17 will not impact ability to upstream dividends from W&I**
  - Solvency II will continue to drive the business' ability to upstream dividends
- **IFRS 17 impact on TNAV**
  - The estimated impact is a reduction in shareholders' equity/TNAV in the range of €350 million to €390 million as at the transition date of 1 January 2022. A range has been disclosed, pending finalisation of all assumptions impacting the measurement of the Group's insurance contract liabilities under IFRS 17 at that date. Group TNAV is estimated to be impacted by c.4% as a result of IFRS 17 implementation
- **IFRS 17 impact on CET1**
  - Expected IFRS 17 transitional impact of c.30bps CET1 driven by reduction in equity, reflecting derecognition of previously recognised upfront IFRS 4 profits, and due to NIAC equity being consolidated into the Group's capital position

[1] This represents the estimated impact on 2022 profitability from the implementation of IFRS 17, based on a number of assumptions which have not been finalised. Final 2022 impacts will be provided in 2023

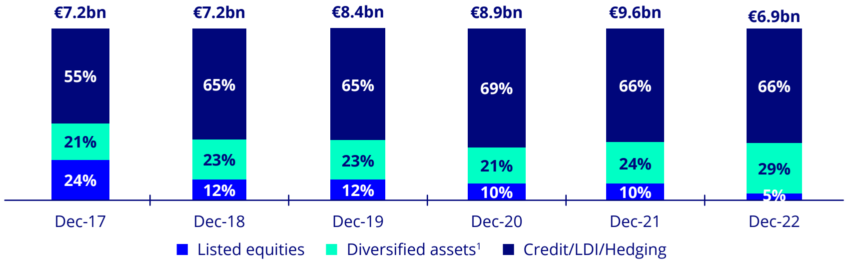
Bank of Ireland

Defined benefit pension schemes

Group IAS19 Defined Benefit Pension (deficit)/surplus

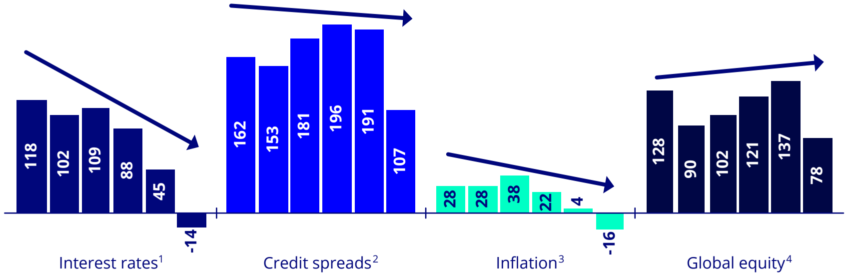


Total Group defined benefit pension scheme assets (%)



[1] Diversified assets includes infrastructure, private equity, hedge funds and property

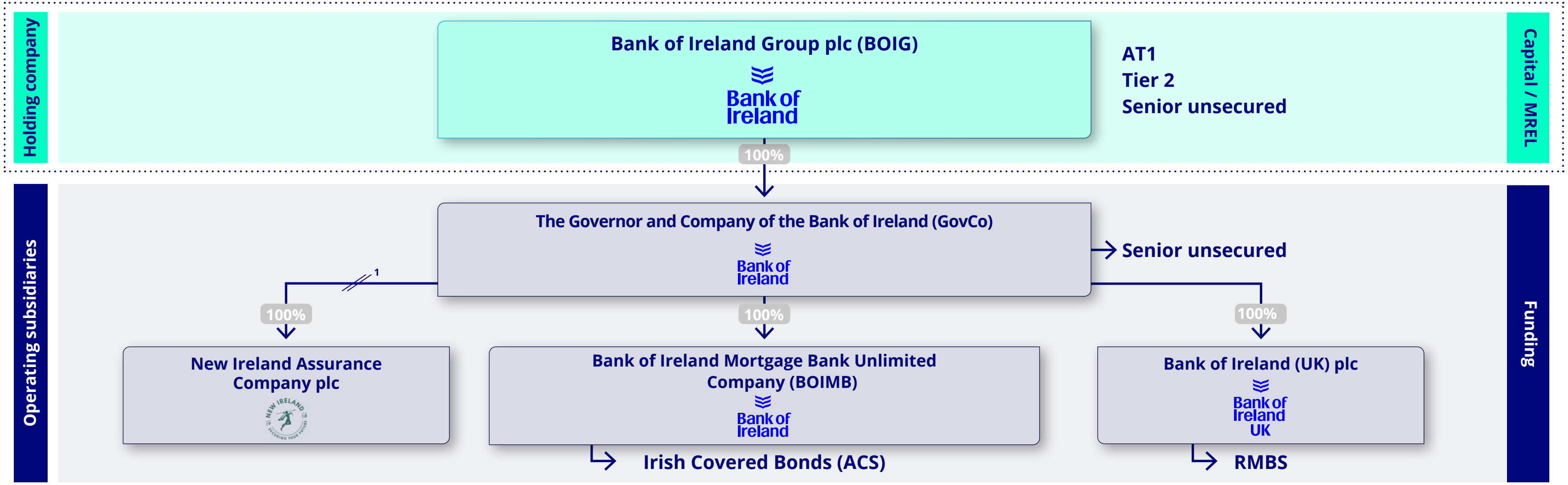
IAS19 pension sensitivities
(Dec 2017 / Dec 2018 / Dec 2019 / Dec 2020 /Dec 2021/Dec 2022)
€m



[1] Sensitivity of Group funding requirement to a 0.25% decrease in interest rates
[2] Sensitivity of IAS19 liabilities to a 0.10% decrease in credit spread over risk free rates
[3] Sensitivity of Group funding requirement to a 0.10% increase in long term inflation
[4] Sensitivity of Group assets to a 5% movement in global equity markets with allowance for other correlated diversified asset classes

- IAS19 net pension surplus of €0.7bn at Dec 2022 (€0.6bn net surplus Dec 2021). Schemes in surplus €0.736bn, schemes in deficit €0.036bn
- Both euro and sterling discount rates increased significantly over the year (225 bps and 310 bps respectively) primarily due to increases in long term risk free interest rates
- The discount rate increases resulted in a reduction in Group DB pension scheme liabilities, partially offset by a corresponding reduction in the interest rate hedging assets
- Long term euro inflation assumptions increased in the period (by 75bps) while long term sterling inflation assumptions reduced marginally, with the resulting increase in liabilities partially offset by the increase in inflation hedging assets
- The decrease in asset valuations over the period has changed the percentage mix in the overall asset portfolio. At 31/12/22 the largest pension scheme, BSPF, was in the process of further de-risking its investment strategy. When completed this will result in a further reduction in return-seeking assets and an increase in Credit/LDI/Hedging assets
- The IAS19 Pension Sensitivities graphs demonstrate the reduction over recent years in the sensitivity of the Group's pension schemes to movements in interest rates, credit spreads, inflation and equities

Corporate Structure



- Preferred resolution strategy for the Group consists of a Single Point of Entry (SPE) bail-in strategy through the Group holding company (BOIG)
  - Transparent and well-defined resolution strategy in comparison to other jurisdictions
  - In 2017 BOIG introduced on top of the existing group structure supporting an SPE preferred resolution strategy
  - No change to any of the Group's existing operating companies
- Bail-in at BOIG is the primary resolution tool. MREL requirements are expected to be met through junior and senior issuance from BOIG
- Losses are passed to BOIG by the write-down of intragroup assets. BOIG investors bear loss in accordance with the resolution[2] hierarchy. Resolution authorities required to apply the "No creditor worse off" principle in application of the bail-in tool
- Funding requirements may also continue to be met, as required, through the issue of Irish Covered Bonds (ACS) by Bank of Ireland Mortgage Bank Unlimited Company, Residential Mortgage Backed Securities (RMBS) by Bank of Ireland (UK) plc and senior unsecured issuance by GovCo

[1] 100% shareholding via intermediate holding company
[2] Per Regulations 87 and 96 of the European Union (Bank Recovery and Resolution) Regulations 2015, as amended

Forward-looking statement

This document contains forward-looking statements with respect to certain of the 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, loan to deposit ratios, 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, and the impact of Russia’s invasion of Ukraine particularly on certain of 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 in the Group’s Annual Report for the year ended 31 December 2022. Investors should also read ‘Principal Risks and Uncertainties’ in the Group’s Annual Report for the year ended 31 December 2022 beginning on page 133.

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 as 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.

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