2026

Bank of Ireland Group plc

Interim Report

(for the six months ended 30 June 2026)

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.

Inside this report

View this report online

The Interim Report and other information in relation to Bank of Ireland is available on the Investors page of our website at: www.bankofireland.com

The Group's forward-looking statement can be found on page 115

Key performance highlights

Excellent momentum at start of new strategic cycle in H126.

Franchise Performance

▲7%	▲3%	▲18%	+31
Irish loans	Irish deposits	AUM	Personal RNPS
(Annualised vs Dec 25)	*(Annualised vs Dec 25)*	*(Annualised vs Dec 25)*	*+1ppt vs H125*

Financial Performance

▲7%	▲2%	51%	€1.0bn	14.4%
Total income	Total costs	CIR[1,2]	PBT	RoTE[3]
		(H125: 51%)	*(H125: €0.7bn)*	*(H125[4]: 11.1%)*

78.4c	39c	15.5%	135bps
EPS	Interim DPS	CET1[5]	Capital generation
(+36% vs H125)	*(H125: 25c)*	*(Dec 2025: 15.1%)*	

Further information on measures referred to in our key performance highlights can be found in the alternative performance measures section on page 116.

[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 12 for further details. For calculation of underlying cost / income ratio (CIR) see page 122.
[2] Comparative figures have been restated following changes to the Group's presentation of underlying performance measures. Transformation programme costs of €71 million are no longer considered to meet the definition of a non-core item and are now presented in operating expenses, increasing total underlying costs from €987 million to €1,058 million. In addition, the Group's share of results of associates and joint ventures is now included within total income to better align the CIR with market practice, increasing total underlying income by €9 million from €2,055 million to €2,064 million. As a result, the H125 underlying CIR increases from its reported level of 48% to a restated level of 51%.
[3] Return on Tangible Equity (RoTE) is an alternative performance measure, for calculation see page 120.
[4] As part of a refinement of the Group's performance reporting approach, comparative RoTE has been restated from 11.3% to 11.1% to reflect a simpler annualisation methodology.
[5] The H126 pro forma CET1 ratio is 15.5%. In accordance with ECB guidance and EBA Q&A 2023_6887, the reported CET1 ratio (which excludes H126 interim profits) is 14.7%.

Chief Executive's review

Myles O'Grady
Group Chief Executive Officer

The Group had an excellent first-half performance, underpinned by our successful strategy execution, the breadth of our franchise, and a resilient Irish economy. 2026 is a year of further momentum for the Bank of Ireland Group, growing loans, deposits and wealth assets under management. This growth, combined with cost discipline and strong asset quality, has generated a 33% increase in profit before tax to €960 million compared to the same period last year. We remain alert to geopolitical developments and the risks for the global economy. A favourable Irish macroeconomic and demographic backdrop; our unrivalled position as Ireland's national champion bank; and a highly attractive home market driving growth offers confidence for H2 and beyond and supports an upgrade to our expected performance for 2026.

Introduction

2026 is another year of momentum for the Bank of Ireland Group. Loans, deposits and wealth assets under management (AUM) have all grown, supported by the resilient Irish economy and relentless execution of our new strategy announced earlier this year.

With this positive performance backdrop, the Group continues to invest and innovate, deploying digital and product enhancements across our franchises. Customer satisfaction in a growing customer base continues to improve, with our personal customer relationship net promoter score increasing to +31.

We are delivering for our shareholders, announcing an interim dividend of 39 cent per share and reaffirming guidance of a progressive dividend per share for the full year. The Group continues to execute the €530 million share buyback announced in March, with c.€229 million deployed to date. This is the fifth consecutive year of Group share buybacks, reducing the share count by c.13% over that period.

We conclude the half-year in a very strong capital position, generating a Return on Tangible Equity (RoTE) of 14.4% and a pro forma CET1 capital ratio of 15.5%, positioning the Group well for further balance sheet growth, ongoing investment in our business model, and shareholder distributions.

Strategic delivery

In March, we unveiled Strategy 2028, which is centred on three priorities: Driving growth in Ireland; Optimising capital allocation; and Investing for the future.

In our home market, we had another very good performance in mortgages, growing the book by 6% on an annualised basis and retaining our number one leadership position and the Group also delivered strong net lending growth of 14% on the same basis in our domestic Corporate and Commercial book.

AUM at our market leading wealth and insurance franchises, Davy and New Ireland, increased to a new all time high of €65.5 billion.

On capital allocation, we have demonstrated agility in the UK, which continues to be well served by our value over volume approach. The Retail UK net interest margin (NIM) rose 8 basis points year on year (YoY) to 2.37%. Planned deleveraging in non-core international corporate portfolios is tracking ahead of our expectations, with these books reducing 33% in H1.

Investment across our franchise in H1 resulted in a number of very important deliveries.

These include our new Mobile App, with launch on a phased basis over the coming weeks; the launch of Zippay, a new peer-to-peer mobile payments platform; a pilot release of a new digital wealth platform; and payments enhancements for our customers in the UK.

We have a lot more planned. Over our strategic cycle, we are investing c.€1.5 billion to deepen and strengthen our franchise, expand customer propositions and increase operational resilience. Key focus areas include digital customer experience and proposition enhancements in Retail Ireland; a new savings platform in the UK; development of new Wealth and Insurance propositions, including for the imminent State-sponsored savings and investment account and corporate pensions capability; and a new digital platform for Corporate and Commercial Banking customers.

All of this positions the Group strongly in an evolving competitive environment.

Driving operating leverage is at the heart of Strategy 2028. In March, we said our plan to 2028 envisages c.€250 million of cost efficiencies, with three levers to unlock these:

- our operating model, with a redesigned and simplified organisation;
- AI-enabled process excellence, end-to-end journey redesign and process improvements; and
- consolidating, renegotiating and streamlining third party expenditure.

Chief Executive's review *(continued)*

AI is an important element of our strategic plans, both in terms of revenue generation and cost initiatives, with AI supporting the delivery of c.20% of the targeted cost efficiencies.

I have set out separately on this page how the Group is fundamentally thinking about this new technology.

AI is making an impact on the Group. We have invested in establishing strong Enterprise AI foundations to support commercial outcomes.

Our AI pathfinders are delivering. Examples here include:
- **KYC:** Average handling time (AHT) 40% lower on targeted processes.
- **Software development**: AI tooling rollout to c.1,000 colleagues.
- **Contact centre:** 40% reduction in hand-offs.
- **Chargeback:** AI-supported processing reduced AHT by 38%.

We are targeting additional initiatives to support delivery of our efficiency objectives.

During H126, we also joined with 36 other European banks to help develop a euro-denominated stablecoin. Our purpose here is to meet the evolving needs of our customers, supporting large-scale digital payments and settlement on blockchain technology, helping money to move faster and more efficiently, settling quickly, operating 24/7 and relying on fewer intermediaries.

How we think about AI in BoI

AI is changing how people learn, work and make decisions.

At Bank of Ireland, our business is built on the trust, governance and protection that our customers expect and deserve. AI agents advising people on their money need the same guardrails, accountability, and standard of care.

We're deploying AI to work smarter, remove repetitive tasks, improve efficiency and free colleagues to focus on areas where human expertise matters most. Early-stage success has been encouraging, bringing significant improvements in protecting customers from fraud and in customer service. While AI will dramatically increase our capacity to process information and execute processes faster, our people remain central to accountability, judgement and ethical decision-making. That's hugely important and will remain the case. We recently announced the appointment of Prag Sharma as Chief AI Officer, with this appointment reflecting our ambition to position the Group at the forefront of responsible AI innovation and adoption.

Alongside the business model positives, advances in AI are also creating new cyber security challenges that require organisations to strengthen their resilience, enhance security practices and continually evolve their defences. Frontier AI models are a growing cyber threat, and therefore protecting customers, maintaining trust and preserving the stability of the financial system is more critical than ever.

Our view is that AI shouldn't be framed as inherently good or bad. It is simply a powerful technology that automates aspects of intelligence. As a National Champion Bank, our role is to harness that technology for good and pair it with the strengths that come with being a trusted financial services provider for generations of consumers and businesses – helping customers, supporting colleagues, and building a safer, more intuitive, resilient banking experience for the future.

Delivering for Stakeholders

Our stated purpose is to help our customers, colleagues, shareholders and society to thrive. We delivered positive outcomes for all of our stakeholders in H126.

For customers, in addition to our digital deployments, we have made a number of important enhancements, including:
- improvements to the Business Borrowing Hub that simplifies the application process and speeds up decisions, with some approved in as little as one hour. For straightforward cases, funds can be in a customer's account within 24 hours;
- Enviroflex sustainability-linked loans, which have previously been made available to Irish dairy and tillage farmers, can now be accessed by beef farmers;
- in April, we launched a new AI-enabled tool, Benefits Finder, that helps customers identify tax credits and reliefs they may be missing; and
- in June, we launched EV Marketplace, Ireland's first one-stop shop for customers to research, compare and switch to electric vehicles.

For our colleagues, we were the highest ranked Irish bank in both the Irish Independent Top 200 Employers 2026 and the Financial Times' Europe's Best Employers 2026 surveys.

In support of our hybrid working policy, we opened four new hubs to provide greater flexibility to colleagues.

For shareholders, our interim dividend of 39 cent equates to a 50% payout ratio, while we continue to execute against the share buyback that commenced in March.

At our AGM in May, shareholders approved an 'odd-lot' offer that provides holders of 30 or fewer shares in the Group the flexibility to sell their shares at a 5% premium to the market price without any transaction costs.

For society, Bank of Ireland is currently supporting the construction of around 26,000 homes across the country, up from 25,000 last year.

Our stock of sustainable finance lending grew 9% during H126 to €19.3 billion.

We are also continuing to progress a range of initiatives across fraud prevention and customer education.

Financial performance

Our financial performance in H126 is characterised by momentum, discipline and strong returns.

On momentum, net loans increased by €1.5 billion to €84.0 billion, driven by an excellent performance in Ireland where net loans grew at a 7% annualised rate. This more than offset planned deleveraging in a number of international portfolios and a disciplined approach to UK lending.

The Group's deposit franchise performed strongly, with customer balances increasing by €1.0 billion during H126 to €108.5 billion. Our Irish Everyday Banking franchise was the key driver here, growing at a c.3% annualised rate. Flow to term reduced to €0.5 billion from €1.0 billion in the same period last year.

Chief Executive's review *(continued)*

AUM in our Wealth and Insurance division grew at an annualised pace of 18% to a record €65.5 billion, supported by net customer inflows of €1.6 billion in H126.

All of this momentum contributed to a 7% increase in the Group's total income in H126.

Net interest income (NII) was +2% YoY to €1.7 billion, with balance sheet growth and structural hedge dynamics more than offsetting the impact of lower interest rates and, as expected, a lower contribution from deleveraging portfolios. We now expect FY26 NII of c. €3.5 billion, versus c.€3.4 billion previously, driven primarily by higher rates. We have also upgraded our FY27 and FY28 NII guidance to c.€3.75 billion and >€3.95 billion respectively from >€3.6 billion and >€3.85 billion previously.

Total fee income, including JVs and associates, was up 6% YoY, driven by an excellent performance in Wealth and Insurance, which was up 11% YoY, and supported by investment gains in Corporate and Commercial. We expect FY26 fee income to be c.4% higher YoY.

Total costs increased by 2% YoY with higher staff and other costs, driven by inflation and investment, being partly offset by efficiencies and lower restructuring costs YoY. Our full year total cost guidance is unchanged at c. €2.2 billion, up c.2% YoY.

The net impairment charge of €32 million equates to a cost of risk of 8 basis points, showing the strong asset quality across the Group's portfolios. Portfolio activity (net of credit insurance) accounted for €5 million of this charge, with macroeconomic and model updates of €11 million and post model adjustments of €16 million accounting for the balance. The Group's non-performing exposures (NPE) ratio improved to 2.0% from 2.2% at end-2025. We now expect a net impairment charge for FY26 in the mid-to-high teens basis points versus the previously guided low-to-mid 20s basis points. With a backdrop of geopolitical uncertainty and inflationary risk, our focus is to continue working closely with our customers and maintain strong asset quality.

All of these items contributed to a PBT of €960 million for the half year, up 33% from the €721 million in H125.

We delivered a RoTE of 14.4% in H126, compared to 11.1% in H125 and now expect a RoTE of >14% for FY26, up from c.12.5% previously.

Our business model is highly capital generative and we achieved 135 basis points of net capital generation in H126, with a pro forma CET1 of 15.5% after accruing for the ordinary dividend (65 basis points) and RWA growth (35 basis points). We now expect net capital generation for FY26 of c.270 basis points, up from c.250 basis points previously.

Economy and geopolitics

Notwithstanding the geopolitical backdrop, the Irish and UK economies are performing resiliently in 2026.

As a measure of the underlying strength of the Irish economy, tax receipts were +4.8% YoY in H126. UK GDP is estimated to have grown by 1.1% YoY in the three months to May 2026.

Our economists forecast Irish modified domestic demand, which reflects indigenous sectors, to expand by 3.5% in 2026 and 2.5% in 2027.

Investment will continue to perform well, supported by ongoing inward flows of FDI, homebuilding and the roll-out of the €107 billion of public funds allocated for infrastructure out to 2030 under the National Development Plan.

Hence, Ireland is expected to have the fastest growth in construction over the next two years across the 19 European countries that Euroconstruct surveys.

The labour market is expected to remain tight, with employment growing and the unemployment rate remaining close to 5%.

House price inflation is expected to grow at a more moderate pace of 4% this year.

The Irish economy features strong investment, budget surpluses and a skilled workforce, balanced against some reliance on multinational tax revenues and an open economy exposed to global trade dynamics. It is in this context that the domestic economy is resilient and growing.

Conclusion

The Group made a positive start to our new strategic cycle, and we are very confident for the remainder of 2026 and beyond.

This confidence is illustrated by the higher interim dividend that we have announced today.

Our upgraded guidance for RoTE of >14% and net capital generation of c.270 basis points for 2026 underscores our ability to deliver continued attractive returns to our shareholders.

Ireland is a highly attractive market driving quality growth, and the Bank of Ireland Group has an unrivalled position as Ireland's national champion bank with complementary UK and international businesses. Our strategic execution to date, the momentum in our business model and a resilient Irish economy underpin the Group's unique position. They support confidence in the delivery of our medium-term target to build RoTE to greater than 16% in FY28, which represents a >500 basis point uplift on the 2025 outturn.

Finally, I would like to thank our customers for their continued trust, our colleagues for their dedication, and our shareholders for their valued support.

Myles O'Grady
Group Chief Executive Officer

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

Operating and financial review *(incorporating risk management)*

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 is set out in the APMs section on page 116. The income statements are presented for the six months ended 30 June 2026 (H126) compared to the six months ended 30 June 2025 (H125). The balance sheets are presented for 30 June 2026 compared to 31 December 2025. 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 percentage changes exceed 100% and do not provide a meaningful basis for comparison, they are denoted as n/m, (not measured).

Summary consolidated income statement on an underlying basis

	Table	6 months ended 30 June 2026 €m	*Restated*[1] 6 months ended 30 June 2025 €m
Net interest income	1	1,705	1,665
Net other income[2]	2	464	367
Operating income		**2,169**	**2,032**
Operating expenses (before levies and regulatory charges)[1,2]	3	(1,075)	(1,058)
Levies and regulatory charges	3	(102)	(113)
Operating profit before net impairment losses on financial instruments		**992**	**861**
Net impairment losses on financial instruments[2]	4	(32)	(137)
Share of results of associates and joint ventures (after tax)		9	9
Underlying profit before tax		**969**	**733**
Non-core items[1,2]	5	(9)	(12)
Profit before tax		**960**	**721**
Tax charge		(177)	(113)
Profit for the period		**783**	**608**
Key ratios			
Statutory cost income ratio (%)		55	58
Underlying cost income ratio (%)[1]		51	51
Return on Tangible Equity (%)[3]		14.4	11.1
Return on assets (bps) (annualised)		94	76
Per ordinary share			
Basic earnings per share (€ cent)		78.4	57.8
Underlying earnings per share (€ cent)[1]		80.7	58.9
Tangible Net Asset Value per share (€ cent)		1,085	1,039
Interim dividend per share (€ cent)		39	25

[1] *Comparative figures have been restated following changes to the Group's presentation of underlying performance measures. (i) Transformation programme costs of €71 million are no longer considered to meet the definition of a non-core item as they are no longer considered to be non-recurring and are now presented in operating expenses, increasing total underlying costs from €987 million to €1,058 million. (ii) The Group's share of results of associates and joint ventures is now included within total income to better align the CIR with market practice, increasing total underlying income by €9 million from €2,055 million to €2,064 million. As a result, the H125 underlying CIR increases from its reported level of 48% to a restated level of 51%, while the reclassification of transformation programme costs reduced underlying earnings per share from 65.1 cent to 58.9 cent. For calculation of underlying CIR and underlying EPS see APMs pages 122 and 123 respectively.*

[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. A reconciliation between the IFRS and summary consolidated income statement on an underlying basis is set out on page 19. For further information on APMs see page 116.*

[3] *As part of a refinement of the Group's performance reporting approach, comparative RoTE has been restated from 11.3% to 11.1% to reflect a simpler annualisation methodology.*

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

Profit before tax of €960 million was reported by the Group for H126, €239 million higher compared to H125.

Underlying profit before tax of €969 million was €236 million higher than H125.

Net interest income was €40 million or 2% higher than H125, with balance sheet growth and the benefits of structural hedging more than offsetting the impact of lower interest rates and planned deleveraging.

Net other income was €97 million or 26% higher period on period, with an increase in business income primarily driven by a strong performance in Wealth and Insurance (W&I) and a €72 million positive movement on other valuation items.

Operating expenses (before levies and regulatory charges) including restructuring and other transformation costs increased by €17 million or 2%, reflecting inflation and investment, offset by efficiencies.

Levies and regulatory charges decreased by €11 million or 10%, primarily due to lower Deposit Guarantee Scheme (DGS) charges as the scheme is now fully funded.

Net impairment losses on financial instruments of €32 million decreased by €105 million or 77%, reflecting strong asset quality performance across our portfolios.

Share of results of associates and joint ventures (after tax) remained in line with H125.

Non-core items decreased by €3 million compared to H125.

The **tax charge** of €177 million (H125: €113 million) reflected an effective statutory taxation rate of 18% (H125: 16%) for the Group. On an underlying basis, the effective taxation rate was 17% (H125 restated: 16%). The underlying effective tax rate was influenced by the jurisdictional mix of profits, adjustments in respect of the prior period and the Irish bank levy.

Net interest income

Table: 1 Net interest income / net interest margin	6 months ended 30 June 2026 €m	6 months ended 30 June 2025 €m	Change %
Net interest income	**1,705**	**1,665**	**2%**
Average interest earning assets (€bn)			
Loans and advances to customers	83	82	1%
Other interest earning assets	45	43	5%
Total average interest earning assets	**128**	**125**	**2%**
Net interest margin (annualised)	**2.68%**	**2.69%**	
Gross yield - customer lending (annualised)	4.08%	4.06%	
Gross yield - liquid assets (annualised)	2.56%	2.93%	
Average cost of funds - interest bearing liabilities and current accounts (annualised)	(0.92%)	(1.05%)	

Net interest income was €40 million or 2% higher than H125, with balance sheet growth and the benefits of structural hedging more than offsetting the impact of lower interest rates and planned deleveraging.

The Group's net interest margin (NIM) was 2.68% (H125: 2.69%).

The gross customer yield has increased by 2 basis points to 4.08% compared to H125, 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 37 basis points to 2.56% compared to H125, due to the impact of the lower interest rate environment.

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 13 basis points from H125, primarily reflecting lower wholesale funding costs and lower deposit costs.

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

Net other income

Table: 2 Net other income[1]	6 months ended 30 June 2026 €m	6 months ended 30 June 2025 €m	Change %
Net other income	**464**	**367**	**26%**
Analysed as:			
Business income			
Wealth and Insurance	211	190	11%
Retail Ireland	128	132	(3%)
Corporate and Commercial	81	83	(2%)
Group Centre and other	(11)	(17)	(35%)
Retail UK	5	2	n/m
Total business income	**414**	**390**	**6%**
Other expenses			
Loan sale expenses	(1)	(2)	(50%)
Total other expenses	**(1)**	**(2)**	**(50%)**
Other valuation items			
Financial instrument valuation adjustments	39	(22)	n/m
Investment valuation movement	12	1	n/m
Total other valuation items	**51**	**(21)**	**n/m**

[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 116.*

Net other income of €464 million was €97 million or 26% higher compared to H125.

Business income of €414 million increased by €24 million or 6% compared to H125:

- W&I increased by €21 million or 11%, with a particularly strong performance in the Davy wealth management business and higher income in New Ireland Assurance Company (NIAC) driven by a recovery in the claim experience on Group protection products, new business growth and higher AUM;
- Retail Ireland income decreased by €4 million or 3% primarily due to higher commissions paid relating to partnership agreements, partially offset by growth in current account maintenance fees and interchange income;
- Corporate and Commercial decreased by €2 million or 2% with lower upfront fee income and foreign exchange (FX) income, partially offset by €7 million gains on equity investments; and
- Retail UK income increased by €3 million primarily reflecting lower profit sharing partnership commissions relating to net interest income performance.

Other expenses of €1 million (H125: €2 million) decreased due to lower loan sale expenses incurred in H126.

Other valuation items resulted in a gain of €51 million (H125: loss of €21 million). This resulted from positive mark-to-market movements on derivatives that are not in hedge accounting relationships, a fair value gain on hedged items and a removal of the liquidity discount previously applied to net asset value based fair values. In addition, there was a positive investment variance movement in W&I for H126, due to market impacts.

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

Operating expenses

Table: 3 **Operating expenses**[2]	6 months ended 30 June 2026 €m	*Restated*[1] 6 months ended 30 June 2025 €m	Change %
Staff costs (excluding pension costs)	463	450	3%
Pension costs	35	38	(8%)
Retirement benefit costs (defined benefit plans)	*3*	*7*	*(57%)*
Retirement benefit costs (defined contribution plans)	*32*	*31*	*3%*
Depreciation and amortisation	147	120	23%
Transformation programme costs[1]	58	71	(18%)
Cost of restructuring[1]	*44*	*69*	*(36%)*
Other transformation costs[1]	*14*	*2*	*n/m*
Other costs	372	379	(2%)
Operating expenses (before levies and regulatory charges)	**1,075**	**1,058**	**2%**
Levies and regulatory charges	102	113	(10%)
Total operating expenses	**1,177**	**1,171**	**1%**

[1] *Comparative figures have been restated following changes to the Group's presentation of underlying performance measures. Transformation programme costs of €71 million, comprising cost of restructuring of €69 million and other transformation costs of €2 million, are no longer considered to meet the definition of a non-core item as they are no longer considered to be non-recurring and are now presented in operating expenses, increasing operating expenses (before levies and regulatory charges) from €987 million to €1,058 million.*

[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 116.*

Operating expenses (before levies and regulatory charges) including restructuring and other transformation costs were €17 million or 2% higher than H125.

Staff costs (excluding pension costs) of €463 million were €13 million higher than H125 reflecting salary increases averaging between 3% to 4% which were effective from 1 January 2026 partially offset by ongoing efficiencies.

At 30 June 2026, the number of staff on a full time equivalent (FTE) basis was 11,030, a decrease of 356 or 3% compared to 11,386 at 30 June 2025 and 2% lower compared to 31 December 2025. Average staff numbers employed by the Group in H126 of 11,122 were 146 or 1% lower compared to 11,268 in H125. The decrease in FTEs was primarily due to planned exits driven by transformation programmes and ongoing efficiencies.

Pension costs of €35 million were €3 million or 8% lower than H125. Defined benefit pension costs have decreased by €4 million due to lower service costs. New joiners were added to the Group's defined contribution plans, the cost of which has increased by €1 million compared to H125.

Depreciation and amortisation costs of €147 million were €27 million or 23% higher than H125. The increase was driven primarily by investment in strategic IT programmes.

Transformation programme costs of €58 million (H125[1]: €71 million) related predominantly to the Simpler Business programme costs including associated redundancy scheme costs of €28 million (H125: €37 million) and €14 million (H125[1]: €2 million) of other transformation programme costs related to the design and development of key Retail UK initiatives supporting the Group's UK future-state operating model.

Other costs including technology, property, outsourced services and other non-staff costs were €7 million or 2% lower than H125, net of efficiencies.

Levies and regulatory charges of €102 million decreased by €11 million, primarily due to lower DGS charges as the scheme is now fully funded.

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]	6 months ended 30 June 2026 €m	6 months ended 30 June 2025 €m	Change %
Net impairment (losses) / gains on loans and advances to customers at amortised cost			
Residential mortgages	(3)	(12)	(75%)
Retail Ireland	*(1)*	*(13)*	*(92%)*
Retail UK	*(2)*	*1*	*n/m*
Non-property SME and corporate	(3)	(94)	(97%)
Republic of Ireland SME	*6*	*–*	*n/m*
UK SME	*(1)*	*(4)*	*(75%)*
Corporate	*(8)*	*(90)*	*(91%)*
Property and construction	(1)	(26)	(96%)
Investment	*7*	*(7)*	*n/m*
Development	*(8)*	*(19)*	*(58%)*
Consumer	(33)	–	n/m
Total net impairment losses on loans and advances to customers at amortised cost	**(40)**	**(132)**	**(70%)**
Net impairment gains / (losses) on other financial instruments (excluding loans and advances to customers at amortised cost)	8	(5)	n/m
Total net impairment losses on financial instruments	**(32)**	**(137)**	**(77%)**
Net impairment losses on financial instruments (bps) (annualised)	**(8)**	**(33)**	**(76%)**
Net impairment losses on loans and advances to customers (bps) (annualised)	**(10)**	**(32)**	**(69%)**

[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 116.*

The Group recognised an **underlying net impairment** loss for H126 of €32 million.

The **total net impairment loss** reflected a number of impairment dynamics:
- net impairment loss from portfolio activity of €5 million (H125: €97 million) includes updated credit risk assessments, recoveries, case specific loss emergence and NPE resolution activity. Included in the net portfolio activity loss is an offsetting €32 million gain related to credit insurance, primarily related to the Corporate loan portfolio, arising from financial guarantee contracts;
- impairment methodology and model updates incorporating the current macroeconomic outlook resulted in an €11 million net loss (H125: €22 million); and
- the application of an increased quantum of Group post-model adjustments (PMAs) at 30 June 2026 resulted in a €16 million net loss in the period (H125: €18 million) which reflected a number of potential risks not included in the modelled impairment loss allowances (ILA), partially offset by the release of a previously recognised PMA. See note 2 critical accounting estimates and judgements for further details.

The net impairment loss of €3 million in the **residential mortgages portfolio** in H126 was driven by a €5 million loss from updated macroeconomic outlook at 30 June 2026:
- a net impairment loss on the **Retail Ireland mortgage portfolio** of €1 million (H125: €13 million) included a net impairment loss of €4 million from impairment model updates including updated macroeconomic outlook (H125: €4 million gain), partially offset by a gain of €2 million from portfolio activity (H125: €5 million loss) and a small reduction in the quantum of PMAs applied at 30 June 2026 (H125: €12 million loss); and
- a net impairment loss on the **Retail UK mortgage portfolio** of €2 million (H125: €1 million gain) included a net impairment loss of €2 million from portfolio activity (H125: €3 million gain), a €1 million loss from the application of an increased quantum of PMAs (H125: €1 million gain) and a €1 million loss (H125: €5 million) driven from updated macroeconomic outlook. The overall loss was partially offset by a €2 million gain from impairment model updates (H125: €2 million).

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

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

A net impairment loss of €3 million (H125: €94 million) on the **non-property small and medium enterprise (SME) and corporate loan portfolio** for H126 is net of gains related to credit insurance arising from financial guarantee contracts and reflects an €11 million loss from updated macroeconomic outlook and a €3 million loss from portfolio activity driven by some case specific loss emergence, primarily on defaulted cases in the Corporate portfolio. The loss was partially offset by a €10 million gain from impairment model updates and a small gain from PMA movements. The H126 loss included a net impairment loss of €14 million (H125: €49 million) on credit-impaired assets (net of credit insurance arising from financial guarantee contracts).

A net impairment loss of €1 million (H125: €26 million) on the **property and construction loan portfolio** for H126 included a net impairment gain of €5 million on credit-impaired assets (H125: €42 million loss). The €7 million net impairment gain in Investment Property in H126 reflects strong resolution activity in the period and a €4 million gain related to impairment model updates. This was partly offset by the application of a new €11 million Investment Property PMA (see note 2 critical accounting estimates and judgements for further details) and a €3 million loss from updated macroeconomic outlook. The gain in Investment Property was offset by an €8 million loss in the Development portfolio related primarily to portfolio activity.

There was a €33 million impairment loss on the **consumer loans portfolio** driven by a €23 million loss from portfolio activity reflecting loss emergence on defaulted assets, primarily in the UK Motor Finance portfolio. The loss also reflects the application of a new €7 million UK Motor Finance PMA (see note 2 critical accounting estimates and judgements for further details) in addition to a €4 million loss related to model updates. This compared with no impairment charge in H125 which reflected gains relating to impairment model updates which fully offset loss emergence on defaulted assets.

Non-core items

Table: 5 **Non-core items**	**6 months ended 30 June 2026 €m**	*Restated*[1] **6 months ended 30 June 2025 €m**	**Change %**
Acquisition costs	(20)	(13)	54%
Gross-up for policyholder and shareholder tax in the Wealth and Insurance business	13	(2)	n/m
Customer redress charges	(1)	–	n/m
Investment loss on treasury shares held for policyholders	(1)	(2)	(50%)
Portfolio divestments (net)	–	5	(100%)
Total non-core items	**(9)**	**(12)**	**(25%)**

[1] Comparative figures have been restated following changes to the Group's presentation of underlying performance measures. Transformation programme costs of €71 million are no longer considered to meet the definition of a non-core item as they are no longer considered to be non-recurring and are now presented in operating expenses. As a result, non-core items have decreased from €83 million to €12 million.

The Group uses 'underlying profit' as an APM, which excludes non-core items that it believes obscure the underlying performance trends in the business. In 2026, the Group no longer considers transformation programme costs to meet the definition of a non-core item, as they are no longer considered to be non-recurring and are now considered to be part of the ongoing operating activities of the Group. The Group considers that this change provides reliable and more relevant information on the Group's financial performance. As a result, comparative APMs have been restated to exclude transformation programme costs of €71 million, which are now presented in operating expenses, decreasing non-core items presented for H125 from €83 million to €12 million.

Acquisition costs
H126 costs comprised €7 million costs relating to the acquisition of Davy (including €3 million amortisation and €3 million deferred remuneration costs) and €13 million other project costs, compared to €13 million in H125.

Gross-up for policyholder and shareholder tax in the Wealth and Insurance 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 H126, this was a non-core gain of €13 million (H125: €2 million loss).

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

Non-core items *(continued)*

Customer redress charges
During H126, the Group recognised €1 million (H125: €nil) customer redress charges in connection with historical commission arrangements in the Group's UK motor finance business. For more details see note 25 provisions.

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 H126, this resulted in a loss of €1 million (H125: €2 million). At 30 June 2026, there were 0.5 million shares (H125: 0.6 million shares) held for the benefit of policyholders.

Portfolio divestments
The Group did not have a portfolio divestment gain or loss in H126. In H125, the Group recognised a net portfolio gain of €5 million related to the sale and migration of the UK personal loans portfolio.

Summary consolidated balance sheet

Summary consolidated balance sheet	Table	30 June 2026 €bn	31 December 2025 €bn
Assets			
Loans and advances to customers	6	84	82
Liquid assets	7	46	46
Wealth and Insurance assets		31	29
Other assets	8	8	8
Total assets		**169**	**165**
Liabilities			
Customer deposits	9	109	107
Wealth and Insurance liabilities		31	29
Wholesale funding	10	10	9
Other liabilities	8	4	5
Subordinated liabilities		2	2
Total liabilities		**156**	**152**
Shareholders' equity		12	12
Other equity instruments - Additional tier 1		1	1
Total liabilities and shareholders' equity		**169**	**165**

The Group's **loans and advances to customers (after ILAs)** of €84.0 billion were €1.5 billion higher than 31 December 2025. Net new lending of €1.2 billion and FX and other movements of €0.4 billion were partially offset by impairment of €0.1 billion. On a constant currency basis, the loan book increased by €1.1 billion reflecting positive net new lending in the period.

The Group's portfolio of **liquid assets** at 30 June 2026 of €46.4 billion increased by €0.4 billion from 31 December 2025, primarily due to higher customer deposits of €0.7 billion (constant currency basis), higher wholesale funding volumes of €0.3 billion, an FX gain €0.1 billion and other items of €0.4 billion, partially offset by higher lending volumes of €1.1 billion (constant currency basis). During H126, the Group purchased €4.6 billion worth of bonds and had net maturities and sales of c.€1.8 billion.

The Group's **asset quality** has improved despite the impact of elevated economic uncertainty and geopolitical risk. NPEs reduced by €0.1 billion to €1.7 billion, representing 2.0% of gross loans at 30 June 2026 (31 December 2025: 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 Corporate portfolios. The reduction

Summary consolidated balance sheet *(continued)*

in NPEs was partly offset by the emergence of new defaults in the period.

At 30 June 2026, Group **customer deposit volumes** of €108.5 billion were €1.0 billion higher compared to €107.5 billion at 31 December 2025, driven by an increase in Retail Ireland volumes of €1.9 billion, offset by a decrease in Corporate and Commercial volumes of €0.6 billion and a decrease in Retail UK balances of €0.3 billion. On a constant currency basis, Retail UK volumes decreased by €0.5 billion (£0.4 billion).

Wholesale funding balances of €9.5 billion at 30 June 2026 were €0.3 billion higher than 31 December 2025. This is primarily due to a net increase in MREL eligible senior debt of €0.8 billion, partially offset by net repayment of Bank of England (BoE) Monetary Authority funding of €0.2 billion, a decrease in bank deposits of €0.2 billion and a decrease in other items of €0.1 billion.

The Group's pro forma fully loaded **common equity tier 1 (CET1) ratio** including H1 unaudited profits was 15.5% at 30 June 2026 (31 December 2025: 15.1%). The increase of c.35 basis points since 31 December 2025 is primarily due to net capital generation (c.+135 basis points), partially offset by a foreseeable distribution deduction (c.-65 basis points) and risk weighted asset (RWA) growth (c.-35 basis points). For further information on capital ratios see Capital Adequacy risk section from page 36.

Key ratios	30 June 2026	31 December 2025
Liquidity Coverage Ratio (%)	191	191
Net Stable Funding Ratio (%)	156	156
Loan to Deposit Ratio (%)	77	77
Gross new lending volumes (€bn)	9.0	18.9
Average interest earning assets (€bn)	128	126
CET1 ratio (%)[1]	14.7	15.1
Total capital ratio (%)[1]	19.8	20.3

[1] In accordance with ECB guidance and EBA Q&A 2023_6887, no interim profits have been recognised under Article 26 (2) of the Capital Requirements Regulation. The reported interim capital ratios at 30 June 2026 have therefore been presented excluding the benefit of H126 interim profits. Inclusion of H126 interim profits result in a CET1 ratio of 15.5% and a total capital ratio of 20.5%.

Loans and advances to customers

Table: 6 Loans and advances to customers - Composition	30 June 2026 €bn	30 June 2026 %	31 December 2025 €bn	31 December 2025 %
Residential mortgages	53	62%	52	62%
Retail Ireland	*38*	*45%*	*37*	*44%*
Retail UK	*15*	*17%*	*15*	*18%*
Non-property SME and corporate	18	22%	18	22%
Republic of Ireland SME	*7*	*9%*	*7*	*8%*
UK SME	*1*	*1%*	*1*	*2%*
Corporate	*10*	*12%*	*10*	*12%*
Property and construction	8	9%	7	9%
Investment	*7*	*8%*	*6*	*8%*
Development	*1*	*1%*	*1*	*1%*
Consumer	6	7%	6	7%
Total loans and advances to customers at amortised cost	**85**	**100%**	**83**	**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	**84**		**82**	
Loans and advances to customers at FVTPL	–		–	
Total loans and advances to customers	**84**		**82**	

The Group's **loans and advances to customers (after ILAs)** of €84.0 billion were €1.5 billion higher than 31 December 2025. The key driver of growth was the increase in our Irish lending portfolios (annualised growth of c.7%) and FX impacts, partially offset by a reduction in Retail UK and the planned contraction in our international non-core lending portfolios and impairment.

Net new lending of €1.2 billion and FX and other movements of €0.4 billion were partially offset by impairment of €0.1 billion. On a constant currency basis, the loan book increased by €1.1 billion reflecting positive net new lending in the period.

Gross new lending of €9.0 billion was €0.3 billion lower than H125. The decrease of €0.3 billion reflected a decrease of 22% in Retail UK while Corporate and Commercial increased by 2% and Retail Ireland increased by 7% compared to the prior period.

Redemptions and repayments of €7.8 billion were €0.7 billion lower than H125. This was largely due to significant contraction in the Corporate Banking GB portfolio in the prior period.

Summary consolidated balance sheet *(continued)*

Loans and advances to customers *(continued)*

The Group's IFRS 9 staging profile has improved. There was a net reduction of €1.0 billion of loans in Stage 2 (i.e. assets identified as having experienced a significant increase in credit risk since origination) to €8.0 billion (31 December 2025: €8.9 billion). This reflected the impact of portfolio activity in the period (including net repayments / redemptions) and the application of individually assessed risk ratings in the period.

Stage 3 balances reduced to €1.6 billion (31 December 2025: €1.7 billion) with resolution activities in the period offsetting the emergence of new defaults (primarily in corporate portfolios).

During H126, the stock of ILAs has remained at €1.1 billion. The increase from the gross impairment loss on loans and advances to customers of €0.1 billion, was offset by impairment loss allowance utilisation.

NPEs reduced by €0.1 billion to €1.7 billion, representing 2.0% of gross loans at 30 June 2026 (31 December 2025 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. The reduction in NPEs was partly offset by the emergence of new defaults in the period.

NPEs	30 June 2026	31 December 2025
Credit-impaired loans (€bn)[1]	1.7	1.8
NPEs (€bn)	1.7	1.8
NPE ratio (%)	2.0	2.2

[1] *Excludes purchased or originated credit-impaired financial asset (POCI) assets of €54 million (31 December 2025: €57 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 above can be found in the alternative performance measures section on page 116.

Liquid assets

Table: 7 Liquid assets (after ILA)	30 June 2026 €bn	31 December 2025 €bn
Cash at banks	2	2
Cash and balances at central banks	20	23
Central Bank of Ireland	*16*	*18*
Bank of England	*3*	*3*
Federal Reserve	*1*	*2*
Government bonds	13	11
Debt securities at amortised cost	*13*	*11*
Covered bonds	6	5
Senior bank bonds and other	5	5
Total liquid assets	**46**	**46**

The Group's portfolio of **liquid assets** at 30 June 2026 increased by €0.4 billion from 31 December 2025 to €46.4 billion, primarily due to higher customer deposits of €0.7 billion (constant currency basis), higher wholesale funding volumes of €0.3 billion, an FX gain €0.1 billion and other items of €0.4 billion, partially offset by higher lending volumes of €1.1 billion (constant currency basis). During H126, the Group purchased €4.6 billion worth of bonds and had net maturities and sales of c.€1.8 billion. The decrease in cash balances in H126 is predominately due to bond purchases which is set out in note 29.

Summary consolidated balance sheet *(continued)*

Other assets and other liabilities

Table: 8 **Other assets and other liabilities**	**30 June 2026** **€bn**	**31 December 2025** **€bn**
Other assets	**7.5**	**7.7**
Derivative financial instruments	*2.4*	*2.7*
Intangible assets and goodwill	*1.3*	*1.3*
Pension surplus (net)	*0.8*	*0.9*
Property, plant and equipment	*0.8*	*0.8*
Deferred tax asset	*0.3*	*0.4*
Fair value changes due to interest rate risk of the hedged items in portfolio hedges	*(0.1)*	*0.1*
Other assets	*2.0*	*1.5*
Other liabilities	**4.4**	**5.1**
Derivative financial instruments	*2.2*	*2.4*
Notes in circulation	*0.8*	*0.8*
Fair value changes due to interest rate risk of the hedged items in portfolio hedges	*(0.6)*	*(0.5)*
Provisions	*0.5*	*0.5*
Other liabilities	*1.5*	*1.9*

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 H126. 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 31 December 2025 and 30 June 2026.

The deferred tax asset (DTA) at 30 June 2026 primarily related to unused historic tax losses and decreased in the period due to utilisation against current period profits. See note 21 for further details.

The net pension position was a surplus of €0.8 billion at 30 June 2026 (31 December 2025: €0.9 billion). The movement in the pension during the period is primarily due to a decrease in RoI discount rates resulting in increased pension liabilities, partially offset by a decrease in euro and UK interest rates resulting in increased pension assets.

Customer deposits

Table: 9 **Customer deposits**	**30 June 2026** **€bn**	**31 December 2025** **€bn**
Retail Ireland	76	73
Deposits	*30*	*28*
Current account credit balances	*46*	*45*
Corporate and Commercial	19	19
Deposits	*7*	*6*
Current account credit balances	*12*	*13*
Retail UK	14	15
Total customer deposits	**109**	**107**

Summary consolidated balance sheet *(continued)*

Customer deposits *(continued)*

Retail UK - Customer deposits	30 June 2026 £bn	31 December 2025 £bn
Retail UK	12	13
UK Post Office	*6*	*7*
Other Retail UK	*6*	*6*

At 30 June 2026, Group **customer deposit** volumes of €108.5 billion were €1.0 billion higher compared to €107.5 billion at 31 December 2025, driven by an increase in Retail Ireland volumes of €1.9 billion, offset by a decrease in Corporate and Commercial volumes of €0.6 billion and a decrease in Retail UK balances of €0.3 billion. On a constant currency basis, Retail UK volumes decreased by €0.5 billion (£0.4 billion).

Wholesale funding

Table: 10 Wholesale funding	30 June 2026 €bn	31 December 2025 €bn
Secured funding	2	2
Securitisations	*1*	*1*
Monetary Authority	*1*	*1*
Unsecured funding	8	7
Senior debt	*7*	*6*
Bank deposits	*1*	*1*
Total wholesale funding	**10**	**9**
Wholesale market funding < 1 year to maturity	1	1
Wholesale market funding > 1 year to maturity	8	7
Monetary Authority funding < 1 year to maturity	1	1

Wholesale funding balances of €9.5 billion at 30 June 2026 were €0.3 billion higher than 31 December 2025. This is primarily due to a net increase in MREL eligible senior debt of €0.8 billion, partially offset by net repayment of BoE Monetary Authority funding of €0.2 billion, a decrease in bank deposits of €0.2 billion and a decrease in other items of €0.1 billion.

Divisional review

The divisional review provides further information on the financial performance of the Group's divisions during H126 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 alternative performance measure 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.

	6 months ended 30 June 2026 €m	*Restated*[1] 6 months ended 30 June 2025 €m
Underlying divisional contribution		
Retail Ireland[1]	723	711
Wealth and Insurance[1]	87	60
Retail UK[1]	124	128
Corporate and Commercial[1]	359	274
Group Centre[1]	(335)	(435)
Other reconciling items	11	(5)
Group underlying profit before tax	**969**	**733**
Non-core items by division		
Wealth and Insurance[1]	9	(7)
Retail UK[1]	(1)	5
Corporate and Commercial[1]	–	–
Group Centre[1]	(14)	(7)
Other reconciling items	(3)	(3)
Group non-core items	**(9)**	**(12)**
Group profit before tax	**960**	**721**

[1] *Comparative figures have been restated to reflect (i) the transfer of Asset and Motor Finance from Corporate and Commercial to Retail Ireland effective from 1 January 2026 and (ii) the reclassification of €71 million of transformation programme costs, which are no longer considered to meet the definition of a non-core item as they are no longer considered to be non-recurring and are now presented in operating expenses. As a result, underlying profit increased by €15 million in Retail Ireland, decreased by €4 million in Wealth and Insurance, decreased by €5 million in Retail UK, decreased by €16 million in Corporate and Commercial and Group Centre's underlying loss increased by €61 million.*

In 2026, the Group transferred its Asset and Motor Finance customer base from the Corporate and Commercial division to Retail Ireland. The transfer was driven by evolving business requirements, as many of these customers have banking needs that are more closely aligned with Retail Ireland's consumer banking proposition and customer profile. This realignment ensures that these customers are supported within the business division best suited to their financial and servicing requirements.

Further information on our alternative performance metrics referred to in the divisional review can be found on page 116.

Divisional review *(continued)*

Divisional 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 12) to the Group statutory profit / loss before tax.

		Net other income								
6 months ended 30 June 2026	**Net interest income / (expense) €m**	**Insurance service result €m**	**Insurance investment and finance result €m**	**Other income / (expense)[1] €m**	**Total operating income / (expense) €m**	**Operating expenses[1] €m**	**Operating profit / (loss) before net impairment losses on financial instruments €m**	**Net impairment (losses) / gains on financial instruments €m**	**Share of results of associates and joint ventures (after tax) €m**	**Profit / (loss) before taxation €m**
Divisional underlying contribution										
Retail Ireland	996	–	–	127	**1,123**	(382)	**741**	(18)	–	**723**
Wealth and Insurance	(5)	36	22	165	**218**	(131)	**87**	–	–	**87**
Retail UK	275	–	–	15	**290**	(154)	**136**	(23)	11	**124**
Corporate and Commercial	439	–	–	86	**525**	(173)	**352**	9	(2)	**359**
Group Centre	–	–	–	3	**3**	(338)	**(335)**	–	–	**(335)**
Other reconciling items	–	–	–	10	**10**	1	**11**	–	–	**11**
Group - underlying	**1,705**	**36**	**22**	**406**	**2,169**	**(1,177)**	**992**	**(32)**	**9**	**969**
Total non-core items										
Acquisition costs	–	–	–	–	**–**	(20)	**(20)**	–	–	**(20)**
Gross-up for policyholder and shareholder tax in the Wealth and Insurance business	–	–	–	13	**13**	–	**13**	–	–	**13**
Customer redress charges	–	–	–	–	**–**	(1)	**(1)**	–	–	**(1)**
Investment loss on treasury stock held for policyholders	–	–	–	(1)	**(1)**	–	**(1)**	–	–	**(1)**
Portfolio divestments	–	–	–	–	**–**	–	**–**	–	–	**–**
Group total	**1,705**	**36**	**22**	**418**	**2,181**	**(1,198)**	**983**	**(32)**	**9**	**960**

[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 116.*

Divisional review *(continued)*

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

Restated[1] **6 months ended 30 June 2025**	Net interest income / (expense) €m	Net other income: Insurance service result €m	Net other income: Insurance investment and finance result €m	Net other income: Other income / (expense)[2] €m	Total operating income / (expense) €m	Operating expenses[2] €m	Operating profit / (loss) before net impairment (losses) on financial instruments €m	Net impairment (losses) / gains on financial instruments[2] €m	Share of results of associates and joint ventures (after tax) €m	Profit / (loss) before taxation €m
Divisional underlying contribution										
Retail Ireland[1]	930	–	–	134	**1,064**	(349)	**715**	(4)	–	**711**
Wealth and Insurance[1]	(4)	24	8	159	**187**	(127)	**60**	–	–	**60**
Retail UK[1]	271	–	–	6	**277**	(149)	**128**	(11)	11	**128**
Corporate and Commercial[1]	459	–	–	86	**545**	(147)	**398**	(122)	(2)	**274**
Group Centre[1]	9	–	(1)	(42)	**(34)**	(401)	**(435)**	–	–	**(435)**
Other reconciling items	–	–	–	(7)	**(7)**	2	**(5)**	–	–	**(5)**
Group - underlying	**1,665**	**24**	**7**	**336**	**2,032**	**(1,171)**	**861**	**(137)**	**9**	**733**
Total non-core items										
Acquisition costs	–	–	–	–	**–**	(13)	**(13)**	–	–	**(13)**
Gross-up for policyholder and shareholder tax in the Wealth and Insurance business	–	–	–	(2)	**(2)**	–	**(2)**	–	–	**(2)**
Customer redress charges	–	–	–	–	**–**	–	**–**	–	–	**–**
Investment loss on treasury stock held for policyholders	–	–	–	(2)	**(2)**	–	**(2)**	–	–	**(2)**
Portfolio divestments	–	–	–	4	**4**	–	**4**	1	–	**5**
Group total	**1,665**	**24**	**7**	**336**	**2,032**	**(1,184)**	**848**	**(136)**	**9**	**721**

[1] *Comparative figures have been restated to reflect (i) the transfer of Asset and Motor Finance from Corporate and Commercial to Retail Ireland effective from 1 January 2026 and (ii) the reclassification of €71 million of transformation programme costs, which are no longer considered to meet the definition of a non-core item as they are no longer considered to be non-recurring and are now presented in operating expenses. As a result, underlying profit increased by €15 million in Retail Ireland, decreased by €4 million in Wealth and Insurance, decreased by €5 million in Retail UK, decreased by €16 million in Corporate and Commercial and Group Centre's underlying loss increased by €61 million.*

[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 116.*

Divisional review *(continued)*

Retail Ireland

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

Achievements under the Group strategic pillars for H126:

Stronger relationships

- Remained the #1 mortgage lender in H126, supporting customers buying new homes. Retail Ireland had €2.7 billion of new lending and €1.1 billion of organic loan book growth in the period.
- Introduced the Mortgage Trading Down product, which allows customers to downsize or move to a less expensive home without selling their current home first.
- Supported our customers through our Smart Start account for children aged 7-15, on-site support for second and third level students, and our bespoke account opening service for customers who are 'Coming to Ireland'.
- Continued reduction in the number of complaints, 2% lower than H125.

Simpler business

- Continued the transformation of our digital banking experience with a faster and more secure biometric login to our Mobile App, the introduction of Zippay, a new person-to-person mobile payment service in the Irish market and Genius Pay for our SME customers.
- Enhanced our telephony and customer relationship management platforms through the deployment of AI-enabled capabilities that automate internal operational processes and support faster resolution of customer enquiries.

Resilient company

- Maintained strong momentum in our multi-year investment across our ATMs and Branch Network, with ATM upgrades continuing throughout H126.
- Launched a new EV (Electric Vehicle) Marketplace, the first of its kind in Ireland. Developed in partnership with Nevo, Ireland's only dedicated EV platform, designed to help consumers research, compare, and transition to electric vehicles, making the switch to electric motoring simpler and more accessible.

Retail Ireland **Income statement on an underlying basis**	**6 months ended 30 June 2026 €m**	*Restated*[1] **6 months ended 30 June 2025 €m**
Net interest income[1]	996	930
Net other income	127	134
Operating income	**1,123**	**1,064**
Operating expenses[1]	(382)	(349)
Operating contribution before net impairment losses on financial instruments	**741**	**715**
Net impairment losses on financial instruments[1]	(18)	(4)
Underlying contribution	**723**	**711**
Net impairment (losses) / gains on financial instruments		
Loans and advances to customers at amortised cost	(17)	(5)
Residential mortgages	*(1)*	*(13)*
Non-property SME and corporate[1]	*(4)*	*(6)*
Property and construction	*–*	*6*
Consumer[1]	*(12)*	*8*
Other financial instruments: loan commitments and guarantees[1]	(1)	1
Net impairment losses on financial instruments	**(18)**	**(4)**

Retail Ireland **Balance sheet**	**30 June 2026 €bn**	*Restated*[1] **31 December 2025 €bn**
Loans and advances to customers (net)[1]	44.8	43.6
Customer deposits	75.1	73.2

Compared to H125:

- Operating income was €59 million higher primarily reflecting the impact of higher lending and deposit volumes, partly offset by the impact of lower interest rates.
- Operating expenses were €33 million higher primarily driven by higher IT investment spend.
- Net impairment loss was €14 million higher, primarily reflecting charges in the Consumer portfolio in H126 compared to gains arising from model parameter updates in H125, partially offset by a lower charge on the Mortgage portfolio.

Compared to 31 December 2025:

- H126 reflected strong loan portfolio growth, notably in the mortgages portfolio, resulting in an overall net increase of €1.2 billion in the lending book.
- Customer deposits were €75.1 billion, €1.9 billion higher than 31 December 2025 with growth supported by our strong franchise and broad funding base.

[1] *Comparative figures have been restated to reflect the Asset and Motor finance transfer from Corporate and Commercial to Retail Ireland effective from 1 January 2026. As a result, net interest income increased by €21 million, operating expenses increased by €13 million, net impairment losses decreased by €7 million and loans and advances to customers increased by €2.0 billion.*

Divisional review *(continued)*

Wealth and Insurance

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

Achievements under the Group strategic pillars for H126:

Stronger relationships
- W&I AUM increased by +9% in H126 as a result of onboarding new customers, greater investment from existing customers and strong investment performance.
- Supporting customers remains a priority across W&I. New Ireland customer engagement scores are +56 in H126, reflecting strong customer support. Davy Private Clients RoI customer net promoter score of +82, is +6% on H125.
- Davy's Wealth Management business was awarded 'Best in Ireland' at the 2026 Structured Retail Product Europe awards and Scotland and Northern Ireland Wealth manager of the year at the City of London Wealth Management awards.

Simpler business
- W&I continues to deliver key transformative initiatives, supporting digital enablement, automation and improved customer journeys.
- In H126, New Ireland launched Ready Retire, a market-leading digital retirement claims journey for both customers and advisors.

Resilient company
- We support customers to invest in a manner that aligns with their values. New Ireland has 46% of investments incorporating environmental and social considerations in addition to other factors in how they are managed (H125: 43%).
- Davy's Socially Focused portfolios increased by 8% from H125 to H126.
- W&I continues to invest in technology, people, leadership development and risk management capabilities, supporting long-term resilience and sustainable growth.
- W&I fosters an inclusive working environment to attract, promote and retain talent at all levels. Female representation in management roles is 39% (H125: 38%).

Wealth and Insurance Income statement on an underlying basis	6 months ended 30 June 2026 €m	*Restated*[1] 6 months ended 30 June 2025 €m
Net interest expense	(5)	(4)
Net other income[2]	211	190
Operating income	**206**	**186**
Operating expenses[1,2]	(131)	(127)
Operating contribution	**75**	**59**
Investment valuation movement	12	1
Underlying contribution	**87**	**60**

Wealth and Insurance Balance sheet	30 June 2026 €bn	31 December 2025 €bn
Assets under management	65.5	60.0

During H126, W&I continued to support customers to meet their lifestyle and retirement goals and to manage their wealth, delivering an underlying contribution of €87 million (H125: €60 million):

- Despite significant volatility, AUM at 30 June 2026 closed at €65.5 billion (31 December 2025: €60.0 billion) with positive market movements of €3.9 billion and net flows of €1.6 billion.
- Operating income was €20 million higher than H125, up 11% reflective of increased AUM growth, improved 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 €29 million to €609 million during H126 (31 December 2025: €580 million) driven by new business and positive market movements, partially offset by the release of CSM to the income statement. A total of €34 million (H125: €29 million) was released from the CSM to operating profit in the period. See note 6 for details.
- Operating expenses were €4 million higher than H125, supporting growth in AUM and continued investment in the business.
- Investment valuation movement was €12 million in H126 (H125: €1 million). This was driven by changes in expectations for future interest rates and strong equity performance.
- Included in net other income, are investment gains of €1,137 million (H125: losses of €129 million) on assets backing insurance policyholder liabilities, driven by strong market performance compared with the tariff-related volatility in H125. Consistent with these market movements, insurance contract liabilities also increased, resulting in finance expenses of €1,131 million (H125: income of €150 million) in the same period. See note 6 for more details.

[1] *Comparative figures have been restated following changes to the Group's presentation of underlying performance measures. Transformation programme costs of €4 million are no longer considered to meet the definition of a non-core item as they are no longer considered to be non-recurring and are now presented in operating expenses, increasing operating expenses from €123 million to €127 million.*

[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 116.*

Divisional review *(continued)*

Retail UK

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.

Achievements under the Group strategic pillars for H126:

Stronger relationships
- Strengthened mortgage offerings to improve affordability and expanded customer eligibility through enhanced lending criteria. This included broader interest only access, longer mortgage terms and increased new-build loan to values (LTVs).
- Introduced a quicker payment solution on Business Online, enabling businesses to send same-day payments.
- Launched a flexible business deposit product in Northern Ireland (NI) which gives the reassurance of a fixed rate, while maintaining a degree of flexibility for the customer.
- Growth in Marshall Leasing through new corporate and SME customers, with fleet size surpassing 14,000 vehicles for the first time.

Simpler business
- Enhancements to the Mortgage Customer Hub registration journey, making it easier for customers to complete authentication checks and gain access to their account.
- A new Northridge dealer stocking platform has been implemented, including delivery of a dealer self-serve app streamlining the process.
- Personal Current Account application process has been further streamlined, delivering meaningfully reduced completion times.

Resilient company
- In Marshall Leasing, 22% of H126 orders were EVs.
- Sustainable Business Coach launched in H126 to help NI SMEs identify and prioritise their environmental, social and corporate governance (ESG) actions.
- Financial resilience was strengthened through more than 15,000 hours of financial literacy training, a 64% increase in Money Smart school participation, 41 fraud awareness events delivered, and enhanced accessibility and tailored support for vulnerable customers.

Retail UK **Income statement on an underlying basis**	**6 months ended 30 June 2026 £m**	*Restated*[1] **6 months ended 30 June 2025 £m**
Net interest income	238	228
Net other income[2]	13	4
Operating income	**251**	**232**
Operating expenses[1,2]	(133)	(124)
Operating contribution before net impairment losses on financial instruments	**118**	**108**
Net impairment losses on financial instruments[2]	(20)	(9)
Share of results of associates and joint ventures (after tax)	9	9
Underlying contribution	**107**	**108**
Underlying contribution (€m equivalent)	**124**	**128**
Net impairment (losses) / gains on financial instruments		
Loans and advances to customers at amortised cost	(21)	(6)
Residential mortgages	*(2)*	*1*
Non-property SME and corporate	*–*	*(3)*
Property and construction	*(1)*	*2*
Consumer	*(18)*	*(6)*
Other financial instruments: loan commitments and guarantees	1	(3)
Net impairment losses on financial instruments	**(20)**	**(9)**

Retail UK **Balance sheet**	**30 June 2026 £bn**	**31 December 2025 £bn**
Loans and advances to customers (net)	16.5	16.9
Customer deposits	12.4	12.8

Compared to H125:
- Operating income was £19 million higher than H125, due to the structural hedge and swap valuation benefits and higher Northridge income offset by lower mortgage income given higher redemptions and lower new business.
- Operating expenses increased by £9 million, driven by investment in IT infrastructure / software to improve efficiency and support process simplification.
- Underlying impairment charge of £20 million is £11 million higher primarily reflecting the market trend of increased motor vehicle voluntary terminations.

Compared to 31 December 2025:
- Loans and advances to customers (net) decreased by £0.4 billion, due to higher mortgage redemptions and lower new lending given the focus on returns.
- Customer deposits were £0.4 billion or 3% lower reflecting the division's lower funding requirements in the period.

[1] *Comparative figures have been restated following changes to the Group's presentation of underlying performance measures. Transformation programme costs of £4 million are no longer considered to meet the definition of a non-core item as they are no longer considered to be non-recurring and are now presented in operating expenses, increasing operating expenses from £120 million to £124 million.*
[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 116.*

Divisional review *(continued)*

Corporate and Commercial

Corporate and Commercial Banking serves businesses across Ireland and selected international markets through dedicated relationship management teams, providing access to the full breadth of the Group's banking, lending, treasury risk management and specialist financial capabilities.

Achievements under the Group strategic pillars for H126:

Stronger relationships

- Proactively contributed to addressing the Irish housing challenge with a €2.5 billion fund to enable the delivery of 30,000 homes and a €1 billion fund to underpin the construction of 15,000 social and affordable homes by 2028. At June 2026, we are backing the development of around 26,000 new homes including nearly 11,000 social and affordable homes, helping to address one of society's most important challenges through partnership and funding at scale.
- Relationship management teams supported customers in navigating a changing geopolitical and economic environment through sector insights, thought leadership and engagement programmes.
- Launched a new strategic partnership with Kennedy Lewis, providing tailored financing solutions to mid-market private equity sponsors.
- Won 8 awards at Finance Dublin Deals of the Year Awards 2026.

Simpler business

- Continued to simplify the operating model through the centralisation of core fulfilment activities and enhanced telephony technology to improve customer service.
- Reimagined the SME online lending journey, building on digital initiatives to create a simpler, faster customer experience.
- Continued the planned deleveraging of non-core international corporate portfolios (US commercial real estate, US Leverage Acquisition Finance and Corporate GB), with total net lending reduced from €1.8 billion to €1.2 billion at H126.

Resilient company

- Enhanced organisational and leadership capability through targeted development initiatives, supporting long-term resilience and sustainable growth.
- Continued to support customers in their transition to a lower-carbon economy through sustainable finance solutions, renewable energy financing and specialist advisory capabilities.

Corporate and Commercial Income statement on an underlying basis	6 months ended 30 June 2026 €m	*Restated*[1] 6 months ended 30 June 2025 €m
Net interest income[1]	439	459
Net other income	86	86
Operating income	**525**	**545**
Operating expenses[1]	(173)	(147)
Operating contribution before impairment gains / (losses) on financial instruments	**352**	**398**
Net impairment gains / (losses) on financial instruments[1]	9	(122)
Share of results of associates and joint ventures (after tax)	(2)	(2)
Underlying contribution	**359**	**274**
Net impairment gains / (losses) on financial instruments		
Loans and advances to customers at amortised cost	2	(120)
Non-property SME and corporate[1]	*2*	*(84)*
Property and construction	*–*	*(35)*
Consumer[1]	*–*	*(1)*
Other financial instruments: loan commitments and guarantees[1]	7	(2)
Net impairment gains / (losses) on financial instruments	**9**	**(122)**

Corporate and Commercial Balance sheet	30 June 2026 €bn	*Restated*[1] 31 December 2025 €bn
Loans and advances to customers (net)[1]	19.9	19.6
Euro liquid asset bond portfolio	23.0	20.0
Customer deposits	19.1	19.7

Compared to H125:
- Operating income decreased by €20 million, primarily due to the deleveraging of US and UK lending books as well as the lower interest rate environment, partially offset by higher lending in growth portfolios.
- Operating expenses were €26 million or 18% higher, with higher depreciation associated with investment in technology offsetting reduction in core staff costs due to lower FTE.
- Net impairment losses decreased by €131 million to a gain of €9 million, due to strong credit performance across the book in the period.

Compared to 31 December 2025:
- The loan book was €0.3 billion or 2% higher, reflecting strong growth in portfolios offsetting reduction due to the planned deleveraging in non-core international corporate portfolios.

[1] *Comparative figures have been restated to reflect (i) the transfer of Asset and Motor Finance from Corporate and Commercial to Retail Ireland effective from 1 January 2026 and (ii) the reclassification of €1 million of transformation programme costs, which are no longer considered to meet the definition of a non-core item as they are no longer considered to be non-recurring and are now presented in operating expenses. As a result, net interest income decreased by €21 million, operating expenses decreased by €12 million, net impairment losses increased by €7 million and loans and advances to customers decreased by €2.0 billion.*

Divisional review *(continued)*

Group Centre

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.

Achievements under the Group strategic pillars for H126:

Stronger relationships
- Launched a new brand - Right with you - which reflects our role of enabling customers' financial confidence at every step and stage of their lives.
- Bank of Ireland has launched its new Benefits Finder tool, an innovative service in Ireland that helps customers identify tax credits and reliefs they may be missing out on.

Simpler business
- Launched Coupa as our single, end-to-end procurement platform, creating one entry point for all sourcing, requisitioning, purchase order and invoicing activity across the Group and simplifying how we engage with suppliers and manage spend.
- Successfully transitioned 2,500 contact centre colleagues across the Group onto our new telephony platform. This modernises our technology, strengthens resilience and unlocks future capability with AI reducing call transfers by 40%.
- We are building AI capabilities across the organisation to enhance customer experiences and improve productivity. Early implementations are generating promising proof points and reinforcing the long-term value potential of AI-enabled transformation.

Resilient company
- Bank of Ireland Group became the first Irish bank to achieve the International Organization for Standardization (ISO) 22301 certification for business continuity.
- Implemented a major upgrade (Strategic Authentication) to the sign-in journey on our mobile app, making it faster and more secure for millions of customers.
- €1.25 billion raised across two green bond issuances in H126, attracting strong investor demand and tight pricing and supported by our top tier ESG Ratings (MSCI AAA, Sustainalytics Low Risk).

Group Centre Income statement	6 months ended 30 June 2026 €m	*Restated*[1] 6 months ended 30 June 2025 €m
Net other income / (expense)[2]	3	(34)
Operating expenses (excluding levies and regulatory charges)[1,2]	(241)	(293)
Levies and regulatory charges	(97)	(108)
Underlying contribution	**(335)**	**(435)**

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 and other regulatory levies.

Compared to H125:
- Net other expense decreased by €37 million to a net income of €3 million during H126, primarily driven by favourable 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 €52 million or 18% lower, primarily due to lower restructuring and transformation costs.
- Levies and regulatory charges decreased by €11 million in H126, primarily due to the DGS levy.

[1] Comparative figures have been restated following changes to the Group's presentation of underlying performance measures. Transformation programme costs of €61 million are no longer considered to meet the definition of a non-core item as they are no longer considered to be non-recurring and are now presented in operating expenses, increasing operating expenses (before levies and regulatory charges) from €232 million to €293 million.
[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 116.

Principal Risks and Uncertainties

Principal risks and uncertainties facing the Group for the remaining six months of 2026 are set out below. This summary should not be regarded as a complete and comprehensive statement of all potential risks as other factors not yet identified, or not currently material, may also emerge and adversely affect the Group's operations, financial conditions, or reputation. The Group remains vigilant in monitoring the evolving macroeconomic environment and ongoing geopolitical developments, including but not limited to the US-Iran conflict and the emergence of Frontier Artificial Intelligence (AI) risks, and how these impact on the Group's risk profile. The Group horizon scans for emerging risk themes and issues, and addresses these through implementing any necessary and appropriate risk mitigating actions. For further details on risks facing the Group, see pages 224 to 235 of the Group's 2025 Annual Report.

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. For example, 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. Drivers include:

- macroeconomic conditions and geopolitical uncertainties. The potential impacts of these macroeconomic and geopolitical dynamics represent a risk to the Group in its markets and may result in a more adverse environment than assumed in the Group's plans. This may manifest in adverse impacts to pricing, customer confidence and credit demand, collateral values, and customers' ability to meet their financial obligations;
- the risk attached to the implementation of the Group Strategic Plan;
- changing business model for the Group including the evolving competitive landscape, accelerated digitisation, and changing consumer and business behaviours; and
- challenges and risks to the Group's strategy to transform, as well as customer considerations. Failure to transform successfully, or respond to the other risks above, could prevent the Group from realising its strategic priorities.

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 RWAs, materially worse than expected financial performance and changes to minimum regulatory requirements.

Conduct risk is the risk of poor outcomes for, or harm to, customers, clients, other stakeholders, or the markets, arising from the delivery of the Group's products and services and / or employee misconduct. The Group is exposed to conduct risk as a consequence of 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, data privacy, and employee conduct risks.

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. Increased economic and trade policy uncertainty has led to a weaker macroeconomic outlook. The Group's Forward-looking information (FLI) scenarios and associated probability weights reflect, among other factors, the prevailing geopolitical environment. Post-model adjustments have been applied, where appropriate, to ensure the final impairment loss allowance appropriately reflects the Group's underlying credit risk profile.

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 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.

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.

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. The Group permits discretionary risk taking activity in Davy and it can arise through market-making, whereby positions can be held to facilitate client orders. Market risk can also arise through the conduct of customer business, particularly in respect to fixed-rate lending and the execution of derivatives and FX business. The nature of the business mix and the Group's balance sheet profile can create interest rate risk in the banking book exposures which result in economic value of equity and net interest income sensitivities. Earnings for NIAC are directly exposed to movements in market prices as a sizeable portion of shareholder surplus is invested in high yield funds. In addition, NIAC's earnings are also indirectly exposed to changes in equity and property markets through fee income generated on unit-linked customer investments.

Principal Risks and Uncertainties *(continued)*

Operational risk is the risk of loss resulting from suboptimal or failed internal processes, systems, human factors, or from external events. These risks may arise from failures in technology, change management, information security and cyber threats, third party risk and outsourcing, data quality, transaction processing, talent recruitment and retention, financial and regulatory reporting, or legal and tax compliance. Operational risk may also arise from transformation initiatives, design or implementation errors, poor data handling, or a failure to meet regulatory obligations. The frequency and complexity of risks are increasing due to an evolving threat landscape, particularly in the area of cyber security, however, the Group continues to strengthen its operational resilience to identify, respond to, adapt to and recover from disruptions irrespective of whether the issue originated internally or from a third party.

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 of 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, ensure appropriate governance is in place to embed regulatory requirements into processes, or failure to appropriately manage the Group's regulatory relationships. Regulatory risk includes ineffective regulatory change governance and ineffective regulatory engagement risks.

Model risk is the potential for adverse consequences due to model design or implementation errors or the inappropriate use of model outputs. The Group uses models to support activities, including: determining capital and impairment requirements; informing business and credit decisions; valuing exposures; transaction monitoring and supporting customer analytics. 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.

Other risk themes that span the Group's principal risk types include:

Environmental (Climate and Other Environmental), Social and Governance: ESG risk is 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 customers' 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. ESG risks and opportunities will continue to impact how the Group implements its strategy, business model, customer offering, and how it manages risk in the Group. The Group’s 2026 to 2028 Sustainability Strategy is fully aligned with the Group’s broader 2026 to 2028 Strategy.

Transformation: major initiatives such as digital transformation, re-platforming of core technology and other significant structural changes that fundamentally alter how the Group operates or delivers its services.

Reputation: a negative impact on earnings and franchise value, the Group’s relationship with its stakeholders and / or its ability to deliver its business strategy can result from a loss of trust in or adverse perception of the Group by its stakeholders.

Regulatory compliance: the Group is committed to conducting its activities in accordance with all applicable legal and regulatory requirements.

Operational resilience: the ability to identify and prepare for, respond and adapt to, recover, and learn from an operational disruption, including the risks presented by the emergence of Frontier AI.

Asset quality

Asset quality - Loans and advances to customers

The information in the Asset Quality section including referenced footnotes forms an integral part of the interim financial statements as described in the basis of preparation in note 1 to the financial statements.

The Group's asset quality reporting methodology is as set out on page 251 of the Group's 2025 Annual Report.

Approach to measurement of impairment loss allowances

The Group's methodology for loan loss provisioning under IFRS 9 is set out on pages 253 to 254 of the Group's 2025 Annual Report.

Assessment of the relationship between macroeconomic model factors and default rates during 2020 and 2021 considered default experience to be unrepresentative in portfolios due to COVID-19 related supports and payment breaks available to borrowers during this period. As a result, data points from the 2020 and 2021 period have been consistently excluded from the majority of Retail Probability of Default (PD) macro regression models.

The prepayment rate component of the Retail Ireland residential mortgage impairment model was enhanced during H126, to align prepayment rate assumptions with observed experience. The model update resulted in a c.€1 million increase in impairment loss allowance.

The probability weightings for FLI scenarios at H126 include consideration of economic uncertainty, primarily driven by elevated geopolitical risk and trade policy uncertainty.

The Group's critical accounting estimates and judgements, including those with respect to impairment of financial instruments, including FLI are set out in note 2 of the consolidated financial statements.

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 H126.

Targeted evaluations of energy price related risks have been conducted in H126 within relevant Corporate and SME lending portfolios. Where assessments identified exposures as being materially adversely affected by rising energy costs linked to the US-Iran conflict, the resulting increase in credit risk was reflected through reclassification to Stage 2.

The €40 million geopolitical risk PMA applied at 31 December 2025 has been retained to recognise ongoing potential second order economic impacts arising from the prevailing elevation in geopolitical risk and its impact on economic uncertainty which might not be fully captured in current internal PD ratings. 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 H126, the Group continued to conduct 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.

Accordingly, credit risk assessments were implemented across the residential mortgage and RoI consumer portfolios and the outputs have been utilised to identify significant increases in credit risk and the reclassification of Stage 1 assets to Stage 2. These credit risk assessments, which leveraged qualitative information not already captured in impairment models, resulted in a credit management decision to reclassify c.€1.0 billion of Stage 1 assets to Stage 2 at the reporting date (31 December 2025: c.€1.2 billion), with a corresponding c.€10 million increase in impairment loss allowance (31 December 2025: €11 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. The application of updated macroeconomic variables and FLI scenario weights used in Expected Credit Loss (ECL) models at 30 June 2026 resulted in a c.€24 million increase in impairment loss allowance.

Further details on the selected FLI scenarios for the reporting period, Group PMAs and management judgement incorporated into impairment model parameters are provided in note 2 of the consolidated financial statements.

Composition and impairment

The tables on the following page summarise the composition, credit-impaired volumes and related impairment loss allowance of the Group's loans and advances to customers at amortised cost at 30 June 2026. These tables exclude €157 million (31 December 2025: €166 million) of loans and advances to customers that are measured at fair value through profit or loss (FVTPL) and are therefore not subject to impairment under IFRS 9.

Credit-impaired includes Stage 3 and Purchased or Originated Credit-impaired (POCI) assets of €65 million (31 December 2025: €67 million). €54 million of POCI assets (31 December 2025: €57 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.

Asset quality *(continued)*

Asset quality - Loans and advances to customers *(continued)*

30 June 2026 Credit-impaired loans and advances to customers - Composition and impairment	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	52,828	564	1.1%	122	22%
Retail Ireland	*38,392*	*363*	*0.9%*	*93*	*26%*
Retail UK	*14,436*	*201*	*1.4%*	*29*	*14%*
Non-property SME and corporate	18,498	675	3.6%	327	48%
Republic of Ireland SME	*7,224*	*192*	*2.7%*	*81*	*42%*
UK SME	*1,249*	*49*	*3.9%*	*14*	*29%*
Corporate	*10,025*	*434*	*4.3%*	*232*	*53%*
Property and construction	7,344	270	3.7%	76	28%
Investment	*6,585*	*189*	*2.9%*	*45*	*24%*
Development	*759*	*81*	*10.7%*	*31*	*38%*
Consumer	6,126	131	2.1%	64	49%
Total	**84,796**	**1,640**	**1.9%**	**589**	**36%**
Purchased / originated credit-impaired	119	65	54.6%	22	34%
Total	**84,915**	**1,705**	**2.0%**	**611**	**36%**

31 December 2025 Credit-impaired loans and advances to customers - Composition and impairment	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%**

At 30 June 2026, loans and advances to customers (pre impairment loss allowance) of €84.9 billion were €1.5 billion higher than 31 December 2025, primarily driven by positive net new lending in the period, particularly within the RoI mortgage portfolios, offset by the combined impacts of NPE resolution activity, utilisation of impairment loss allowances and net redemptions in the period.

Credit-impaired loans decreased to €1.7 billion or 2.0% of customer loans at 30 June 2026 from €1.8 billion or 2.2% at 31 December 2025, reflecting the execution of case specific resolution strategies, particularly in relation to a small number of large defaulted cases in the corporate portfolio. The reduction in NPEs was partly offset by the emergence of new defaults in the period.

There was a net reduction of €1.0 billion in loans categorised as 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 and impairment model methodology updates.

The stock of impairment loss allowance on credit-impaired loans was €0.6 billion at 30 June 2026, unchanged from 31 December 2025. The increase in ILA stock from the gross impairment loss on credit-impaired loans of €0.1 billion was offset by impairment loss allowance utilisation.

Asset quality *(continued)*

Asset quality - Loans and advances to customers *(continued)*

The total impairment loss allowance at 30 June 2026 includes a total PMA of €122 million (31 December 2025: €106 million), which was recognised against loans and advances to customers. Details on the PMAs are provided in note 2 on pages 58 to 60.

Impairment loss allowance cover for credit-impaired loans increased slightly to 36% at 30 June 2026 compared to 35% at 31 December 2025. This primarily reflects changes in the underlying asset / portfolio mix of the Stage 3 population with the resolution of a number of corporate assets with lower coverage and the emergence of Stage 3 assets in the period, primarily from the corporate portfolios, with higher than average impairment requirements.

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 30 June 2026 of €84.9 billion (31 December 2025: €83.5 billion) is available in note 19. The tables below exclude €157 million of loans and advances to customers at 30 June 2026 (31 December 2025: €166 million) that are measured at FVTPL and are therefore not subject to impairment under IFRS 9. Exposures outlined in the table below are before impairment loss allowance.

30 June 2026 Loans and advances to customers at amortised cost - Composition	**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	49,848	2,205	326	81	52,460
Retail Ireland	*36,898*	*985*	*182*	*81*	*38,146*
Retail UK	*12,950*	*1,220*	*144*	*–*	*14,314*
Non-property SME and corporate	13,907	3,282	209	–	17,398
Republic of Ireland SME	*5,731*	*1,184*	*109*	*–*	*7,024*
UK SME	*966*	*217*	*30*	*–*	*1,213*
Corporate	*7,210*	*1,881*	*70*	*–*	*9,161*
Property and construction	5,657	1,144	42	–	6,843
Investment	*5,046*	*1,077*	*35*	*–*	*6,158*
Development	*611*	*67*	*7*	*–*	*685*
Consumer	5,784	209	127	–	6,120
Total non-forborne loans and advances to customers	**75,196**	**6,840**	**704**	**81**	**82,821**
Forborne loans and advances to customers					
Residential mortgages	5	206	238	38	487
Retail Ireland	*4*	*142*	*181*	*38*	*365*
Retail UK	*1*	*64*	*57*	*–*	*122*
Non-property SME and corporate	1	633	466	–	1,100
Republic of Ireland SME	*1*	*116*	*83*	*–*	*200*
UK SME	*–*	*17*	*19*	*–*	*36*
Corporate	*–*	*500*	*364*	*–*	*864*
Property and construction	–	273	228	–	501
Investment	*–*	*273*	*154*	*–*	*427*
Development	*–*	*–*	*74*	*–*	*74*
Consumer	1	1	4	–	6
Total forborne loans and advances to customers	**7**	**1,113**	**936**	**38**	**2,094**

At 30 June 2026, forborne POCI loans included €10 million (31 December 2025: €10 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.

Asset quality *(continued)*

Asset quality - Loans and advances to customers *(continued)*

31 December 2025 Loans and advances to customers at amortised cost - Composition	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**

Asset quality *(continued)*

Asset quality - Loans and advances to customers *(continued)*

Loan to value profiles - total Retail Ireland mortgages

The tables below set out the weighted average indexed LTV for the total Retail Ireland mortgage loan book. The tables include POCI loans of €119 million (31 December 2025: €124 million).

30 June 2026 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%	15,463	473	187	61	16,184	670	20	22	5	717	16,133	493	209	66	16,901
51% to 70%	10,034	479	80	24	10,617	137	8	3	1	149	10,171	487	83	25	10,766
71% to 80%	5,153	108	27	7	5,295	12	2	3	–	17	5,165	110	30	7	5,312
81% to 90%	4,865	33	6	4	4,908	11	1	3	–	15	4,876	34	9	4	4,923
91% to 100%	542	2	5	3	552	2	–	–	–	2	544	2	5	3	554
Subtotal	**36,057**	**1,095**	**305**	**99**	**37,556**	**832**	**31**	**31**	**6**	**900**	**36,889**	**1,126**	**336**	**105**	**38,456**
101% to 120%	9	–	4	6	19	–	–	3	1	4	9	–	7	7	23
121% to 150%	2	–	6	3	11	–	–	3	1	4	2	–	9	4	15
Greater than 151%	1	1	2	3	7	1	–	9	–	10	2	1	11	3	17
Subtotal	**12**	**1**	**12**	**12**	**37**	**1**	**–**	**15**	**2**	**18**	**13**	**1**	**27**	**14**	**55**
Total	**36,069**	**1,096**	**317**	**111**	**37,593**	**833**	**31**	**46**	**8**	**918**	**36,902**	**1,127**	**363**	**119**	**38,511**
Weighted average LTV															
Stock of Retail Ireland mortgages at period end					54%					36%					54%
New Retail Ireland mortgages during the period					79%					53%					78%

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 Central Statistics Office (CSO) Residential Property Price Index (RPPI). The indexed LTV profile of the Retail Ireland mortgage loan book is based on the CSO RPPI at April 2026. The CSO RPPI for April 2026 reported that average national residential property prices were 25.2% above peak (October 2025: 23.7% above peak), with Dublin residential prices 10.1% above peak and outside of Dublin residential prices 28.0% above peak (October 2025: 8.9% above peak and 26.2% above peak respectively). In the four months to April 2026, residential property prices at a national level increased by 0.2% (October 2025: 5.8% increase).

At 30 June 2026, €38.5 billion or 99.9% of Retail Ireland mortgages were classified as being in positive equity, 99.9% for Owner occupied mortgages and 98.0% for Buy to let mortgages.

Asset quality *(continued)*

Asset quality - Loans and advances to customers *(continued)*

31 December 2025 Loan to value ratio of total Retail Ireland mortgages	Owner occupied Stage 1 €m	Stage 2 €m	Stage 3 €m	POCIs €m	Total €m	Buy to let Stage 1 €m	Stage 2 €m	Stage 3 €m	POCIs €m	Total €m	Total 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	Owner occupied	Buy to let	Total
Stock of Retail Ireland mortgages at year end	53%	36%	53%
New Retail Ireland mortgages during the year	77%	50%	76%

Asset quality *(continued)*

Asset quality - Loans and advances to customers *(continued)*

Loan to value profiles - total Retail UK mortgages

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'.

30 June 2026 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%	1,493	190	18	1,701	1,214	281	26	1,521	201	90	14	305	2,908	561	58	3,527
51% to 70%	2,057	150	24	2,231	933	189	39	1,161	89	52	11	152	3,079	391	74	3,544
71% to 80%	2,286	59	7	2,352	172	9	6	187	1	2	3	6	2,459	70	16	2,545
81% to 90%	2,458	78	14	2,550	1	1	2	4	1	–	1	2	2,460	79	17	2,556
91% to 100%	254	6	2	262	–	–	1	1	–	–	–	–	254	6	3	263
Subtotal	**8,548**	**483**	**65**	**9,096**	**2,320**	**480**	**74**	**2,874**	**292**	**144**	**29**	**465**	**11,160**	**1,107**	**168**	**12,435**
101% to 120%	1	–	1	2	–	–	–	–	–	–	–	–	1	–	1	2
121% to 150%	–	–	–	–	–	–	1	1	–	–	1	1	–	–	2	2
Greater than 150%	–	–	1	1	–	–	1	1	–	–	–	–	–	–	2	2
Subtotal	**1**	**–**	**2**	**3**	**–**	**–**	**2**	**2**	**–**	**–**	**1**	**1**	**1**	**–**	**5**	**6**
Total	**8,549**	**483**	**67**	**9,099**	**2,320**	**480**	**76**	**2,876**	**292**	**144**	**30**	**466**	**11,161**	**1,107**	**173**	**12,441**
Weighted average LTV																
Stock of Retail UK mortgages at period end				67%				49%				43%				62%
New Retail UK mortgages during the period				80%				65%				47%				79%

Asset quality *(continued)*

Asset quality - Loans and advances to customers *(continued)*

31 December 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%

Capital adequacy risk

The information below including referenced footnotes forms an integral part of the interim financial statements as described in the basis of preparation in note 1 to the financial statements.

CRD IV 31 December 2025[1] Regulatory €m		CRD IV 30 June 2026 Regulatory €m
	Capital base	
12,920	Total equity	13,020
(958)	less foreseeable dividend deduction[2]	(761)
–	less remaining interim profits[3]	(412)
(1,200)	less AT1 capital	(1,200)
10,762	**Total equity less foreseeable dividend deduction, interim profits and equity instruments not qualifying as common equity tier 1**	**10,647**
(418)	**Regulatory adjustments being phased in / out under CRD IV**	**(317)**
(418)	*Deferred tax assets[4]*	*(317)*
(1,903)	**Other regulatory adjustments**	**(1,883)**
(64)	*Expected loss deduction*	*(31)*
(985)	*Intangible assets and goodwill*	*(1,023)*
(714)	*Pension asset deduction*	*(629)*
(140)	*Other adjustments[5]*	*(200)*
8,441	**Common equity tier 1**	**8,447**
	Additional tier 1	
1,199	AT1 instruments (issued by parent entity BoIG plc)	1,200
9,640	**Total tier 1 capital**	**9,647**
	Tier 2	
1,839	Tier 2 instruments (issued by parent entity BoIG plc)	1,840
(160)	Regulatory adjustments	(160)
1,679	**Total tier 2 capital**	**1,680**
11,319	**Total capital**	**11,327**
55.8	**Total risk weighted assets (€bn)**	**57.3**
	Capital ratios[1, 3]	
15.1%	Common equity tier 1	14.7%
17.3%	Tier 1	16.8%
20.3%	Total capital	19.8%
6.9%	Leverage ratio	6.8%

[1] *The December 2025 capital ratios have been presented including the benefit of the retained profits in the period. Under Article 26 (2) of the Capital Requirements Regulation, financial institutions may include independently verified 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] *At 30 June 2026, a foreseeable distribution deduction of €761 million representing ordinary dividend of €373 million and remainder of share buyback (€388 million) was deducted. At 31 December 2025, a foreseeable distribution deduction of €958 million representing an ordinary dividend of €428 million and share buyback of €530 million was deducted.*
[3] *In accordance with ECB guidance and EBA Q&A 2023_6887, no interim profits have been recognised under Article 26 (2) of the Capital Requirements Regulation. The reported interim capital ratios at 30 June 2026 have therefore been presented excluding the benefit of H126 interim profits. Inclusion of H126 profits results in a CET1 ratio of 15.5% and a total capital ratio of 20.5%.*
[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 CET1 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.*

Capital adequacy risk *(continued)*

CRD IV 31 December 2025 Regulatory €bn		CRD IV 30 June 2026 Regulatory €bn
	Risk weighted assets	
3.9	Article 3 adjustment	0.5
36.9	Credit risk	42.0
0.7	Counterparty credit risk	0.7
1.5	Securitisation	1.3
0.3	Market risk	0.3
7.2	Operational risk	7.3
5.3	Other assets / 10% / 15% threshold deduction	5.2
55.8	**Total RWAs**	**57.3**

Risk weighted assets

RWAs were €57.3 billion at 30 June 2026 (31 December 2025: €55.8 billion). The increase of €1.5 billion in RWAs is primarily due to the loan book movements, amortisation of credit insurance and FX. Further details on RWAs can be found in the Group's Pillar 3 disclosures which are available on the Group's website.

CET1 ratio

The Group's pro forma CET1 ratio with inclusion of the H1 unaudited profits was 15.5% at 30 June 2026 (31 December 2025: 15.1%). The increase of c.+35 basis points since 31 December 2025 is primarily due to net capital generation (c. +135 basis points), partially offset by a foreseeable distribution deduction (c.-65 basis points) and RWA growth (c.-35 basis points).

The Group's reported CET1 ratio (excluding the H1 unaudited profits[1]) was 14.7% at 30 June 2026.

Leverage ratio

The Group's pro forma leverage ratio with inclusion of the unaudited profits was 7.1% at 30 June 2026 (31 December 2025: 6.9%).

The Group's leverage ratio, (excluding the H1 unaudited profits[1]) was 6.8% at 30 June 2026.

A binding leverage requirement of 3% is applicable. The Group expects to remain well in excess of this requirement.

Capital requirements / buffers

The table on the following page sets out the Group's CET1 capital requirements for 30 June 2026 and the authorities responsible for setting those requirements.

The Group is required to maintain a CET1 ratio of 11.39% on a regulatory basis at 30 June 2026. This includes a Pillar 1 requirement of 4.50%, CET1 Pillar 2 Requirements (P2R) of 1.35%, a Capital Conservation Buffer (CCB) of 2.50%, an Other Systemically Important Institutions (O-SII) Buffer of 1.50% and a Countercyclical buffer (CCyB) of 1.54%. Pillar 2 Guidance (P2G) is not disclosed in accordance with regulatory preference.

The CCyBs are independently set in each country by the relevant designated authority.

The Central Bank of Ireland (CBI) has advised that the Group is required to maintain an O-SII buffer of 1.50% subject to annual review by the CBI.

The Group expects to maintain regulatory capital ratios significantly in excess of minimum regulatory requirements.

Minimum Requirement for Own Funds and Eligible Liabilities

The Group's interim binding MREL requirements, to be met at 30 June 2026, were 28.57% on a RWA basis and 7.56% on a leverage basis.

The MREL RWAs requirement consists of a Single Resolution Board (SRB) target of 23.03% (based on the Group's capital requirements at 30 June 2026) and the Group's Combined Buffer Requirement (CBR) of 5.54% on 30 June 2026 (comprising the Capital Conservation Buffer of 2.50%, an O-SII buffer of 1.50% and a Countercyclical buffer of 1.54%). The SRB target is subject to annual review; while the CBR is dynamic, updating as changes in capital requirements become effective.

The Group's pro forma MREL position at 30 June 2026 was 33.0% on a RWA basis and 13.3% on a leverage basis (32.3% and 13.0% excluding interim profits[1]). The Group expects to maintain a buffer over its MREL requirements.

[1] *In accordance with ECB guidance and EBA Q&A 2023_6887, no interim profits have been recognised under Article 26 (2) of the Capital Requirements Regulation. The reported interim capital ratios at 30 June 2026 have therefore been presented excluding the benefit of H126 interim profits.*

Capital adequacy risk *(continued)*

CET1 Regulatory Capital Requirements	Set by	2025	2026
Pillar 1 - CET1	CRR	4.50%	4.50%
Pillar 2 Requirement	SSM	1.35%	1.35%
Capital Conservation Buffer	CRD	2.50%	2.50%
Countercyclical buffer			
Ireland (c.68% of RWAs)	CBI	1.05%	1.02%
UK (c.24% of RWAs)	BoE	0.43%	0.47%
US and other (c.8% of RWAs)	Fed / Various	0.05%	0.05%
O-SII Buffer	CBI	1.50%	1.50%
Pro forma Minimum CET1 Regulatory Requirements (excluding Pillar 2 Guidance)		**11.38%**	**11.39%**

Distribution policy

The Group paid an ordinary dividend in respect of the 2025 financial year of €428 million, equivalent to 45 cents per share, on 9 June 2026. This was paid to shareholders who appeared on the Company's register on 24 April 2026, the record date for the dividend.

In respect of H126, the Board has approved an interim distribution of 39 cents per share, equivalent to €373 million. The interim dividend will be paid on 23 October 2026 to ordinary shareholders who appear on the Company's register on 2 October 2026, the record date for the dividend.

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.

Share buyback

The Group commenced a share buyback programme of €530 million on 3 March 2026. At 30 June 2026, 8.68 million shares had been repurchased for cancellation at a volume weighted average price of €17.00 per share.

Impediments to the transfer of funds

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 30 June 2026, own funds were in excess of the required minimum requirement.

Statement of Directors' responsibilities

for the six months ended 30 June 2026

The Directors are responsible for preparing the interim financial report in accordance with the Transparency (Directive 2004/109/EC) Regulations 2007 ('Transparency Directive'), and the Central Bank (Investment Market Conduct) Rules 2019 ('Transparency Rules of the Central Bank of Ireland').

In preparing the condensed set of consolidated financial statements included within the interim financial report, the Directors are required to:

- prepare and present the condensed set of consolidated financial statements in accordance with IAS 34 Interim Financial Reporting as adopted by the EU, the Transparency Directive and the Transparency Rules of the Central Bank of Ireland;
- ensure the condensed set of consolidated financial statements has adequate disclosures;
- select and apply appropriate accounting policies;
- make accounting estimates that are reasonable in the circumstances; and
- assess the Group'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 the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for designing, implementing and maintaining such internal controls as they determine are necessary to enable the preparation of the condensed set of consolidated financial statements that is free from material misstatement whether due to fraud or error.

Each of the Directors listed below confirm that to the best of each person's knowledge and belief:

1. The condensed set of consolidated financial statements included within the interim financial report of Bank of Ireland Group plc for the six months ended 30 June 2026 (the 'interim financial information') which comprises the condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated balance sheet, condensed consolidated statement of changes in equity, condensed consolidated cash flow statement and the related explanatory notes, have been presented and prepared in accordance with IAS 34 Interim Financial Reporting, as adopted by the EU, the Transparency Directive and Transparency Rules of the Central Bank of Ireland.

2. The interim financial information presented, as required by the Transparency Directive, includes a fair review of:

- an indication of important events that have occurred during the first six months of the financial year, and their impact on the condensed set of consolidated financial statements;
- a description of the principal risks and uncertainties for the remaining six months of the financial year;
- related parties' transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or the performance of the Group during that period; and
- any changes in the related parties' transactions described in the last annual report that could have a material effect on the financial position or performance of the Group in the first six months of the current financial year.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Signed on behalf of the Board by

30 July 2026

Akshaya Bhargava	Michele Greene	Myles O'Grady
Chairman	*Deputy Chair*	*Group Chief Executive Officer*

Executive Directors: Myles O'Grady (Group Chief Executive Officer), Mark Spain (Group Chief Financial Officer).
Non-Executive Directors: Akshaya Bhargava (Chairman), Michele Greene (Deputy Chair), Giles Andrews, Pascal Boillat, Emer Finnan, Niamh Marshall, Hans van der Noordaa, Steve Pateman, Margaret Sweeney.

Independent review report

to Bank of Ireland Group plc

Conclusion

We have been engaged by Bank of Ireland Group plc (the 'Group') to review the Group's condensed set of consolidated financial statements in the half-yearly financial report for the six months ended 30 June 2026 which comprises the condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated balance sheet, condensed consolidated statement of changes in equity, condensed consolidated cash flow statement, a summary of material accounting policies and other explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of consolidated financial statements in the half-yearly financial report for the six months ended 30 June 2026 is not prepared, in all material respects in accordance with International Accounting Standard 34 Interim Financial Reporting ('IAS 34') as adopted by the EU, the Transparency (Directive 2004/109/EC) Regulations 2007 ('Transparency Directive'), and the Central Bank (Investment Market Conduct) Rules 2019 ('Transparency Rules of the Central Bank of Ireland').

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (Ireland) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity ("ISRE (Ireland) 2410") issued for use in Ireland. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention that causes us to believe that the Directors have inappropriately adopted the going concern basis of accounting, or that the Directors have identified material uncertainties relating to going concern that have not been appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (Ireland) 2410. However, future events or conditions may cause the Group to cease to continue as a going concern, and the above conclusions are not a guarantee that the Group will continue in operation.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly financial report in accordance with the Transparency Directive and the Transparency Rules of the Central Bank of Ireland.

The Directors are responsible for preparing the condensed set of consolidated financial statements included in the half-yearly financial report in accordance with IAS 34 as adopted by the EU.

As disclosed in note 1, the annual financial statements of the Group for the year ended 31 December 2025 are prepared in accordance with International Financial Reporting Standards as adopted by the EU.

In preparing the condensed set of consolidated financial statements, the Directors are responsible for assessing the Group'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 the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Our responsibility

Our responsibility is to express to the Group a conclusion on the condensed set of consolidated financial statements in the half-yearly financial report based on our review.

Our conclusion, including our conclusions relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion section of this report.

The purpose of our review work and to whom we owe our responsibilities

This report is made solely to the Group in accordance with the terms of our engagement to assist the Group in meeting the requirements of the Transparency Directive and the Transparency Rules of the Central Bank of Ireland. Our review has been undertaken so that we might state to the Group those matters we are required to state to it in this 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 for our review work, for this report, or for the conclusions we have reached.

KPMG

KPMG
Chartered Accountants,
1 Harbourmaster Place, IFSC
Dublin 1, D01 F6F5
Ireland

30 July 2026

Consolidated interim financial statements and notes *(unaudited)*

Condensed consolidated income statement

(for the six months ended 30 June 2026) (unaudited)

	Note	6 months ended 30 June 2026 €m	6 months ended 30 June 2025 €m
Interest income calculated using the effective interest method	4	2,136	2,337
Other interest income	4	313	382
Interest income		**2,449**	**2,719**
Interest expense	5	(744)	(1,054)
Net interest income		**1,705**	**1,665**
Insurance service result	6	36	24
Insurance revenue		*253*	*260*
Insurance service expense		*(207)*	*(219)*
Net expense from reinsurance contracts held		*(10)*	*(17)*
Insurance investment and finance result	6	22	7
Total investment gains / (losses)		*1,137*	*(129)*
Finance (expense) / income from insurance contracts issued		*(1,131)*	*150*
Finance income / (expense) from reinsurance contracts held		*16*	*(14)*
Fee and commission income	7	384	378
Fee and commission expense	7	(100)	(97)
Net trading income	8	81	21
Other leasing income	9	61	61
Other leasing expense	9	(48)	(46)
Other operating income	10	40	19
Total operating income		**2,181**	**2,032**
Operating expenses	11	(1,154)	(1,115)
Cost of restructuring programme	12	(44)	(69)
Operating profit before impairment losses on financial instruments		**983**	**848**
Net impairment losses on financial instruments	13	(32)	(136)
Operating profit		**951**	**712**
Share of results of associates and joint ventures (after tax)	14	9	9
Profit before tax		**960**	**721**
Taxation charge	15	(177)	(113)
Profit for the period		**783**	**608**
Attributable to shareholders		783	608
Profit for the period		**783**	**608**
Earnings per ordinary share (€ cent)	16	78.4	57.8
Diluted earnings per ordinary share (€ cent)	16	78.4	57.8

Condensed consolidated statement of comprehensive income

(for the six months ended 30 June 2026) (unaudited)

	6 months ended 30 June 2026 €m	6 months ended 30 June 2025 €m
Profit for the period	**783**	**608**
Other comprehensive income / (expense), net of tax:		
Items that may be reclassified to profit or loss in subsequent periods:		
Net change in debt instruments at fair value through other comprehensive income, net of tax	2	11
Net change in cash flow hedge reserve, net of tax	(1)	14
Net change in foreign exchange reserve	30	(123)
Total items that may be reclassified to profit or loss in subsequent periods	**31**	**(98)**
Items that will not be reclassified to profit or loss in subsequent periods:		
Remeasurement of the net defined benefit pension asset, net of tax	(112)	(145)
Net change in liability credit reserve, net of tax	1	4
Total items that will not be reclassified to profit or loss in subsequent periods	**(111)**	**(141)**
Other comprehensive expense for the period, net of tax	**(80)**	**(239)**
Total comprehensive income for the period, net of tax	**703**	**369**
Total comprehensive income attributable to equity shareholders	703	369
Total comprehensive income for the period, net of tax	**703**	**369**

The effect of tax on these items is shown in note 15.

Condensed consolidated balance sheet

(at 30 June 2026) (unaudited)

	Note	30 June 2026 €m	31 December 2025 €m
Assets			
Cash and balances at central banks	29	20,392	22,963
Items in the course of collection arising from loans and advances		124	139
Trading securities		259	244
Derivative financial instruments		2,403	2,661
Fair value changes due to interest rate risk of the hedged items in portfolio hedges		(63)	112
Other financial assets at FVTPL		27,818	25,586
Loans and advances to banks		1,700	1,656
Debt securities at amortised cost	17	22,176	18,372
Financial assets at FVOCI		2,137	2,990
Loans and advances to customers	18	83,953	82,478
Interest in associates		195	173
Interest in joint ventures		87	75
Intangible assets and goodwill		1,600	1,594
Investment properties		888	833
Property, plant and equipment		815	815
Current tax assets		96	102
Deferred tax assets	21	292	390
Other assets		1,636	1,418
Reinsurance contract assets	6	1,318	1,328
Retirement benefit assets	27	769	870
Total assets		**168,595**	**164,799**
Equity and liabilities			
Deposits from banks	22	995	1,371
Customer accounts	23	108,454	107,487
Items in the course of transmission to other banks		516	320
Derivative financial instruments		2,168	2,364
Fair value changes due to interest rate risk of the hedged items in portfolio hedges		(622)	(472)
Debt securities in issue	24	8,541	7,794
Liabilities to customers under investment contracts		11,265	10,179
Insurance contract liabilities	6	18,214	17,197
Other liabilities		3,251	2,834
Leasing liabilities		299	324
Current tax liabilities		17	4
Provisions	25	481	492
Allowance provision on loan commitments and financial guarantees		83	92
Deferred tax liabilities		70	43
Retirement benefit obligations	27	2	2
Subordinated liabilities	28	1,841	1,848
Total liabilities		**155,575**	**151,879**
Equity			
Share capital		944	953
Share premium account		456	456
Retained earnings		10,364	10,337
Other reserves		69	(15)
Own shares held for the benefit of life assurance policyholders		(6)	(4)
Shareholders' equity		**11,827**	**11,727**
Other equity instruments - Additional tier 1		1,190	1,190
Total equity excluding non-controlling interests		**13,017**	**12,917**
Non-controlling interests		3	3
Total equity		**13,020**	**12,920**
Total equity and liabilities		**168,595**	**164,799**

Condensed consolidated statement of changes in equity

(for the six months ended 30 June 2026) (unaudited)

	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[1] €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 2026	**953**	**456**	**10,337**	**(5)**	**(13)**	**(796)**	**765**	**34**	**(4)**	**11,727**	**1,190**	**3**	**12,920**
Profit for the period	–	–	783	–	–	–	–	–	–	783	–	–	783
Other comprehensive (expense) / income	–	–	(112)	2	(1)	30	–	1	–	(80)	–	–	(80)
Total comprehensive income / (expense) for the period	**–**	**–**	**671**	**2**	**(1)**	**30**	**–**	**1**	**–**	**703**	**–**	**–**	**703**
Transactions with owners													
Contributions by and distributions to owners of the Group													
Dividends on ordinary shares[2]	–	–	(428)	–	–	–	–	–	–	(428)	–	–	(428)
Share buyback - repurchase of shares[3]	–	–	–	–	–	–	–	(142)	–	(142)	–	–	(142)
Distribution paid on other equity instruments - AT1 coupon	–	–	(38)	–	–	–	–	–	–	(38)	–	–	(38)
Changes in value and amount of shares held	–	–	–	–	–	–	–	–	(2)	(2)	–	–	(2)
Share buyback - cancellation of shares[3]	(8)	–	(142)	–	–	–	8	142	–	–	–	–	–
AT1 securities issued, net of expenses	–	–	–	–	–	–	–	–	–	–	–	–	–
Redemption of AT1 securities	–	–	–	–	–	–	–	–	–	–	–	–	–
Repurchase of AT1 securities	–	–	–	–	–	–	–	–	–	–	–	–	–
Total transactions with owners	**(8)**	**–**	**(608)**	**–**	**–**	**–**	**8**	**–**	**(2)**	**(610)**	**–**	**–**	**(610)**
Transfer from retained earnings to capital reserve	–	–	(44)	–	–	–	44	–	–	–	–	–	–
Other movements	(1)	–	8	–	–	–	–	–	–	7	–	–	7
Balance at 30 June 2026	**944**	**456**	**10,364**	**(3)**	**(14)**	**(766)**	**817**	**35**	**(6)**	**11,827**	**1,190**	**3**	**13,020**

[1] Other reserves includes the amalgamation of the merger reserve of €17 million, revaluation reserve of €13 million and the 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.
[2] In H126, the Group paid a dividend of €428 million, equivalent to 45 cents per ordinary share, in respect of the 2025 financial year.
[3] The Group commenced a share buyback programme of €530 million on 3 March 2026. At 30 June 2026, 8.68 million shares had been repurchased for cancellation at a volume weighted average price of €17.0046 per share.

Condensed consolidated statement of changes in equity *(continued)*

(for the six months ended 30 June 2025) (unaudited)

	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[1] €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 period	–	–	608	–	–	–	–	–	–	608	–	–	608
Other comprehensive (expense) / income	–	–	(145)	11	14	(123)	–	4	–	(239)	–	–	(239)
Total comprehensive income / (expense) for the period	**–**	**–**	**463**	**11**	**14**	**(123)**	**–**	**4**	**–**	**369**	**–**	**–**	**369**
Transactions with owners													
Contributions by and distributions to owners of the Group													
Dividends on ordinary shares[2]	–	–	(274)	–	–	–	–	–	–	(274)	–	–	(274)
Share buyback - repurchase of shares[3]	–	–	–	–	–	–	–	(429)	–	(429)	–	–	(429)
Distribution paid on other equity instruments - AT1 Coupon	–	–	(34)	–	–	–	–	–	–	(34)	–	–	(34)
Changes in value and amount of shares held	–	–	–	–	–	–	–	–	1	1	–	–	1
Share buyback - cancellation of shares[3]	(38)	–	(429)	–	–	–	38	429	–	–	–	–	–
AT1 securities issued, net of expenses	–	–	–	–	–	–	–	–	–	–	595	–	595
Redemption of AT1 securities	–	–	–	–	–	–	–	–	–	–	–	–	–
Repurchase of AT1 securities	–	–	(2)	–	–	–	–	–	–	(2)	(167)	–	(169)
Total transactions with owners	**(38)**	**–**	**(739)**	**–**	**–**	**–**	**38**	**–**	**1**	**(738)**	**428**	**–**	**(310)**
Transfer from retained earnings to capital reserve	–	–	(30)	–	–	–	30	–	–	–	–	–	–
Other movements	–	–	4	–	–	–	4	(8)	–	–	–	–	–
Balance at 30 June 2025	**965**	**456**	**10,171**	**(12)**	**(27)**	**(755)**	**758**	**28**	**(6)**	**11,578**	**1,487**	**3**	**13,068**

[1] Other reserves includes the amalgamation of the revaluation reserve €12 million and merger reserve €17 million, offset by the liability credit reserve €1 million.
[2] In H125 the Group paid a dividend of €274 million, equivalent to 28 cents per ordinary share, in respect of the 2024 financial year.
[3] The Group commenced a share buyback programme of €590 million on 25 February 2025. At 30 June 2025, 38.83 million shares had been repurchased for cancellation at a volume weighted average price of €11.2593 per share.

Condensed consolidated statement of changes in equity *(continued)*

(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[1] €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													
Dividends on ordinary shares	–	–	(513)	–	–	–	–	–	–	(513)	–	–	(513)
Share buyback - repurchase of shares[2]	–	–	–	–	–	–	–	(589)	–	(589)	–	–	(589)
Distribution paid on other equity instruments - AT1 Coupon	–	–	(81)	–	–	–	–	–	–	(81)	–	–	(81)
Changes in value and amount of shares held	–	–	–	–	–	–	–	–	3	3	–	–	3
Share buyback - cancellation of shares[2]	(51)	–	(589)	–	–	–	51	589	–	–	–	–	–
AT1 securities issued, net of expenses	–	–	–	–	–	–	–	–	–	–	595	–	595
Redemption of AT1 securities	–	–	(5)	–	–	–	–	–	–	(5)	(464)	–	(469)
Repurchase of AT1 securities	–	–	–	–	–	–	–	–	–	–	–	–	–
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] Other reserves includes the amalgamation of the merger reserve €17 million, revaluation reserve of €13 million and and the liability credit reserve of €4 million. There is a net €nil impact due to the repuchase and cancellation of shares as part of the share buyback programme.
[2] In 2025, the Group completed the purchase of the share buyback programme whereby the Group repurchased 50.74 million shares for cancellation at a weighted average price of €11.610 per share.

Condensed consolidated cash flow statement

(for the six months ended 30 June 2026) (unaudited)

	Note	6 months ended 30 June 2026 €m	6 months ended 30 June 2025 €m
Cash flows from operating activities			
Profit before tax		960	721
Share of results of associates and joint ventures	14	(9)	(9)
Depreciation and amortisation	6,9,11	183	153
Net impairment losses on financial instruments, excluding cash recoveries	13	46	150
Revaluation of investment property		(3)	(7)
Interest expense on subordinated liabilities		55	46
Interest expense on lease liabilities	5	5	6
Charge for pension and similar obligations		3	8
Net change in accruals and interest payable		106	67
Net change in prepayments and interest receivable		(16)	(35)
Charge for provisions	25	32	36
Non-cash and other items		(65)	(58)
Cash flows from operating activities before changes in operating assets and liabilities		**1,297**	**1,078**
Net change in items in the course of collection arising from loans and advances		211	286
Net change in trading securities		(15)	38
Net change in derivative financial instruments		31	(422)
Net change in fair value changes of hedged items in portfolio hedge of interest rate risk		25	156
Net change in other financial assets at FVTPL		(2,234)	28
Net change in loans and advances to banks		–	(1)
Net change in loans and advances to customers		(1,272)	(550)
Net change in other assets		(205)	(167)
Net change in deposits from banks		(382)	(419)
Net change in customer accounts		785	2,359
Net change in debt securities in issue		810	(966)
Net change in liabilities to customers under investment contracts		1,086	62
Net change in insurance and reinsurance contracts		1,027	(117)
Net change in other operating liabilities		67	257
Net cash flow from operating assets and liabilities		**(66)**	**544**
Net cash flow from operating activities before tax		**1,231**	**1,622**
Tax paid		–	(75)
Net cash flow from operating activities		**1,231**	**1,547**
Investing activities (section a below)		(3,173)	(6,287)
Financing activities (section b below)		(682)	(384)
Effect of exchange translation and other adjustments		97	78
Net change in cash and cash equivalents		**(2,527)**	**(5,046)**
Opening cash and cash equivalents	29	24,619	34,174
Closing cash and cash equivalents	29	**22,092**	**29,128**

Condensed consolidated cash flow statement *(continued)*

(for the six months ended 30 June 2026) (unaudited)

	Note	6 months ended 30 June 2026 €m	6 months ended 30 June 2025 €m
(a) Investing activities			
Additions to debt securities at amortised cost		(4,750)	(6,276)
Disposal / redemption of debt securities at amortised cost		1,011	51
Disposal / redemption of financial assets at FVOCI		839	397
Additions to property, plant and equipment, intangible assets and investment property		(269)	(274)
Net change in interest in associates		(24)	(19)
Proceeds from disposal of property, plant and equipment, and investment property		20	28
Additions to financial assets at FVOCI		–	(194)
Cash flows from investing activities		**(3,173)**	**(6,287)**
(b) Financing activities			
Redemption of subordinated liabilities	28	(500)	–
Net proceeds from issue of subordinated liabilities	28	495	–
Dividend paid to ordinary shareholders		(428)	(274)
Share buyback - repurchase of shares		(142)	(429)
Interest paid on subordinated liabilities		(41)	(45)
Distribution on other equity instruments - AT1 coupon		(38)	(34)
Payment of lease liabilities		(23)	(23)
Interest paid on lease liabilities		(5)	(5)
Issuance of other equity interests - AT1 securities		–	595
Repurchase of other equity interests - AT1 securities		–	(169)
Cash flows from financing activities		**(682)**	**(384)**

Net cash flows from operating activities in H126 includes interest received of €2,342 million (H125: €2,711 million) and interest paid of €692 million (H125: €892 million).

Notes to the consolidated financial statements *(unaudited)*

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1 Group accounting policies

Basis of preparation
The interim financial statements of the Bank of Ireland Group plc (the 'Company' or 'BoIG plc') and its subsidiaries (collectively the 'Group' or 'BoIG plc Group') for the six months ended 30 June 2026 (H126) have been prepared in accordance with International Accounting Standard (IAS) 34 'Interim Financial Reporting', as issued by the International Accounting Standards Board and as adopted by the European Union (EU). These interim financial statements should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2025, which were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and with those parts of the Companies Act 2014 applicable to companies reporting under IFRS and with the European Union (Credit Institutions: Financial Statements) Regulations 2015.

Statutory financial statements
These interim financial statements do not comprise statutory financial statements within the meaning of the Companies Act 2014. The statutory financial statements for the year ended 31 December 2025 were approved by the Board of Directors on 27 February 2026, contained an unqualified audit report and did not include a reference to any matters to which the statutory auditor drew attention by way of emphasis. The statutory financial statements were filed with the Companies Registration Office on 6 July 2026.

Interim financial statements
The interim financial statements comprise the condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated balance sheet, condensed consolidated statement of changes in equity, condensed consolidated cash flow statement and the notes to the consolidated interim financial statements. The interim financial statements include the information that is described as being an integral part of the interim financial statements contained in the Asset quality and Capital adequacy risk sections of the OFR.

Going concern
The time period that the Directors have considered in evaluating the appropriateness of the going concern basis in preparing the interim financial statements for H126 is a period of 12 months from the date of approval of these interim 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 outlook for the Irish economy and the current global macroeconomic and geopolitical environment.

The matters of primary consideration by the Directors are set out as follows:

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 interim 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 adjusted 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 or section as appropriate.

Accounting policies
The accounting policies and methods of computation and presentation applied by the Group in the preparation of these interim financial statements are consistent with those set out on pages 297 to 312 of the Group's 2025 Annual Report, except for the application of the amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures': Amendments to the Classification and Measurement of Financial Instruments, amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures': Contracts Referencing Nature-dependent Electricity and Annual improvements - Volume 11.

As a result of the adoption of an IFRS 9 amendment (which was applicable for accounting periods beginning on or after 1 January 2026), items in the course of collection arising from loans and advances have been restated as loans and advances as they do not meet the derecognition criteria of IFRS 9. These amounts are shown separately in these interim financial statements as 'Items in the course of collection arising from loans and advances' and are included in other financial assets for the purpose of the disclosures on financial risk management.

None of the other amendments have had a material impact on the Group.

There have been no other new standards, or amendments to standards, adopted by the Group during the six months ended 30 June 2026 which have had a material impact on the Group.

2 Critical accounting estimates and judgements

The preparation of interim financial statements requires the Group to make estimates and judgements that impact the reported amounts of assets, liabilities, income and expense. Other than as set out below, there have been no significant changes to the Group's approach to, and methods of, making critical accounting estimates and judgements compared to those applied at 31 December 2025, as set out on pages 313 to 322 of the Group's 2025 Annual Report.

Impairment loss allowance on financial assets

The Group's credit risk methodologies are set out on pages 251 to 257 of the Group's 2025 Annual Report.

Changes in estimates - Forward-looking Information
FLI refers to probability weighted future macroeconomic scenarios approved semi-annually by the Executive Risk Committee 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 30 June 2026, 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 prices 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 ECL for an exposure is calculated as the probability-weighted average of the ECLs generated under each macroeconomic scenario. Individual impairment models typically incorporate one or two macroeconomic variables identified through statistical analysis as being most predictive of default risk for the relevant portfolio.

Macroeconomic factors used in ECL 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 Modified Domestic Demand (MDD), UK employment, UK Gross Domestic Product (GDP), RoI residential property prices, RoI Gross National Product (GNP) and interest rates. Lifetime PDs are generated under each of the macro-economic scenarios and probability weighted to derive the lifetime PD used in the assessment of 'significant increase in credit risk'.

Loss Given Default (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 central FLI scenario for the period ending 30 June 2026 is based on internal and external information and management judgement and follows the same process as used in prior periods.

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 periods.

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 reflect the application of management judgement to the initial modelled probability weightings. They are more weighted to the downside scenarios than at 31 December 2025, with increased weight assigned to the central and downside scenarios, and an offsetting decrease to the modelled upside scenario weight. External economic and market indicators and ongoing economic uncertainty at 30 June 2026 associated with heightened geopolitical risk informed the application of this management judgement.

The application of updated macroeconomic variables and FLI scenario weightings used in ECL models at 30 June 2026 resulted in a c.€24 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 used in the ECL models, are outlined in the tables on the following page.

2 Critical accounting estimates and judgements *(continued)*

30 June 2026	Republic of Ireland				United Kingdom			
			Downside				Downside	
	Central scenario	Upside scenario	Scenario 1	Scenario 2	Central scenario	Upside scenario	Scenario 1	Scenario 2
Scenario probability weighting	**45%**	**20%**	**25%**	**10%**	**45%**	**20%**	**25%**	**10%**
Modified Domestic Demand - annual growth rate	2.3%	2.9%	1.4%	(0.1%)	n/a	n/a	n/a	n/a
Gross Domestic Product - annual growth rate	2.8%	3.6%	2.0%	0.5%	1.2%	2.0%	0.4%	(0.7%)
Gross National Product - annual growth rate	2.3%	3.0%	1.4%	(0.04%)	n/a	n/a	n/a	n/a
Unemployment - average yearly rate	4.8%	4.1%	7.3%	10.2%	5.2%	4.4%	6.9%	8.9%
Employment - average yearly rate	n/a	n/a	n/a	n/a	0.6%	1.0%	0.2%	(0.4%)
ECB Deposit Rate and BoE Base Rate period end rate	2.6%	3.2%	1.4%	1.5%	4.3%	4.5%	2.5%	2.4%
Residential property price growth - annual growth rate	2.6%	4.6%	(1.1%)	(3.4%)	2.1%	4.3%	(1.9%)	(4.5%)
Commercial property price growth - annual growth rate	2.0%	3.1%	(2.3%)	(5.1%)	2.2%	3.3%	(2.0%)	(4.8%)

31 December 2025	Republic of Ireland				United Kingdom			
			Downside				Downside	
	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%)

The tables on the following page 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.

2 Critical accounting estimates and judgements *(continued)*

	Republic of Ireland			United Kingdom		
	2026	2027	2028-2030	2026	2027	2028-2030
Central scenario - 45% weighting						
Modified Domestic Demand - annual growth rate	2.7%	2.4%	2.1%	n/a	n/a	n/a
Gross Domestic Product - annual growth rate	1.6%	3.6%	3.0%	0.8%	1.0%	1.4%
Gross National Product - annual growth rate	1.2%	2.6%	2.5%	n/a	n/a	n/a
Unemployment - average yearly rate	4.8%	4.9%	4.7%	5.3%	5.5%	5.0%
Employment - average yearly rate	n/a	n/a	n/a	0.4%	0.6%	0.7%
ECB Deposit Rate and BoE Base Rate - period end rate	2.5%	2.5%	2.7%	4.3%	4.3%	4.3%
Residential property price growth - annual growth rate	4.0%	2.7%	2.1%	1.7%	1.5%	2.4%
Commercial property price growth - annual growth rate	1.0%	1.5%	2.5%	1.0%	1.5%	2.8%
Upside scenario - 20% weighting						
Modified Domestic Demand - annual growth rate	3.8%	3.2%	2.6%	n/a	n/a	n/a
Gross Domestic Product - annual growth rate	3.5%	3.8%	3.5%	1.7%	2.2%	2.0%
Gross National Product - annual growth rate	3.1%	2.8%	3.0%	n/a	n/a	n/a
Unemployment - average yearly rate	4.4%	4.2%	3.9%	4.7%	4.5%	4.2%
Employment - average yearly rate	n/a	n/a	n/a	1.0%	1.2%	0.9%
ECB Deposit Rate and BoE Base Rate - period end rate	2.3%	2.8%	3.7%	4.0%	4.3%	4.8%
Residential property price growth - annual growth rate	7.2%	5.5%	3.5%	4.6%	4.5%	4.1%
Commercial property price growth - annual growth rate	2.0%	2.5%	3.7%	2.5%	2.5%	3.8%
Downside scenario 1 - 25% weighting						
Modified Domestic Demand - annual growth rate	0.9%	1.0%	1.7%	n/a	n/a	n/a
Gross Domestic Product - annual growth rate	–	1.8%	2.7%	(1.0%)	(1.0%)	1.3%
Gross National Product - annual growth rate	(0.4%)	0.8%	2.2%	n/a	n/a	n/a
Unemployment - average yearly rate	6.0%	7.4%	7.7%	6.1%	7.2%	7.1%
Employment - average yearly rate	n/a	n/a	n/a	(0.5%)	(0.5%)	0.6%
ECB Deposit Rate and BoE Base Rate - period end rate	2.0%	1.5%	1.1%	3.5%	2.5%	2.1%
Residential property price growth - annual growth rate	(4.2%)	(4.5%)	1.0%	(6.5%)	(7.0%)	1.3%
Commercial property price growth - annual growth rate	(8.0%)	(4.5%)	0.3%	(7.0%)	(4.0%)	0.3%
Downside scenario 2 - 10% weighting						
Modified Domestic Demand - annual growth rate	(1.6%)	(2.5%)	1.3%	n/a	n/a	n/a
Gross Domestic Product - annual growth rate	(2.4%)	(1.6%)	2.2%	(2.5%)	(3.2%)	0.8%
Gross National Product - annual growth rate	(2.8%)	(2.6%)	1.7%	n/a	n/a	n/a
Unemployment - average yearly rate	7.4%	10.3%	11.1%	7.3%	9.3%	9.3%
Employment - average yearly rate	n/a	n/a	n/a	(1.6%)	(1.8%)	0.4%
ECB Deposit Rate and BoE Base Rate - period end rate	3.0%	2.3%	0.8%	4.5%	3.8%	1.2%
Residential property price growth - annual growth rate	(8.0%)	(10.0%)	0.3%	(10.7%)	(12.0%)	0.1%
Commercial property price growth - annual growth rate	(15.5%)	(8.0%)	(0.7%)	(14.5%)	(7.5%)	(0.7%)

The central, upside and downside scenarios are described below for both the RoI and the UK:

Central scenario

RoI

The Irish economy, as measured by MDD, has continued to expand at a fairly robust pace. GDP growth remains volatile due to multinational company output, particularly the pharma sector, but the underlying trend remains solid. However, growth is expected to soften due to the US-Iran conflict and the associated rise in global energy prices. The Irish economy faces this shock from a relatively healthy position though, with low unemployment and robust government finances. As such, while economic activity is expected to slow somewhat, MDD growth will remain reasonably healthy. GDP growth is expected to be a little lower this year (due to a slight pullback in pharma exports following a sharp rise in 2025) but should rebound in 2027.

Inflation, which had been broadly in line with the 2.0% target for some time, has picked up materially of late and is now running at about 3.5% on foot of higher fuel prices. Inflationary pressures are likely to remain to the fore over coming quarters as cost pressures feed into other sectors of the economy, including utility bills. Price pressures are assumed to ease from 2027 on as global energy prices fall back. While household consumption is likely to still be supported by solid income gains, and a slight decline in the household savings rate, higher inflation will nonetheless curtail consumer spending slightly. Investment growth is likely to remain solid, supported by house building and other construction / infrastructure spending.

2 Critical accounting estimates and judgements *(continued)*

There may be increased volatility in export growth in the near term, but Ireland's generally less cyclical export mix should prove reasonably resilient. Employment growth has slightly exceeded expectations this year so far and it is expected to remain fairly robust over the forecast horizon, though jobs growth is likely to gradually decelerate over time in line with demographic factors. Unemployment is expected to tick up marginally in 2026 and 2027 but should remain low and fall back later in the forecast period. The European Central Bank (ECB) is set to increase interest rates to counter any inflationary impulse from the rise in energy prices, and to keep inflation expectations anchored. The ECB deposit rate is expected to be increased to 2.5%, holding at that for several years before rising to 2.8%. House price inflation has remained fairly robust of late, though there are some early signs of a cooling. Prices are expected to rise 4.0% over 2026 before easing later in the forecast period on foot of rising supply and stretched affordability. In relation to Commercial Real Estate (CRE), a higher interest rate environment leads to lower returns and delays a more robust recovery, though strong underlying fundamentals negate any potential negative price movements.

Key features - US-Iran conflict de-escalates over a few months and energy prices fall back in line with forward curve, negative effect of US tariffs on global growth is in line with expectations, moderate RoI growth, unemployment rising marginally before easing back, moderate house / CRE price growth.

UK

While data from Q1 this year was suggestive of a rebound in UK growth, after a soft patch in H2 last year, the outlook has unfortunately weakened on foot of the US-Iran conflict and the associated rise in global energy prices. Expectations for growth this year have declined over recent months - GDP is now expected to expand by 0.8% this year and 1.0% in 2027, with higher inflation weighing on consumer spending, while cost pressures and weaker global demand weigh on a range of sectors across the economy. Political uncertainty and elevated gilt yields are expected to weigh on UK asset prices and business investment – expected to see 0.7% contraction in 2026 before rebounding slowly in 2027. Growth should pick up towards trend, around 1.5%, from 2028 onwards as global energy prices fall back. Employment growth is expected to be subdued this year, below the rate of labour supply growth, before picking up next year. The unemployment rate has been on a rising trend of late and it is expected to increase further over the balance of this year before stabilising around the turn of year at 5.5%. It is expected to decline gradually later in the projection period. Inflation, which had been easing, is now expected to rise on foot of higher fuel prices and utility bills, exceeding 3.0% in 2026 before beginning to decline in 2027 and 2028. Despite the weaker growth outlook, the Bank of England is expected to focus on risks to price stability, increasing Bank Rate to 4.3% this year, holding around that rate over the remainder of the forecast horizon. House prices have increased slightly in the year to date – however, survey indicators look soft and weaker output growth and higher interest rates will be a headwind. Given this backdrop, and with affordability stretched, house price growth is expected to be moderate this year and next, with a modest improvement after that. In relation to CRE, a higher interest rate environment leads to lower returns and delays a more robust recovery, though strong underlying fundamentals negate any potential negative price movements.

Key features - US-Iran conflict de-escalates over a few months and energy prices fall back in line with forward curve, negative effect of US tariffs on global growth is in line with expectations, moderate UK growth, unemployment rising marginally before easing back, moderate house / CRE price growth.

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: following negotiations and a durable agreement the US-Iran conflict ends and the Strait of Hormuz promptly reopens fully. Global oil and gas prices fall back more quickly than expected to close to pre-war levels. In addition, the negative impact of US tariffs proves to be modest, while the EU and the UK agree to roll back some Brexit related barriers to trade and this proves beneficial for growth in the UK and Ireland as well. These developments provide a boost to consumer and business confidence in both economies. Inflation is lower than the central scenario in the near term, while consumer spending is more robust. Irish and UK exports prove resilient and investment is also robust, particularly business investment and Foreign Direct Investment (FDI). The roll-out of new technologies, particularly Artificial Intelligence, boosts trend productivity growth. Stronger growth pushes unemployment down in both economies and it remains low throughout the forecast horizon. Stronger labour market conditions and higher disposable income growth leads to higher house price inflation than in the central scenario, while CRE price growth is also higher. With inflation pressures more subdued this year and next, monetary policy interest rates are lower than in the central scenario initially. However, stronger growth and low levels of spare capacity eventually lead to rising inflation pressures and as a result monetary policy is tightened later in the forecast period.

Key features – US-Iran conflict ends quickly and energy prices fall back to close to pre-war levels, US tariffs have limited impact on growth, low unemployment, higher house and CRE price inflation.

Downside scenario 1

Downside scenario 1 is a plausible scenario, representing a less favourable outcome than the central scenario. Econometric modelling shows that in the past the quantum of such a negative shock to the Irish / UK economy 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 / AI stocks - equity markets experience a correction, with stock prices falling materially, while US tariffs prove to have a more negative impact on global trade than assumed in the central scenario. These shocks dampen global economic confidence and growth and amplify the negative growth effects of the US-Iran conflict and the associated rise in energy prices. Risk premia in other asset classes also rises, with financial stress emerging throughout the global financial system. These shocks lead to lower investment in both economies, particularly business investment and FDI.

2 Critical accounting estimates and judgements *(continued)*

The public finances in the UK also come under strain, requiring additional fiscal consolidation which weighs on growth. The UK economy falls into recession and growth in Ireland is subdued, while unemployment rises in both economies. Housing and CRE markets in both economies come under pressure amidst the weak economic conditions and prices fall. Inflation pressures start to ease from late 2026 onwards on foot of weak growth, rising unemployment and an easing of tensions in the Middle East, which sends energy prices back down. Both the ECB and Bank of England resume easing cycles, cutting policy rates to low levels. 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 – Equity market correction and financial market stress, US tariffs more negative for global growth and this amplifies negative growth effects of the US-Iran conflict and higher energy prices, weak growth in Ireland and the UK in recession, rise in unemployment, house and CRE price declines.

Downside scenario 2

Downside scenario 2 is a severe but plausible scenario, representing a significantly less favourable outcome than the central scenario. Econometric modelling shows that in the past the quantum of such a negative shock to the Irish economy has been an infrequent, low probability event. A qualitative description of how such a scenario as downside 2 might emerge is as follows: The conflict between the US and Iran escalates, with intensified hostilities, and widespread damage to energy infrastructure through the region. The conflict lasts for a prolonged period and energy prices, including both oil and gas, rise further and remain high for an extended period, with significant supply shortages in economies globally and across a range of market segments. These effects are amplified as countries, including the US, adopt export restrictions to protect domestic energy security. In addition, geopolitical tensions elsewhere escalate, including the ongoing Russia-Ukraine conflict, and this results in further disruptions to energy markets, particularly in Europe. Tensions between the US and China increase, disrupting key global supply chains, while US tariffs prove to have a more negative impact on global trade than assumed in the central scenario. As a result of these shocks, which dampen global economic confidence and growth, while raising uncertainty, equity markets – particularly US technology stocks – decline sharply. Risk premia in other asset classes also rise, with elevated financial stress and reduced liquidity emerging throughout the global financial system – exacerbated by AI-augmented cyber-attacks on financial system infrastructure. Inflation rises very sharply in both Ireland and the UK, exacerbated by a climate stress related rise in the price of carbon, leading to sharply lower consumer confidence and spending. The situation is compounded by a slowdown in pharma and technology 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 some spending cuts / tax increases. The public finances in the UK, which start from a vulnerable position, come under significant strain, with gilt yields rising. The government is forced to implement a large growth-dampening fiscal adjustment, while UK business investment declines sharply. With inflation well above target, the ECB and Bank of England both tighten monetary policy early in the forecast horizon. Both the Irish and UK economies enter deep recessions and unemployment increases sharply, remaining high over the entire forecast period. Household finances deteriorate significantly, and this pushes house price inflation well into negative territory in both economies. CRE markets are also significantly weaker, and prices decline sharply. Energy prices remain high for a protracted period after the war ends due to large scale infrastructure damage, though they fall back over time. Eventually inflation declines amidst elevated spare capacity in labour and product markets and monetary policy is eased significantly. Confidence rebounds and 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 – US-Iran conflict escalates and is prolonged, energy prices higher than forward curve, US tariffs much more negative for global growth than expected, elevated financial market stress (exacerbated by cyberattacks on system infrastructure), higher inflation, climate stress, recession and elevated unemployment in both economies, sharp house price declines.

Property price growth, all scenarios

In the central scenario, both RoI and UK experience growth in 2026. RoI growth of 4.0% will be stronger as housing continues to sell above asking prices and stocks remain low, while the UK manages more moderate growth of 1.7% coinciding with a pick-up in some of the other macro indicators. Growth will cool off in RoI over the rest of the forecast period, stabilising at 2.0% by 2029 and 2030, while growth will rise to 2.5% by 2029 throughout the period in the UK. RoI commercial prices will see growth of 1.0% in 2026 before rising over the period to 3.0% growth by 2030. Commercial prices in the UK will show modest growth in 2026 at 1.0% before rising up to 3.0% by 2029 and stabilising there.

This is predicated on growth in all sectors in both RoI and UK, with the industrial and retail sectors performing stronger earlier in the period and leisure and office showing weaker growth before stabilisation at 3.0% growth in most sectors by 2030.

In the upside scenario, RoI property price growth will gradually cool off over the forecast period, starting at 7.2% in 2026 and declining to 2.5% growth in 2030. UK price growth similarly cools off but at a slower rate, from 4.6% in 2026 to 3.8% by 2030. Commercial prices in RoI will climb from 2.0% growth in 2026 up to a stable 4.0% per annum in 2029-30, while UK growth will see a similar rise from 2.5% in 2026 to 4.0% per annum in 2029-30.

In the downside 1 scenario, property prices will see a sharp reversal in growth, declining 4.2% and 6.5% in RoI and UK respectively in 2026, before a quick recovery within two years to return to moderate growth by 2029-30. Commercial prices will see further negative growth, dropping to -8.0% and -7.0% respectively before gradually returning to growth in 2029 and 2.5% growth in both territories by 2030.

In the downside 2 scenario, property prices will see a deeper negative price growth than in downside 1, reaching troughs of -8.0% in RoI and -10.7% in the UK territories in 2026 before a slower recovery into moderate growth in 2029. Commercial prices will also decline by further levels than Downside 1, as far as -15.5% in RoI and -14.5% in the UK in 2026 before recovering to moderate growth in 2030 of 2.0% and 1.5% respectively.

The quantum of impairment loss allowance is impacted by the application of four probability weighted future macroeconomic scenarios.

2 Critical accounting estimates and judgements *(continued)*

The following table indicates the approximate extent to which the impairment loss allowance at 30 June 2026, excluding PMAs to impairment loss allowances, was increased by virtue of applying multiple scenarios rather than only a central scenario. This analysis excludes PMAs, as such adjustments 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 the following page).

The scenarios outlined in the following tables are based on the FLI weightings outlined on page 52. Changes in the figures at 30 June 2026 compared to 31 December 2025 reflect a number of inter-related dynamics including changes in forward-looking scenarios and associated probability weights; impairment model methodology updates since 31 December 2025; and the composition of the underlying portfolios at the respective reporting date.

30 June 2026 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	34%	23	136%	6	7%	38	28%
Retail Ireland	*6*	*34%*	*15*	*314%*	*4*	*6%*	*25*	*27%*
Retail UK	*3*	*34%*	*8*	*65%*	*2*	*10%*	*13*	*28%*
Non-property SME and corporate	8	16%	43	34%	3	1%	54	11%
Property and construction	11	58%	20	105%	7	10%	38	35%
Consumer	5	13%	1	9%	–	–	6	5%
Total	**33**	**25%**	**87**	**49%**	**16**	**3%**	**136**	**16%**

31 December 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%**

The following table indicates the approximate extent to which the 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:

30 June 2026 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	175	(38)	(22%)	(62)	(35%)	213	122%	606	346%
Retail Ireland	*116*	*(25)*	*(22%)*	*(44)*	*(38%)*	*103*	*89%*	*373*	*322%*
Retail UK	*59*	*(13)*	*(22%)*	*(18)*	*(31%)*	*110*	*186%*	*233*	*395%*
Non-property SME and corporate	556	(54)	(10%)	(116)	(21%)	103	19%	399	72%
Property and construction	146	(38)	(26%)	(45)	(31%)	75	51%	363	249%
Consumer	120	(6)	(5%)	(12)	(10%)	10	8%	33	28%
Total	**997**	**(136)**	**(14%)**	**(235)**	**(24%)**	**401**	**40%**	**1,401**	**141%**

2 Critical accounting estimates and judgements *(continued)*

31 December 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%**

The following table 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 the 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.

30 June 2026 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	137	15	11%	7	5%	(6)	(4%)	(10)	(7%)
Retail Ireland	*91*	*2*	*2%*	*1*	*1%*	*(1)*	*(1%)*	*(1)*	*(1%)*
Retail UK	*46*	*13*	*28%*	*6*	*13%*	*(5)*	*(11%)*	*(9)*	*(20%)*

31 December 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%)*

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 30 June 2026 to Stage 2 would increase the Group's impairment loss allowance by c.€24 million excluding PMAs.

Management judgement in impairment measurement
Management judgement has been incorporated into the Group's impairment measurement process for H126. 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 energy price risk
Targeted evaluations of energy price related risks have been conducted in H126 within relevant corporate and SME lending portfolios. Where assessments identified exposures as being materially adversely affected by rising energy costs linked to the US-Iran conflict, the resulting increase in credit risk was reflected through reclassification to Stage 2.

Credit risk assessment for significant increase in credit risk
As outlined in the Risk Management report of the Group's 2025 Annual 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 30 June 2026, 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 rate pass through on both RoI and UK residential mortgage customers rolling off fixed rate contracts.

2 Critical accounting estimates and judgements *(continued)*

Accordingly, credit risk assessments have been implemented across the residential mortgage and RoI consumer portfolios. Outputs have been utilised to identify significant increases in credit risk and the reclassification of Stage 1 assets to Stage 2. The credit risk assessments, which leveraged qualitative information not already captured in impairment models, resulted in a management decision to reclassify c.€1.0 billion of Stage 1 assets to Stage 2 at the reporting date, with an associated €10 million increase in impairment loss allowance.

Management judgement in impairment model parameters

Assessment of the relationship between macroeconomic model factors and default rates during 2020 and 2021 considered default experience to be unrepresentative in portfolios due to COVID-19 related supports and payment breaks available to borrowers during this period. As a result data points from the 2020 and 2021 period have been consistently excluded from the majority of retail PD macro regression models.

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 a late breaking event. At 30 June 2026, the Group's stock of impairment loss allowance of €1.1 billion (31 December 2025: €1.1 billion) includes a €122 million total PMA (31 December 2025: €106 million). Details of the components of the PMAs are outlined on the following page with a table providing an overview of Group PMAs.

2 Critical accounting estimates and judgements *(continued)*

30 June 2026	Impairment loss allowance-before PMAs €m	Post-model adjustments: Retail Ireland residential mortgages NPEs €m	Geopolitical risk €m	Climate risk €m	Investment property model updates €m	UK motor finance €m	Loss given default in Retail UK residential mortgage portfolio €m	Retail Ireland residential mortgage impairment model updates €m	Corporate non-property portfolio impairment model updates €m	Total PMAs €m	Total impairment loss allowance €m
Residential mortgages	175	45	–	6	–	–	4	2	–	57	232
Retail Ireland	*116*	*45*	–	*2*	–	–	–	*2*	–	*49*	*165*
Retail UK	*59*	–	–	*4*	–	–	*4*	–	–	*8*	*67*
Non-property SME and corporate	556	–	40	6	–	–	–	–	–	46	602
Property and construction	146	–	–	1	11	–	–	–	–	12	158
Consumer	120	–	–	–	–	7	–	–	–	7	127
Total loans and advances to customers	**997**	**45**	**40**	**13**	**11**	**7**	**4**	**2**	**–**	**122**	**1,119**
Other financial instruments	92	–	–	–	–	–	–	–	–	–	92
Total financial assets	**1,089**	**45**	**40**	**13**	**11**	**7**	**4**	**2**	**–**	**122**	**1,211**

31 December 2025	Impairment loss allowance-before PMAs €m	Post-model adjustments: Retail Ireland residential mortgages NPEs €m	Geopolitical risk €m	Climate risk €m	Investment property model updates €m	UK motor finance €m	Loss given default in Retail UK residential mortgage portfolio €m	Retail Ireland residential mortgage impairment model updates €m	Corporate non-property portfolio impairment model updates €m	Total PMAs €m	Total impairment loss allowance €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**	**2**	**2**	**106**	**1,149**
Other financial instruments	101	–	–	–	–	–	–	–	–	–	101
Total financial assets	**1,144**	**46**	**40**	**12**	**–**	**–**	**4**	**2**	**2**	**106**	**1,250**

2 Critical accounting estimates and judgements *(continued)*

PMA for Retail Ireland residential mortgage NPEs
The impairment loss allowance at 30 June 2026 includes a €45 million PMA (31 December 2025: €46 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.

PMA for Geopolitical risk
A €40 million PMA has been retained at 30 June 2026 (31 December 2025: €40 million) to recognise ongoing potential second order economic impacts arising from the prevailing elevated level of geopolitical risk and its impact on economic uncertainty which may not be fully captured by current internal PD ratings.

The PMA has been informed 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 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.

PMA for Climate risk
The Group has considered the impact of physical and transitional climate-related risks within its residential mortgage and RoI SME portfolio.

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 €13 million PMA (31 December 2025: €12 million) has been recognised to reflect the estimated ECL impact of climate-related risks within these portfolios.

This PMA is recognised in the Retail RoI residential mortgage (€2 million) and Retail UK residential mortgage (€4 million) portfolios, the RoI SME portfolio (€6 million) and RoI SME property portfolio (€1 million). The PMA has not been applied to larger exposures in the corporate and non-retail portfolios as climate risk is captured within these portfolios through individual borrower risk assessments and collateral valuation reviews.

PMA for Investment property model updates
A new €11 million PMA has been applied to reflect the estimated impact of model limitation within the historical time series of the Investment Property PD model.

The PMA is recognised in the Property and construction portfolio and is allocated to Stage 1 (€3 million) and Stage 2 (€8 million) assets. The requirement for this adjustment is expected to expire upon reassessment of the impairment model in 2027.

PMA for UK motor finance
A new €7 million PMA has been applied at 30 June 2026 to the UK motor finance portfolio to reflect voluntary termination levels exceeding model expectations within the Group's UK motor finance portfolio.

The PMA is recognised in the UK consumer motor finance portfolio and is allocated to Stage 1 (€4 million) and Stage 2 (€3 million).

PMA for Loss given default in Retail UK residential mortgage portfolio
A €4 million PMA has been applied at 30 June 2026 (31 December 2025: €4 million) to reflect the estimated impact of enhancements to the Retail UK residential mortgage impairment models planned in 2027.

Accordingly, the Group considered that it was appropriate to recognise the estimated impact of these planned enhancements at 30 June 2026. The requirement for this adjustment is expected to expire upon the implementation of impairment model updates in 2027.

PMA for planned Retail Ireland residential mortgage impairment model updates
A €2 million PMA has been applied at 30 June 2026 (31 December 2025: €2 million) to reflect the estimated impact of planned enhancements to impairment models in 2027 to address observations identified as part of the Group's internal model validation process. Planned model updates in 2027 include enhancements to the PD and LGD components of the impairment models.

Accordingly, the Group considered that it was appropriate to recognise the estimated impact of these planned enhancements at 30 June 2026. The requirement for this adjustment is expected to expire upon the implementation of impairment model updates in 2027.

UK motor finance business
At 30 June 2026, the Group's provision in relation to historical commission arrangements in its UK motor finance business amounted to €419 million (31 December 2025: €419 million). An income statement charge of €1 million was recognised in H126, offset by programme costs and foreign exchange movements of €1 million. The cumulative charge incurred to 30 June 2026 is €435 million.

The Group's provision at 30 June 2026 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 estimates for opt-in rates and operational costs.

In establishing the provision estimate, the Group has modelled a single scenario reflecting all requirements of the scheme as presented in the FCA Policy Statement, including but not limited to, the population of customers impacted and the redress calculations.

While legal challenges to the scheme introduce a degree of uncertainty, the judicial review applications remain at an early stage and the Group considers that any potential amendments to the scheme would be limited in scope. The key areas of estimation uncertainty are the percentage of eligible customers who opt-in to the scheme and operational costs.

Given the significant uncertainties described above, it is possible that the opt-in rate could change by more than the sensitivity disclosed and that amendments could be made to the scheme with the result that 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 25 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 Group Chief Executive Officer (CEO) and Group Chief Financial Officer (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.

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 on the following pages, '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)*

6 months ended 30 June 2026	Retail Ireland €m	Wealth and Insurance €m	Retail UK €m	Corporate and Commercial €m	Group Centre €m	Other reconciling items €m	Group €m
Net interest income	996	(5)	275	439	–	–	1,705
Other income	127	223	15	86	3	10	464
Total operating income	**1,123**	**218**	**290**	**525**	**3**	**10**	**2,169**
Other operating expenses	(330)	(122)	(143)	(158)	(277)	–	(1,030)
Other operating expenses (before levies and regulatory charges)	*(330)*	*(119)*	*(140)*	*(158)*	*(181)*	–	*(928)*
Levies and regulatory charges	–	*(3)*	*(3)*	–	*(96)*	–	*(102)*
Depreciation and amortisation	(52)	(9)	(11)	(15)	(61)	1	(147)
Total operating expenses	**(382)**	**(131)**	**(154)**	**(173)**	**(338)**	**1**	**(1,177)**
Underlying operating profit / (loss) before impairment charges on financial instruments	**741**	**87**	**136**	**352**	**(335)**	**11**	**992**
Net impairment losses on financial instruments	(18)	–	(23)	9	–	–	(32)
Share of results of associates and joint ventures (after tax)	–	–	11	(2)	–	–	9
Underlying profit / (loss) before tax	**723**	**87**	**124**	**359**	**(335)**	**11**	**969**

30 June 2026 Reconciliation of underlying profit before tax to profit before tax	Group €m
Underlying profit before tax	969
Acquisition costs	(20)
Gross-up for policyholder and shareholder tax in the Wealth and Insurance business	13
Customer redress charges	(1)
Investment losses on treasury shares held for policyholders	(1)
Portfolio divestments (net)	–
Profit before tax	**960**

Further information on our alternative performance metrics referred to in note 3 operating segments can be found on page 116.

3 Operating segments *(continued)*

Restated[1] **6 months ended 30 June 2025**	**Retail Ireland €m**[1]	**Wealth and Insurance €m**[1]	**Retail UK €m**[1]	**Corporate and Commercial €m**[1]	**Group Centre €m**[1]	**Other reconciling items €m**	**Group €m**[1]
Net interest income	930	(4)	271	459	9	–	1,665
Other income	134	191	6	86	(43)	(7)	367
Total operating income	**1,064**	**187**	**277**	**545**	**(34)**	**(7)**	**2,032**
Other operating expenses	(299)	(124)	(136)	(142)	(354)	4	(1,051)
Other operating expenses (before levies and regulatory charges)[1]	*(299)*	*(122)*	*(133)*	*(142)*	*(246)*	*4*	*(938)*
Levies and regulatory charges	*–*	*(2)*	*(3)*	*–*	*(108)*	*–*	*(113)*
Depreciation and amortisation	(50)	(3)	(13)	(5)	(47)	(2)	(120)
Total operating expenses	**(349)**	**(127)**	**(149)**	**(147)**	**(401)**	**2**	**(1,171)**
Underlying operating profit / (loss) before impairment charges on financial instruments	**715**	**60**	**128**	**398**	**(435)**	**(5)**	**861**
Net impairment (losses) / gains on financial instruments	(4)	–	(11)	(122)	–	–	(137)
Share of results of associates and joint ventures (after tax)	–	–	11	(2)	–	–	9
Underlying profit / (loss) before tax	**711**	**60**	**128**	**274**	**(435)**	**(5)**	**733**

Restated[1] **30 June 2025** **Reconciliation of underlying profit before tax to profit before tax**	**Group €m**
Underlying profit before tax	733
Acquisition costs	(13)
Gross-up for policyholder and shareholder tax in the Wealth and Insurance business	(2)
Customer redress charges	–
Investment losses on treasury shares held for policyholders	(2)
Portfolio divestments (net)	5
Profit before tax	**721**

[1] *Comparative figures have been restated to reflect (i) the transfer of Asset and Motor Finance from Corporate and Commercial to Retail Ireland effective from 1 January 2026 and (ii) the reclassification of €71 million of transformation programme costs, which are no longer considered to meet the definition of a non-core item as they are no longer considered to be non-recurring and are presented in operating expenses. As a result, underlying profit increased by €15 million in Retail Ireland, decreased by €4 million in Wealth and Insurance, decreased by €5 million in Retail UK, decreased by €16 million in Corporate and Commercial and Group Centre's underlying loss increased by €61 million.*

The Group uses 'underlying profit' as an APM, which excludes non-core items that it believes obscure the underlying performance trends in the business. In 2026, the Group no longer considers transformation programme costs to meet the definition of a non-core item, as they are no longer considered to be non-recurring and are now considered to be part of the ongoing operating activities of the Group.

The Group considers that this change provides reliable and more relevant information on the Group's financial performance. As a result, comparative APMs have been restated to exclude transformation programme costs of €71 million, which are now presented in operating expenses, decreasing non-core items presented for H125 from €83 million to €12 million.

3 Operating segments *(continued)*

6 months ended 30 June 2026 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	954	451	714	1,097	161	(88)	3,289
Inter segment revenues	955	24	(49)	1,586	832	(3,348)	–
Total revenue	**1,909**	**475**	**665**	**2,683**	**993**	**(3,436)**	**3,289**
Capital expenditure	**55**	**12**	**63**	**4**	**66**	**–**	**200**

Restated[1] 6 months ended 30 June 2025 Income statement analysis by operating segment	Retail Ireland €m[1]	Wealth and Insurance €m	Retail UK €m	Corporate and Commercial €m[1]	Group Centre €m	Other reconciling items €m	Group €m
Gross external revenue	915	406	871	1,108	283	(126)	3,457
Inter segment revenues	1,000	27	(159)	2,187	771	(3,826)	–
Total revenue	**1,915**	**433**	**712**	**3,295**	**1,054**	**(3,952)**	**3,457**
Capital expenditure	**62**	**8**	**70**	**29**	**86**	**–**	**255**

[1] *Comparative figures have been restated to reflect the transfer of Asset and Motor Finance from Corporate and Commercial to Retail Ireland effective from 1 January 2026. As a result, gross external revenue has increased by €51 million in Retail Ireland with a corresponding decrease in Corporate and Commercial.*

30 June 2026 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	**150,248**	**32,066**	**25,663**	**224,430**	**65,526**	**(329,338)**	**168,595**
Total liabilities	**147,701**	**30,859**	**23,288**	**223,657**	**59,376**	**(329,306)**	**155,575**
Investment in associates and joint ventures	109	–	80	86	7	–	282

Restated[1] 31 December 2025 Balance sheet analysis by operating segment	Retail Ireland €m[1]	Wealth and Insurance €m	Retail UK €m	Corporate and Commercial €m[1]	Group Centre €m	Other reconciling items €m	Group €m
Total assets	**160,509**	**29,629**	**25,878**	**231,314**	**62,454**	**(344,985)**	**164,799**
Total liabilities	**156,833**	**28,427**	**23,614**	**230,496**	**57,461**	**(344,952)**	**151,879**
Investment in associates and joint ventures	88	–	68	85	7	–	248

[1] *Comparative figures have been restated to reflect the transfer of Asset and Motor Finance from Corporate and Commercial to Retail Ireland effective from 1 January 2026. As a result, total assets has increased by €3,056 million in Retail Ireland with a corresponding decrease in Corporate and Commercial, and total liabilities has increased by €3,005 million in Retail Ireland with a corresponding decrease in Corporate and Commercial.*

4 Interest income

	6 months ended 30 June 2026 €m	6 months ended 30 June 2025 €m
Financial assets measured at amortised cost		
Loans and advances to customers	1,566	1,718
Debt securities at amortised cost	281	135
Loans and advances to banks	261	432
Interest income on financial assets measured at amortised cost	**2,108**	**2,285**
Financial assets at fair value through other comprehensive income		
Debt securities at fair value through other comprehensive income	28	52
Interest income on financial assets at fair value through other comprehensive income	**28**	**52**
Interest income calculated using the effective interest method	**2,136**	**2,337**
Other interest income		
Finance leases and hire purchase receivables	174	167
Non-trading derivatives (not in hedge accounting relationships - economic hedges)	135	210
Loans and advances to customers at FVTPL	3	4
Other financial assets at FVTPL	1	1
Other interest income	**313**	**382**
Interest income	**2,449**	**2,719**

Interest income on loans and advances to customers

In H126, interest income of €32 million was recognised (H125: €43 million) and €37 million was received (H125: €60 million) on credit-impaired loans and advances to customers.

For H126, interest income was reduced by €10 million (H125 €24 million) relating to changes in the fair value of derivative financial instruments, which economically hedge the performing mortgage book of KBC Bank Ireland acquired by the Group, partially offset by interest income earned and recognised on these derivative financial instruments.

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

	6 months ended 30 June 2026 €m	6 months ended 30 June 2025 €m
Financial liabilities measured at amortised cost		
Customer accounts	324	519
Debt securities in issue	178	213
Subordinated liabilities	56	56
Deposits from banks	15	23
Lease liabilities	5	6
Interest expense calculated using the effective interest method	**578**	**817**
Other interest expense		
Non-trading derivatives (not in hedge accounting relationships - economic hedges)	158	232
Customer accounts at FVTPL	5	5
Debt securities in issue at FVTPL	3	–
Other interest expense	**166**	**237**
Interest expense	**744**	**1,054**

5 Interest expense *(continued)*

Interest expense recognised on customer accounts
Interest expense on customer accounts included interest expense of €34 million (H125: €210 million) arising on related derivatives which are in a hedge relationship with the relevant liability. The period on period movement was caused by lower interest rates.

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 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 on the following page 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 €1,126 million in H126 (H125: losses of €146 million) on other financial assets held on behalf of insurance policyholders were consistent with positive investment market performance during the period compared to the tariff-related market uncertainty experienced in H125. Consistent with these market movements, insurance contract liabilities also increased, resulting in finance expenses of €1,131 million (H125: finance income of €150 million) in the same period.

Insurance investment and finance result	6 months ended 30 June 2026 €m	6 months ended 30 June 2025 €m
Gains / (losses) on other financial assets held on behalf of Wealth and Insurance policyholders	1,126	(146)
Gains on investment property held on behalf of Wealth and Insurance policyholders	11	17
Total investment gains / (losses)	**1,137**	**(129)**
Finance (expense) / income from insurance contracts issued	(1,131)	150
Finance income / (expense) from reinsurance contracts held	16	(14)
Net insurance and reinsurance finance result	**(1,115)**	**136**
Total insurance investment and finance result	**22**	**7**

Insurance contract liabilities
The reconciliation below has been provided at a total insurance contract liability level. The liability for remaining coverage (LRC) which includes CSM makes up c.96% of this balance, with the liability for incurred claims (LIC) making up the remainder. Included in the total insurance service result is an allocation of depreciation expense of €6 million (H125: €6 million; H225: €6 million) attributable to insurance contracts. Comparative figures are presented for the twelve months ended 31 December 2025.

6 Insurance contracts *(continued)*

Insurance contract liabilities	30 June 2026 €m	31 December 2025 €m
Opening liabilities	**(17,197)**	**(16,685)**
Insurance revenue	**253**	**521**
Expected incurred claims and other expenses	*191*	*383*
CSM recognised in income statement for services	*41*	*74*
Recovery of insurance acquisition cash flows	*19*	*39*
Change in risk adjustment for non-financial risk expired	*5*	*12*
Premium variance	*(3)*	*13*
Insurance service expense	**(207)**	**(406)**
Incurred claims and other insurance service expenses	*(204)*	*(409)*
Changes that relate to past service - adjustment to the LIC	*19*	*43*
Insurance acquisition cash flows amortisation	*(19)*	*(38)*
Changes that relate to future service - losses on onerous groups of contracts and reversal of such losses	*(3)*	*(2)*
Total insurance service result	**46**	**115**
Finance expense from insurance contracts issued	(1,131)	(632)
Total amounts recognised in comprehensive income	**(1,085)**	**(517)**
Cash flows		
Premiums received	(932)	(2,082)
Claims and other directly attributable expenses	964	2,005
Insurance acquisition cash flows	36	82
Total cash flows	**68**	**5**
Closing liabilities	**(18,214)**	**(17,197)**

Reinsurance contract assets

The reconciliation below has been provided at a total reinsurance contract asset level. The remaining coverage component which includes CSM makes up c.81% of this balance, with the incurred claims component making up the remainder. Comparative figures are presented for the twelve months ended 31 December 2025.

Reinsurance contract assets	30 June 2026 €m	31 December 2025 €m
Opening assets	**1,328**	**1,453**
Net income / (expense) from reinsurance contracts held		
Reinsurance expenses	(6)	(21)
Changes in recoveries of losses on onerous underlying contracts	5	(3)
Claims recovered and other directly attributable expenses	(7)	(24)
Changes relating to past service - adjustments to incurred claims	(2)	(4)
Total net expense from reinsurance contracts held	**(10)**	**(52)**
Finance income / (expense) from reinsurance contracts held	16	(15)
Total amounts recognised in comprehensive income	**6**	**(67)**
Cash flows		
Premiums paid net of ceding commissions and other deferred acquisition costs paid	47	97
Recoveries from reinsurance	(63)	(155)
Total cash flows	**(16)**	**(58)**
Closing assets	**1,318**	**1,328**

6 Insurance contracts *(continued)*

Insurance revenue and CSM by transition approach

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. Comparative figures are presented for the twelve months ended 31 December 2025.

Insurance revenue and CSM by transition approach	30 June 2026 €m	31 December 2025 €m
Insurance contracts issued		
Insurance revenue		
Contracts measured using the fair value approach at transition date	111	280
New business and all other contracts	142	241
Total insurance revenue	**253**	**521**
CSM at period end		
Contracts measured using the fair value approach at transition date	(179)	(569)
New business and all other contracts	(556)	(146)
Total CSM at period end	**(735)**	**(715)**
Reinsurance contracts held		
CSM underlying at period end		
Underlying contracts measured using the fair value approach at transition date	(29)	143
New business and all other underlying contracts	155	(8)
Total CSM underlying at period end	**126**	**135**

Insurance CSM

The reconciliation below gives a total view of the movement of the insurance contractual service margin. Comparative figures are presented for the twelve months ended 31 December 2025.

Insurance contractual service margin	30 June 2026 €m	31 December 2025 €m
Opening insurance contract CSM	(715)	(718)
CSM recognised for services provided	41	74
Changes in estimates that adjust the CSM	(52)	(52)
Contracts initially recognised in the period	(8)	(17)
Finance expense from insurance contracts issued	(1)	(2)
Closing insurance contract CSM	**(735)**	**(715)**

Reinsurance CSM

The reconciliation below gives a total view of the movement of the reinsurance contractual service margin. Comparative figures are presented for the twelve months ended 31 December 2025.

Reinsurance contractual service margin	30 June 2026 €m	31 December 2025 €m
Opening reinsurance contract CSM	135	144
CSM recognised for services provided	(7)	(13)
Changes in estimates that adjust the CSM	1	17
Contracts initially recognised in the period	(7)	(10)
Changes in recoveries of gains / (losses) on onerous underlying contracts that adjust CSM	4	(3)
Closing reinsurance contract CSM	**126**	**135**

A total of €34 million (H125: €29 million; H225: €32 million) was released from the CSM for services provided. The release represents services provided on insurance contracts offset with services provided on reinsurance contracts.

7 Fee and commission income and expense

6 months ended 30 June 2026 Income	Retail Ireland €m	Wealth and Insurance €m	Retail UK €m	Corporate and Commercial €m	Group Centre €m	Group €m
Retail banking customer fees	154	–	15	45	–	214
Asset management fees	–	107	–	–	–	107
Credit related fees	2	–	1	7	–	10
Insurance commissions	–	5	–	–	–	5
Other	17	15	2	14	–	48
Fee and commission income	**173**	**127**	**18**	**66**	**–**	**384**

Net fee and commission income includes €100 million (H125: €89 million) arising from trust and other fiduciary duties.

Expense

Fee and commission expense of €100 million (H125: €97 million) primarily comprises brokerage fees, sales commissions and other fees paid to third parties.

Restated[1] 6 months ended 30 June 2025 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]	157	–	16	46	–	219
Asset management fees	–	94	–	–	–	94
Credit related fees	2	–	1	11	–	14
Insurance commissions	–	6	–	–	–	6
Other[1]	13	15	2	15	–	45
Fee and commission income	**172**	**115**	**19**	**72**	**–**	**378**

[1] Comparative figures have been restated to reflect the asset and motor finance transfer from Corporate and Commercial to Retail Ireland. As a result, fee and commission income of €8 million has been reallocated from Corporate and Commercial to Retail Ireland.

8 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 the interest income receivable and expense payable on financial instruments held for trading and gains/losses arising from FX, net of hedging effects.

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. The net income from other financial instruments includes the amortisation of the cumulative hedge adjustment for terminated fair value hedges and the transfer of the cumulative gain or loss from OCI for terminated cash flow hedges.

Net fair value hedge ineffectiveness reflected a net gain from hedged items of €51 million (H125: net loss €184 million) offsetting a net loss from hedging instruments of €41 million (H125: net gain €184 million).

	6 months ended 30 June 2026 €m	6 months ended 30 June 2025 €m
Net income from financial instruments designated at FVTPL		
Financial liabilities designated at fair value	(6)	6
Related derivatives held for trading	6	(2)
	–	**4**
Net income from financial instruments mandatorily measured at FVTPL		
Other financial instruments	51	6
Securities and non-trading debt	20	10
Loans and advances	–	1
	71	**17**
Net fair value hedge ineffectiveness	10	–
Net trading income	**81**	**21**

9 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.

	6 months ended 30 June 2026 €m	6 months ended 30 June 2025 €m
Other leasing income	**61**	**61**
Operating lease payments	*38*	*34*
Sale of leased assets	*18*	*23*
Other income	*5*	*4*
Other leasing expense	**(48)**	**(46)**
Depreciation of rental vehicles	*(27)*	*(24)*
Other selling and disposal costs	*(21)*	*(22)*
Net other leasing income	**13**	**15**

10 Other operating income

	6 months ended 30 June 2026 €m	6 months ended 30 June 2025 €m
Other insurance income	43	20
Elimination of investment losses on treasury shares held for the benefit of policyholders in the Wealth and Insurance business	–	(1)
Other income	(3)	–
Other operating income	**40**	**19**

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.

11 Other operating expenses

Administrative expenses and staff costs	6 months ended 30 June 2026 €m	6 months ended 30 June 2025 €m
Staff costs excluding transformation programme staff costs	503	495
Amortisation of intangible assets	125	100
Levies and regulatory charges	102	113
Depreciation of property, plant and equipment	25	23
Other administrative expenses	399	384
Total	**1,154**	**1,115**
Total staff costs are analysed as follows:		
Wages and salaries	444	438
Social security costs	50	49
Retirement benefit costs (defined contribution plans)	32	31
Retirement benefit costs (defined benefit plans)	3	7
Other staff expenses	1	5
	530	**530**
Staff costs capitalised	(27)	(35)
Staff costs excluding transformation programme staff costs	**503**	**495**
Staff costs included in transformation programme costs (note 12)	36	44
Total staff costs recognised in the income statement	**539**	**539**

Pension costs
Pension costs of €35 million for H126 were €3 million lower than H125. Defined benefit pension costs have decreased by €4 million due to lower service costs. New joiners are added to the Group's defined contribution plans, the cost of which has increased by €1 million compared to H125.

Staff numbers
At 30 June 2026, the number of staff (full time equivalents (FTE)) for the Group was 11,030 (30 June 2025: 11,386). The average number of staff (FTE) for the Group for the six months ended 30 June 2026 was 11,122 (six months ended 30 June 2025: 11,268).

12 Cost of restructuring programme

In H126, the Group recognised a restructuring charge of €44 million (H125: €69 million).

	6 months ended 30 June 2026 €m	6 months ended 30 June 2025 €m
Transformation programme costs		
Staff costs	36	44
Programme management costs	8	23
UK strategic review costs	–	2
Total	**44**	**69**

13 Net impairment losses on financial instruments

	6 months ended 30 June 2026 €m	6 months ended 30 June 2025 €m
Loans and advances to customers at amortised cost	(72)	(214)
Movement in impairment loss allowance (note 18)	*(86)*	*(228)*
Cash recoveries	*14*	*14*
Loan commitments	8	(5)
Guarantees and irrevocable letters of credit	1	1
Other financial assets	(1)	(1)
Net impairment losses on financial instruments before credit insurance	**(64)**	**(219)**
Credit insurance	32	83
Net impairment losses on financial instruments	**(32)**	**(136)**

Net impairment losses on financial instruments have been partially offset by credit insurance of €32 million (H125: €83 million), arising from financial guarantee contracts relating to corporate and residential mortgage portfolios.

Net impairment losses on loans and advances to customers at amortised cost

	6 months ended 30 June 2026 €m	6 months ended 30 June 2025 €m
Residential mortgages	(4)	(11)
Retail Ireland	*(2)*	*(12)*
Retail UK	*(2)*	*1*
Non-property SME and corporate	(34)	(178)
Republic of Ireland SME	*6*	*–*
UK SME	*(1)*	*(4)*
Corporate	*(39)*	*(174)*
Property and construction	(1)	(26)
Investment	*7*	*(7)*
Development	*(8)*	*(19)*
Consumer	(33)	1
Total	**(72)**	**(214)**

14 Share of results of associates and joint ventures (after tax)

	6 months ended 30 June 2026 €m	6 months ended 30 June 2025 €m
First Rate Exchange Services	11	11
Associates	(2)	(2)
Share of results of associates and joint ventures (after tax)	**9**	**9**

15 Taxation

The taxation charge for the period was €177 million with an effective statutory taxation rate of 18% (H125: taxation charge of €113 million and taxation rate of 16%). The effective tax rate was influenced by changes in the jurisdictional mix of profits, adjustments in respect of the prior period and the Irish bank levy.

Recognised in income statement	6 months ended 30 June 2026 €m	6 months ended 30 June 2025 €m
Current tax		
Irish corporation tax		
Current period	13	11
Adjustments in respect of prior period	–	(1)
Foreign tax		
Current period	29	35
Adjustments in respect of prior period	(12)	4
Current tax charge[1]	**30**	**49**
Deferred tax		
Current period profits	111	79
Origination and reversal of temporary differences	14	(13)
Adjustments in respect of prior period	22	(2)
Deferred tax charge	**147**	**64**
Taxation charge	**177**	**113**

Reconciliation of tax on the profit before taxation at the standard Irish corporation tax rate to actual tax charge	6 months ended 30 June 2026 €m	6 months ended 30 June 2025 €m
Profit before tax multiplied by the standard rate corporation tax in Ireland of 12.5% (2025: 12.5%)	120	90
Effects of:		
Foreign earnings subject to different rates of tax	28	24
Non-deductible Irish Bank Levy	11	11
Adjustments in respect of prior period	10	1
Share of results of associates and joint ventures shown post tax in the income statement	(1)	(1)
Other adjustments for tax purposes	9	(12)
Taxation charge	**177**	**113**

[1] *The Group is within the scope of the Organisation for Economic Co-operation and Development (OECD) 15% minimum effective tax rate Model Rules (Pillar 2). However, the impact of Pillar 2 on the current tax charge in the current period is insignificant due primarily to the ability to take into account certain historic tax losses in the Bank at 15% and also due to profits arising in jurisdictions with an effective tax rate in excess of 15%. See note 21 for further details.*

15 Taxation *(continued)*

Analysis of selected other comprehensive income	6 months ended 30 June 2026 Pre-tax €m	6 months ended 30 June 2026 Tax €m	6 months ended 30 June 2026 Net of Tax €m	6 months ended 30 June 2025 Pre-tax €m	6 months ended 30 June 2025 Tax €m	6 months ended 30 June 2025 Net of Tax €m
Debt instruments at FVOCI reserve						
Changes in fair value	2	–	2	12	(1)	11
Net change in debt instruments at FVOCI reserve	**2**	**–**	**2**	**12**	**(1)**	**11**
Remeasurement of the net defined benefit pension asset	**(131)**	**19**	**(112)**	**(170)**	**25**	**(145)**
Cash flow hedge reserve						
Changes in fair value	86	(14)	72	191	(24)	167
Transfer to income statement	(87)	14	(73)	(175)	22	(153)
Net change in cash flow hedge reserve	**(1)**	**–**	**(1)**	**16**	**(2)**	**14**
Net change in foreign exchange reserve	**30**	**–**	**30**	**(123)**	**–**	**(123)**
Liability credit reserve						
Changes in fair value of liabilities designated at FVTPL due to own credit risk	1	–	1	4	–	4
Other comprehensive income for the period	**(99)**	**19**	**(80)**	**(261)**	**22**	**(239)**

16 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 H126 and H125, there was no difference in the weighted average number of units of share used for basic and diluted earnings per share.

	6 months ended 30 June 2026 €m	6 months ended 30 June 2025 €m
Basic and diluted earnings per share		
Profit attributable to shareholders	783	608
Distributions on other equity instruments - AT1 coupon	(38)	(34)
Adjustment for repurchase of AT1 securities	–	(2)
Profit attributable to ordinary shareholders	**745**	**572**
	Shares	**Shares**
Weighted average number of shares in issue excluding treasury shares (millions)	950	987
Basic and diluted earnings per share (cent)	78.4	57.8

17 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 €3.8 billion at 30 June 2026 due to the purchase of government bonds and other debt securities.

	30 June 2026 €m	31 December 2025 €m
Government bonds	12,775	10,877
Other debt securities at amortised cost	9,171	7,158
Asset backed securities	235	341
Less impairment loss allowance	(5)	(4)
Debt securities at amortised cost	**22,176**	**18,372**

18 Loans and advances to customers

Loans and advances to customers at amortised cost

Loans and advances to customers at amortised cost (after ILA) at 30 June 2026 included cash collateral of €28 million (31 December 2025: €19 million) placed with derivative counterparties in relation to net derivative liability positions.

Sustainable finance

Loans and advances to customers at 30 June 2026 included sustainable finance of €19.3 billion (31 December 2025: €17.7 billion), as detailed in the following table.

	30 June 2026 €bn	31 December 2025 €bn
RoI green mortgages	12.6	11.2
Green commercial real estate lending	2.1	2.1
UK green mortgages	1.7	1.7
Sustainability-linked loans	1.7	1.6
Renewables project finance	0.6	0.6
RoI electric vehicles funding	0.3	0.2
UK electric vehicles funding	0.2	0.2
Green CapEx loans	0.1	0.1
Total sustainable finance	**19.3**	**17.7**

Non-performing exposure disposals

During H126, there were no sales of non-performing loans in the period compared to the full year 2025 when 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 and the Group recognised an impairment loss of €2 million relating to the disposal of these loans.

Loans and advances to customers at FVTPL

Loans and advances to customers at FVTPL are not subject to impairment under IFRS 9. At 30 June 2026, loans and advances to customers at FVTPL included €157 million (31 December 2025: €166 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.

	30 June 2026 €m	31 December 2025 €m
Loans and advances to customers at amortised cost	79,315	78,194
Finance leases and hire purchase receivables	5,600	5,267
	84,915	**83,461**
Less ILA on loans and advances to customers at amortised cost	(1,119)	(1,149)
Loans and advances to customers at amortised cost	**83,796**	**82,312**
Loans and advances to customers at FVTPL	157	166
Total loans and advances to customers	**83,953**	**82,478**

18 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 €119 million at 30 June 2026 (31 December 2025: €124 million) included €54 million (31 December 2025: €57 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.

30 June 2026 **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)	49,853	13,908	5,657	5,785	75,203
Stage 2 - Lifetime ECL (not credit-impaired)	2,411	3,915	1,417	210	7,953
Stage 3 - Lifetime ECL (credit-impaired)	564	675	270	131	1,640
Purchased / originated credit-impaired	119	–	–	–	119
Gross carrying amount at 30 June 2026	**52,947**	**18,498**	**7,344**	**6,126**	**84,915**

30 June 2026 **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)	42	64	34	43	183
Stage 2 - Lifetime ECL (not credit-impaired)	58	211	48	20	337
Stage 3 - Lifetime ECL (credit-impaired)	122	327	76	64	589
Purchased / originated credit-impaired	10	–	–	–	10
Impairment loss allowance at 30 June 2026	**232**	**602**	**158**	**127**	**1,119**

31 December 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**

31 December 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**

18 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 H126 and 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 period) and full period 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 assets and credit-impaired assets' is outlined in the credit risk section of the Risk Management Report on pages 254 to 256 of the Group's 2025 Annual Report with updates for 2026 outlined in the asset quality section of the OFR on page 28.

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' comprises 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 13).

'Re-measurement' includes the impact of re-measurement 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 re-measurement 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.

30 June 2026 **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 2026	**72,676**	**8,930**	**1,731**	**124**	**83,461**
Total net transfers	(319)	(45)	364	–	–
To 12 month ECL (not credit-impaired)	*3,343*	*(3,342)*	*(1)*	–	–
To lifetime ECL (not credit-impaired)	*(3,590)*	*3,679*	*(89)*	–	–
To lifetime ECL (credit-impaired)	*(72)*	*(382)*	*454*	–	–
Net changes in exposure	2,560	(1,001)	(327)	(4)	1,228
Impairment loss allowances utilised	–	–	(147)	(1)	(148)
Exchange adjustments	275	57	16	–	348
Measurement reclassification and other movements	11	12	3	–	26
Gross carrying amount at 30 June 2026	**75,203**	**7,953**	**1,640**	**119**	**84,915**

18 Loans and advances to customers *(continued)*

30 June 2026 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 2026	**169**	**357**	**612**	**11**	**1,149**
Total net transfers	76	(97)	21	–	–
To 12 month ECL (not credit-impaired)	*95*	*(95)*	–	–	–
To lifetime ECL (not credit-impaired)	*(18)*	*33*	*(15)*	–	–
To lifetime ECL (credit-impaired)	*(1)*	*(35)*	*36*	–	–
Net impairment losses / (gains) in income statement	(62)	75	74	(1)	86
Re-measurement	*(76)*	*91*	*137*	*(1)*	*151*
Net changes in exposure	*13*	*(22)*	*(64)*	–	*(73)*
ECL model parameter and / or methodology changes	*1*	*6*	*1*	–	*8*
Impairment loss allowances utilised	–	–	(147)	(1)	(148)
Exchange adjustments	–	2	1	–	3
Measurement reclassification and other movements	–	–	28	1	29
Impairment loss allowance at 30 June 2026	**183**	**337**	**589**	**10**	**1,119**
Impairment coverage at 30 June 2026 (%)	**0.24%**	**4.24%**	**35.91%**	**8.40%**	**1.32%**

Impairment loss allowances utilised on loans and advances to customers at amortised cost during H126 included €20 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 period by €1.5 billion from €83.5 billion at 31 December 2025 to €84.9 billion at 30 June 2026.

Stage 1 loans have increased by €2.5 billion primarily reflecting the impact of net new lending of €2.6 billion and FX movements of €0.3 billion. Total net transfers of €0.3 billion to other risk stages (primarily Stage 2) reflect updates for portfolio activity and FLI.

ILAs on Stage 1 loans have increased by €14 million with coverage on Stage 1 loans of 0.24%, slightly increased from 0.23% at 31 December 2025. Re-measurement resulted in an ILA reduction of €76 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 €76 million and net changes in exposure of €13 million.

Stage 2 loans have decreased by €1.0 billion reflecting net repayments of €1.0 billion with a small reduction also from net transfers to other stages, reflecting portfolio activity in the period. Reductions were partially offset by FX movements of €0.1 billion.

Cover on Stage 2 loans has increased from 4.00% at 31 December 2025 to 4.24% at 30 June 2026. Total ILA reduced slightly with the impact of net transfers of €97 million and net repayments of €22 million only partially offset by ILA increases of €91 million due to re-measurement. Stage 2 cover is also impacted by the application of a new PMA for Investment Property model updates (see note 2 critical accounting estimates and judgements) and ECL model parameter and methodology changes (including FLI) of €6 million. Changes in the book composition also contributed to the increase in Stage 2 cover.

Stage 3 loans have decreased by €0.1 billion to €1.6 billion with increases from net migration from other stages of €0.4 billion driven by the emergence of new defaults, more than offset by the combined impact of repayments of €0.3 billion (including repayments from case specific resolution activities) and utilisation of ILAs of €0.1 billion.

Stage 3 ILAs have decreased by €23 million due to the utilisation of ILAs of €147 million and the impact of net reductions in exposure of €64 million. This was partially offset by re-measurement of €137 million), measurement reclassification and other movements of €28 million and net transfers of €21 million.

Cover on Stage 3 loans has increased from 35.36% at 31 December 2025 to 35.91% at 30 June 2026. The increase primarily reflects changes in the underlying asset / portfolio mix of the Stage 3 population with the resolution of a number of corporate assets with lower coverage and the emergence of Stage 3 assets in the period, primarily from the corporate portfolios, with higher than average impairment requirements.

18 Loans and advances to customers *(continued)*

31 December 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**

31 December 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 included €33 million of contractual amounts outstanding that are still subject to enforcement activity.

18 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

30 June 2026 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 2026	**48,959**	**2,599**	**518**	**124**	**52,200**
Total net transfers	(163)	57	106	–	–
To 12 month ECL (not credit-impaired)	*1,603*	*(1,603)*	–	–	–
To lifetime ECL (not credit-impaired)	*(1,746)*	*1,796*	*(50)*	–	–
To lifetime ECL (credit-impaired)	*(20)*	*(136)*	*156*	–	–
Net changes in exposure	885	(263)	(60)	(4)	558
Impairment loss allowances utilised	–	–	(2)	(1)	(3)
Exchange adjustments	165	18	2	–	185
Measurement reclassification and other movements	7	–	–	–	7
Gross carrying amount at 30 June 2026	**49,853**	**2,411**	**564**	**119**	**52,947**

30 June 2026 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 2026	**43**	**56**	**116**	**11**	**226**
Total net transfers	25	(26)	1	–	–
To 12 month ECL (not credit-impaired)	*30*	*(30)*	–	–	–
To lifetime ECL (not credit-impaired)	*(5)*	*11*	*(6)*	–	–
To lifetime ECL (credit-impaired)	–	*(7)*	*7*	–	–
Net impairment losses / (gains) in income statement	(26)	26	4	(1)	3
Re-measurement	*(29)*	*21*	*11*	*(1)*	*2*
Net changes in exposure	*5*	*1*	*(8)*	–	*(2)*
ECL model parameter and / or methodology changes	*(2)*	*4*	*1*	–	*3*
Impairment loss allowances utilised	–	–	(2)	(1)	(3)
Exchange adjustments	–	1	1	–	2
Measurement reclassification and other movements	–	1	2	1	4
Impairment loss allowance at 30 June 2026	**42**	**58**	**122**	**10**	**232**
Impairment coverage at 30 June 2026 (%)	**0.08%**	**2.41%**	**21.63%**	**8.40%**	**0.44%**

Impairment loss allowances utilised on Residential mortgages at amortised cost during H126 included no contractual amounts outstanding that are still subject to enforcement activity.

18 Loans and advances to customers *(continued)*

Residential mortgages *(continued)*

31 December 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**

31 December 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 no contractual amounts outstanding that are still subject to enforcement activity.

18 Loans and advances to customers *(continued)*

Non-property SME and corporate

30 June 2026 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 2026	**13,194**	**4,434**	**771**	**–**	**18,399**
Total net transfers	(93)	(66)	159	–	–
To 12 month ECL (not credit-impaired)	*1,231*	*(1,231)*	*–*	–	–
To lifetime ECL (not credit-impaired)	*(1,313)*	*1,340*	*(27)*	–	–
To lifetime ECL (credit-impaired)	*(11)*	*(175)*	*186*	–	–
Net changes in exposure	744	(491)	(148)	–	105
Impairment loss allowances utilised	–	–	(119)	–	(119)
Exchange adjustments	60	28	10	–	98
Measurement reclassification and other movements	3	10	2	–	15
Gross carrying amount at 30 June 2026	**13,908**	**3,915**	**675**	**–**	**18,498**

30 June 2026 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 2026	**64**	**234**	**364**	**–**	**662**
Total net transfers	39	(51)	12	–	–
To 12 month ECL (not credit-impaired)	*48*	*(48)*	*–*	–	–
To lifetime ECL (not credit-impaired)	*(9)*	*15*	*(6)*	–	–
To lifetime ECL (credit-impaired)	*–*	*(18)*	*18*	–	–
Net impairment losses / (gains) in income statement	(39)	27	51	–	39
Re-measurement	*(42)*	*41*	*86*	–	*85*
Net changes in exposure	*3*	*(16)*	*(34)*	–	*(47)*
ECL model parameter and / or methodology changes	*–*	*2*	*(1)*	–	*1*
Impairment loss allowances utilised	–	–	(119)	–	(119)
Exchange adjustments	–	1	(1)	–	–
Measurement reclassification and other movements	–	–	20	–	20
Impairment loss allowance at 30 June 2026	**64**	**211**	**327**	**–**	**602**
Impairment coverage at 30 June 2026 (%)	**0.46%**	**5.39%**	**48.44%**	**–**	**3.25%**

Impairment loss allowances utilised on Non-property SME and corporate during H126 included €11 million of contractual amounts outstanding that are still subject to enforcement activity.

18 Loans and advances to customers *(continued)*

Non-property SME and corporate *(continued)*

31 December 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**

31 December 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.

18 Loans and advances to customers *(continued)*

Property and construction

30 June 2026 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 2026	**5,114**	**1,699**	**325**	**–**	**7,138**
Total net transfers	41	(83)	42	–	–
To 12 month ECL (not credit-impaired)	*456*	*(456)*	*–*	–	–
To lifetime ECL (not credit-impaired)	*(406)*	*412*	*(6)*	–	–
To lifetime ECL (credit-impaired)	*(9)*	*(39)*	*48*	–	–
Net changes in exposure	489	(211)	(101)	–	177
Impairment loss allowances utilised	–	–	–	–	–
Exchange adjustments	13	10	3	–	26
Measurement reclassification and other movements	–	2	1	–	3
Gross carrying amount at 30 June 2026	**5,657**	**1,417**	**270**	**–**	**7,344**

30 June 2026 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 2026	**27**	**50**	**74**	**–**	**151**
Total net transfers	8	(10)	2	–	–
To 12 month ECL (not credit-impaired)	*10*	*(10)*	*–*	–	–
To lifetime ECL (not credit-impaired)	*(2)*	*3*	*(1)*	–	–
To lifetime ECL (credit-impaired)	*–*	*(3)*	*3*	–	–
Net impairment losses / (gains) in income statement	(1)	8	(4)	–	3
Re-measurement	*(6)*	*11*	*6*	–	*11*
Net changes in exposure	*5*	*(2)*	*(11)*	–	*(8)*
ECL model parameter and / or methodology changes	*–*	*(1)*	*1*	–	–
Impairment loss allowances utilised	–	–	–	–	–
Exchange adjustments	–	–	1	–	1
Measurement reclassification and other movements	–	–	3	–	3
Impairment loss allowance at 30 June 2026	**34**	**48**	**76**	**–**	**158**
Impairment coverage at 30 June 2026 (%)	**0.60%**	**3.39%**	**28.15%**	**–**	**2.15%**

Impairment loss allowances utilised on Property and construction during H126 included no contractual amounts outstanding that are still subject to enforcement activity.

18 Loans and advances to customers *(continued)*

Property and construction *(continued)*

31 December 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**

31 December 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 no contractual amounts outstanding that are still subject to enforcement activity.

18 Loans and advances to customers *(continued)*

Consumer

30 June 2026 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 2026	**5,409**	**198**	**117**	**–**	**5,724**
Total net transfers	(104)	47	57	–	–
To 12 month ECL (not credit-impaired)	*53*	*(52)*	*(1)*	–	–
To lifetime ECL (not credit-impaired)	*(125)*	*131*	*(6)*	–	–
To lifetime ECL (credit-impaired)	*(32)*	*(32)*	*64*	–	–
Net changes in exposure	442	(36)	(18)	–	388
Impairment loss allowances utilised	–	–	(26)	–	(26)
Exchange adjustments	37	1	1	–	39
Measurement reclassification and other movements	1	–	–	–	1
Gross carrying amount at 30 June 2026	**5,785**	**210**	**131**	**–**	**6,126**

30 June 2026 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 2026	**35**	**17**	**58**	**–**	**110**
Total net transfers	4	(10)	6	–	–
To 12 month ECL (not credit-impaired)	*7*	*(7)*	–	–	–
To lifetime ECL (not credit-impaired)	*(2)*	*4*	*(2)*	–	–
To lifetime ECL (credit-impaired)	*(1)*	*(7)*	*8*	–	–
Net impairment losses / (gains) in income statement	4	14	23	–	41
Re-measurement	*1*	*18*	*34*	–	*53*
Net changes in exposure	–	*(5)*	*(11)*	–	*(16)*
ECL model parameter and / or methodology changes	*3*	*1*	–	–	*4*
Impairment loss allowances utilised	–	–	(26)	–	(26)
Exchange adjustments	–	–	–	–	–
Measurement reclassification and other movements	–	(1)	3	–	2
Impairment loss allowance at 30 June 2026	**43**	**20**	**64**	**–**	**127**
Impairment coverage at 30 June 2026 (%)	**0.74%**	**9.52%**	**48.85%**	**–**	**2.07%**

Impairment loss allowances utilised on Consumer during H126 included €9 million of contractual amounts outstanding that are still subject to enforcement activity.

18 Loans and advances to customers *(continued)*

Consumer *(continued)*

31 December 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**

31 December 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.

19 Credit risk exposures

The following disclosures provide quantitative information about credit risk within financial instruments held by the Group. Details of the Group's credit risk methodologies are set out on pages 251 to 257 of the Group's 2025 Annual Report, with updates for 2026 outlined in the Asset quality section of the OFR.

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 adequacy, are set out in the Risk Management Report of the Group's 2025 Annual 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 in H226.

Internal credit risk ratings		
PD Grade	**PD %**	**Indicative S&P type external ratings**
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

Financial assets

Composition and risk profile

The tables below and on the following page 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 €18,529 million at 30 June 2026 (31 December 2025: €18,133 million) that are subject to impairment.

Loans and advances to customers excludes €157 million (31 December 2025: €166 million) of loans mandatorily measured at FVTPL at 30 June 2026 which are not subject to impairment under IFRS 9 and are therefore excluded from impairment related tables.

At 30 June 2026, POCI assets of €119 million (31 December 2025: €124 million) included €65 million (31 December 2025: €67 million) of credit-impaired POCI assets and €54 million of assets (31 December 2025: €57 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 30 June 2026, other financial assets (before impairment loss allowance) includes cash and balances at central banks of €20,395 million (31 December 2025: €22,967 million) and items in the course of collection arising from loans and advances of €124 million (31 December 2025: €139 million).

30 June 2026 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	75,203	7,953	1,640	119	84,915
Loans and advances to banks	1,652	–	–	–	1,652
Debt securities	22,180	1	–	–	22,181
Other financial assets	20,519	–	–	–	20,519
Total financial assets measured at amortised cost	**119,554**	**7,954**	**1,640**	**119**	**129,267**
Debt instruments at FVOCI	2,137	–	–	–	2,137
Total	**121,691**	**7,954**	**1,640**	**119**	**131,404**

19 Credit risk exposures *(continued)*

30 June 2026 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	183	337	589	10	1,119
Loans and advances to banks	–	–	–	–	–
Debt securities	5	–	–	–	5
Other financial assets	3	–	–	–	3
Total financial assets measured at amortised cost	**191**	**337**	**589**	**10**	**1,127**
Debt instruments at FVOCI	1	–	–	–	1
Total	**192**	**337**	**589**	**10**	**1,128**

31 December 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**

31 December 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**

19 Credit risk exposures *(continued)*

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 €119 million (31 December 2025: €124 million). Credit-impaired includes Stage 3 and POCI assets of €65 million (31 December 2025: €67 million). €54 million of POCI assets (31 December 2025: €57 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.

	30 June 2026				31 December 2025			
Loans and advances to customers Composition and risk profile (before impairment loss allowance)	**Not credit-impaired €m**	**Credit-impaired €m**	**Total €m**	**Total %**	**Not credit-impaired €m**	**Credit-impaired €m**	**Total €m**	**Total %**
Residential mortgages	52,264	564	52,828	62%	51,558	518	52,076	62%
Retail Ireland	*38,029*	*363*	*38,392*	*45%*	*36,925*	*356*	*37,281*	*44%*
Retail UK	*14,235*	*201*	*14,436*	*17%*	*14,633*	*162*	*14,795*	*18%*
Non-property SME and corporate	17,823	675	18,498	22%	17,628	771	18,399	22%
Republic of Ireland SME	*7,032*	*192*	*7,224*	*9%*	*6,928*	*217*	*7,145*	*8%*
UK SME	*1,200*	*49*	*1,249*	*1%*	*1,259*	*55*	*1,314*	*2%*
Corporate	*9,591*	*434*	*10,025*	*12%*	*9,441*	*499*	*9,940*	*12%*
Property and construction	7,074	270	7,344	9%	6,813	325	7,138	9%
Investment	*6,396*	*189*	*6,585*	*8%*	*6,171*	*252*	*6,423*	*8%*
Development	*678*	*81*	*759*	*1%*	*642*	*73*	*715*	*1%*
Consumer	5,995	131	6,126	7%	5,607	117	5,724	7%
Total	**83,156**	**1,640**	**84,796**	**100%**	**81,606**	**1,731**	**83,337**	**100%**
Purchased / originated credit-impaired	54	65	119	–	57	67	124	–
Total	**83,210**	**1,705**	**84,915**	**100%**	**81,663**	**1,798**	**83,461**	**100%**
ILA on loans and advances to customers (including POCIs)	**508**	**611**	**1,119**	**1.3%**	**514**	**635**	**1,149**	**1.4%**

19 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 are POCI assets of €54 million (31 December 2025: €57 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 loans until derecognition.

30 June 2026 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 as % of Stage 1 loans %	Stage 2 loans €m	Loans as % of advances[1] %	Stage 2 ILA €m	ILA as % of Stage 2 loans %
Residential mortgages	49,853	94.4%	42	0.08%	2,411	4.5%	58	2.41%
Retail Ireland	*36,902*	*96.1%*	*28*	*0.08%*	*1,127*	*3.0%*	*34*	*3.02%*
Retail UK	*12,951*	*89.7%*	*14*	*0.11%*	*1,284*	*8.9%*	*24*	*1.87%*
Non-property SME and corporate	13,908	75.2%	64	0.46%	3,915	21.2%	211	5.39%
Republic of Ireland SME	*5,732*	*79.3%*	*47*	*0.82%*	*1,300*	*18.0%*	*74*	*5.69%*
UK SME	*966*	*77.4%*	*5*	*0.52%*	*234*	*18.7%*	*13*	*5.56%*
Corporate	*7,210*	*71.9%*	*12*	*0.17%*	*2,381*	*23.8%*	*124*	*5.21%*
Property and construction	5,657	77.0%	34	0.60%	1,417	19.3%	48	3.39%
Investment	*5,046*	*76.6%*	*20*	*0.40%*	*1,350*	*20.5%*	*45*	*3.33%*
Development	*611*	*80.5%*	*14*	*2.29%*	*67*	*8.8%*	*3*	*4.48%*
Consumer	5,785	94.5%	43	0.74%	210	3.4%	20	9.52%
Total	**75,203**	**88.7%**	**183**	**0.24%**	**7,953**	**9.4%**	**337**	**4.24%**

31 December 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 as % of Stage 1 loans %	Stage 2 loans €m	Loans as % of advances[1] %	Stage 2 ILA €m	ILA as % 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%**

[1] *'Advances' refers to the portfolio loan balance (pre-impairment loss allowance) excluding POCI assets.*

19 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's loans and advances to customers at amortised cost that are credit-impaired. Credit-impaired includes Stage 3 and POCI assets of €65 million (31 December 2025: €67 million). €54 million of POCI assets (31 December 2025: €57 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	30 June 2026				31 December 2025			
	Credit-impaired (CI) loans €m	CI Loans as % of advances[1] %	CI Impairment loss allowance €m	CI ILA as % of CI loans %	Credit-impaired (CI) loans €m	CI Loans as % of advances[1] %	CI Impairment loss allowance €m	CI ILA as % of CI loans %
Residential mortgages	564	1.1%	122	22%	518	1.0%	116	22%
Retail Ireland	*363*	*0.9%*	*93*	*26%*	*356*	*0.9%*	*90*	*25%*
Retail UK	*201*	*1.4%*	*29*	*14%*	*162*	*1.1%*	*26*	*16%*
Non-property SME and corporate	675	3.6%	327	48%	771	4.2%	364	47%
Republic of Ireland SME	*192*	*2.7%*	*81*	*42%*	*217*	*3.0%*	*89*	*41%*
UK SME	*49*	*3.9%*	*14*	*29%*	*55*	*4.2%*	*14*	*25%*
Corporate	*434*	*4.3%*	*232*	*53%*	*499*	*5.0%*	*261*	*52%*
Property and construction	270	3.7%	76	28%	325	4.6%	74	23%
Investment	*189*	*2.9%*	*45*	*24%*	*252*	*3.9%*	*50*	*20%*
Development	*81*	*10.7%*	*31*	*38%*	*73*	*10.3%*	*24*	*33%*
Consumer	131	2.1%	64	49%	117	2.0%	58	50%
Total credit-impaired	**1,640**	**1.9%**	**589**	**36%**	**1,731**	**2.1%**	**612**	**35%**
Purchased / originated credit-impaired	65	54.6%	22	34%	67	54.0%	23	34%
Total credit-impaired including POCIs	**1,705**	**2.0%**	**611**	**36%**	**1,798**	**2.2%**	**635**	**35%**

[1] 'Advances' refers to the portfolio loan balance (pre-impairment loss allowance) excluding POCI assets.

19 Credit risk exposures *(continued)*

Asset quality - PD grade of loans and advances to customers

The tables below provide 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 88. Credit-impaired includes Stage 3 and POCI assets of €65 million (31 December 2025: €67 million). Not credit-impaired includes Stage 1 and 2 and POCI assets of €54 million (31 December 2025: €57 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 loans until derecognition.

30 June 2026 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	10,984	20%	2,988	16%	742	10%	4	–	14,718	17%
5-7	36,016	68%	5,579	30%	3,430	47%	433	7%	45,458	54%
8-9	2,015	4%	3,906	21%	1,375	19%	4,835	79%	12,131	14%
10-11	838	2%	1,435	8%	110	1%	513	9%	2,896	3%
Total Stage 1	**49,853**	**94%**	**13,908**	**75%**	**5,657**	**77%**	**5,785**	**95%**	**75,203**	**88%**
Stage 2										
1-4	55	–	304	2%	110	1%	–	–	469	1%
5-7	975	2%	1,334	7%	365	5%	2	–	2,676	3%
8-9	379	1%	1,015	5%	438	6%	13	–	1,845	2%
10-11	1,002	2%	1,262	7%	504	7%	195	3%	2,963	4%
Total Stage 2	**2,411**	**5%**	**3,915**	**21%**	**1,417**	**19%**	**210**	**3%**	**7,953**	**10%**
Not credit-impaired										
1-4	11,039	20%	3,292	18%	852	11%	4	–	15,187	18%
5-7	36,991	70%	6,913	37%	3,795	52%	435	7%	48,134	57%
8-9	2,394	5%	4,921	26%	1,813	25%	4,848	79%	13,976	16%
10-11	1,840	4%	2,697	15%	614	8%	708	12%	5,859	7%
Purchased / originated not credit-impaired	54	–	–	–	–	–	–	–	54	–
Total not credit-impaired	**52,318**	**99%**	**17,823**	**96%**	**7,074**	**96%**	**5,995**	**98%**	**83,210**	**98%**
Credit-impaired										
12	564	1%	675	4%	270	4%	131	2%	1,640	2%
Purchased / originated credit-impaired	65	–	–	–	–	–	–	–	65	–
Total credit-impaired	**629**	**1%**	**675**	**4%**	**270**	**4%**	**131**	**2%**	**1,705**	**2%**
Total	**52,947**	**100%**	**18,498**	**100%**	**7,344**	**100%**	**6,126**	**100%**	**84,915**	**100%**

19 Credit risk exposures *(continued)*

31 December 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%**

19 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 and corporate portfolio is analysed by Nomenclature of Economic Activities (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			
30 June 2026 Geographical / industry analysis	**RoI €m**	**UK €m**	**Rest of World €m**	**Total €m**	**RoI €m**	**UK €m**	**Rest of World €m**	**Total €m**
Personal	**41,300**	**17,773**	**–**	**59,073**	**248**	**111**	**–**	**359**
Residential mortgages	*38,511*	*14,436*	*–*	*52,947*	*165*	*67*	*–*	*232*
Other consumer lending	*2,789*	*3,337*	*–*	*6,126*	*83*	*44*	*–*	*127*
Property and construction	**7,053**	**291**	**–**	**7,344**	**152**	**6**	**–**	**158**
Investment	*6,319*	*266*	*–*	*6,585*	*106*	*4*	*–*	*110*
Development	*734*	*25*	*–*	*759*	*46*	*2*	*–*	*48*
Non-property SME and corporate	**16,541**	**1,413**	**544**	**18,498**	**461**	**36**	**105**	**602**
Manufacturing	*3,099*	*259*	*353*	*3,711*	*120*	*8*	*46*	*174*
Administrative and support service activities	*2,584*	*180*	*88*	*2,852*	*82*	*6*	*18*	*106*
Wholesale and retail trade	*1,836*	*121*	*17*	*1,974*	*35*	*3*	*–*	*38*
Agriculture, forestry and fishing	*1,604*	*115*	*–*	*1,719*	*37*	*2*	*–*	*39*
Accommodation and food service activities	*1,382*	*62*	*–*	*1,444*	*14*	*3*	*–*	*17*
Human health services and social work activities	*1,158*	*86*	*37*	*1,281*	*37*	*2*	*1*	*40*
Transport and storage	*697*	*73*	*46*	*816*	*9*	*2*	*38*	*49*
Electricity, gas, steam and air conditioning supply	*752*	*23*	*–*	*775*	*22*	*–*	*–*	*22*
Real estate activities	*616*	*134*	*–*	*750*	*21*	*5*	*–*	*26*
Information and communication	*530*	*1*	*–*	*531*	*25*	*–*	*–*	*25*
Professional, scientific and technical activities	*470*	*14*	*3*	*487*	*17*	*–*	*2*	*19*
Education	*462*	*3*	*–*	*465*	*6*	*–*	*–*	*6*
Other services	*309*	*153*	*–*	*462*	*20*	*2*	*–*	*22*
Construction	*407*	*46*	*–*	*453*	*7*	*1*	*–*	*8*
Other sectors	*635*	*143*	*–*	*778*	*9*	*2*	*–*	*11*
Total	**64,894**	**19,477**	**544**	**84,915**	**861**	**153**	**105**	**1,119**
Analysed by stage								
Stage 1	57,606	17,404	193	75,203	149	33	1	183
Stage 2	5,990	1,747	216	7,953	275	50	12	337
Stage 3	1,179	326	135	1,640	427	70	92	589
Purchased / originated credit-impaired	119	–	–	119	10	–	–	10
Total	**64,894**	**19,477**	**544**	**84,915**	**861**	**153**	**105**	**1,119**

19 Credit risk exposures *(continued)*

31 December 2025 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	**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 and 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*
Electricity, gas, steam and air conditioning supply	*678*	*17*	*–*	*695*	*16*	*–*	*–*	*16*
Real estate activities	*555*	*137*	*–*	*692*	*21*	*4*	*–*	*25*
Information and communication	*430*	*3*	*–*	*433*	*28*	*–*	*–*	*28*
Professional, scientific and technical activities	*719*	*24*	*3*	*746*	*19*	*1*	*2*	*22*
Education	*422*	*5*	*19*	*446*	*3*	*–*	*–*	*3*
Other services	*515*	*28*	*23*	*566*	*46*	*1*	*2*	*49*
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**

19 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 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. 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 period on period.

	Gross carrying amount (before impairment loss allowance)					Impairment loss allowance				
30 June 2026 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	49,853	2,411	564	119	52,947	42	58	122	10	232
Other consumer	5,785	210	131	–	6,126	43	20	64	–	127
Motor lending UK	*3,138*	*136*	*63*	*–*	*3,337*	*12*	*7*	*25*	*–*	*44*
Loans RoI	*1,095*	*49*	*43*	*–*	*1,187*	*20*	*9*	*25*	*–*	*54*
Motor Lending RoI	*987*	*2*	*10*	*–*	*999*	*7*	*–*	*5*	*–*	*12*
Credit cards RoI	*565*	*23*	*15*	*–*	*603*	*4*	*4*	*9*	*–*	*17*
	55,638	**2,621**	**695**	**119**	**59,073**	**85**	**78**	**186**	**10**	**359**
Property and construction	**5,657**	**1,417**	**270**	**–**	**7,344**	**34**	**48**	**76**	**–**	**158**
Investment	*5,046*	*1,350*	*189*	*–*	*6,585*	*20*	*45*	*45*	*–*	*110*
Development	*611*	*67*	*81*	*–*	*759*	*14*	*3*	*31*	*–*	*48*
Non-property SME and corporate	**13,908**	**3,915**	**675**	**–**	**18,498**	**64**	**211**	**327**	**–**	**602**
Manufacturing	*2,349*	*1,143*	*219*	*–*	*3,711*	*7*	*76*	*91*	*–*	*174*
Administrative and support service activities	*2,167*	*576*	*109*	*–*	*2,852*	*12*	*23*	*71*	*–*	*106*
Wholesale and retail trade	*1,549*	*385*	*40*	*–*	*1,974*	*8*	*20*	*10*	*–*	*38*
Agriculture, forestry and fishing	*1,458*	*217*	*44*	*–*	*1,719*	*10*	*12*	*17*	*–*	*39*
Accommodation and food service activities	*1,274*	*152*	*18*	*–*	*1,444*	*4*	*8*	*5*	*–*	*17*
Human health services and social work activities	*824*	*428*	*29*	*–*	*1,281*	*5*	*19*	*16*	*–*	*40*
Transport and storage	*652*	*115*	*49*	*–*	*816*	*2*	*7*	*40*	*–*	*49*
Electricity, gas, steam and air conditioning supply	*669*	*85*	*21*	*–*	*775*	*2*	*4*	*16*	*–*	*22*
Real estate activities	*557*	*159*	*34*	*–*	*750*	*6*	*7*	*13*	*–*	*26*
Information and communication	*331*	*142*	*58*	*–*	*531*	*1*	*6*	*18*	*–*	*25*
Professional, scientific and technical activities	*246*	*228*	*13*	*–*	*487*	*1*	*11*	*7*	*–*	*19*
Education	*379*	*86*	*–*	*–*	*465*	*1*	*5*	*–*	*–*	*6*
Other services	*366*	*67*	*29*	*–*	*462*	*2*	*3*	*17*	*–*	*22*
Construction	*422*	*24*	*7*	*–*	*453*	*2*	*2*	*4*	*–*	*8*
Other sectors	*665*	*108*	*5*	*–*	*778*	*1*	*8*	*2*	*–*	*11*
Total	**75,203**	**7,953**	**1,640**	**119**	**84,915**	**183**	**337**	**589**	**10**	**1,119**

19 Credit risk exposures *(continued)*

31 December 2025 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	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 and 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*
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*
Information and communication	*295*	*98*	*40*	–	*433*	*1*	*3*	*24*	–	*28*
Professional, scientific and technical activities	*402*	*332*	*12*	–	*746*	*2*	*14*	*6*	–	*22*
Education	*367*	*79*	–	–	*446*	*1*	*2*	–	–	*3*
Other services	*337*	*164*	*65*	–	*566*	*1*	*8*	*40*	–	*49*
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**

19 Credit risk exposures *(continued)*

Asset quality - other financial assets

The tables below summarise the asset quality of debt instruments at fair value through other comprehensive income (FVOCI), debt securities at amortised cost and loans and advances to banks at amortised cost by IFRS 9 12 month PD grade.

Debt instruments at FVOCI Asset quality	30 June 2026						31 December 2025					
	Stage 1		Stage 2		Total		Stage 1		Stage 2		Total	
	€m	%	€m	%	€m	%	€m	%	€m	%	€m	%
PD Grade												
1-4	2,137	100%	–	–	2,137	100%	2,990	100%	–	–	2,990	100%
5-7	–	–	–	–	–	–	–	–	–	–	–	–
8-9	–	–	–	–	–	–	–	–	–	–	–	–
10-11	–	–	–	–	–	–	–	–	–	–	–	–
Total	**2,137**	**100%**	**–**	**–**	**2,137**	**100%**	**2,990**	**100%**	**–**	**–**	**2,990**	**100%**

Debt securities at amortised cost (before impairment loss allowance) Asset quality	30 June 2026						31 December 2025					
	Stage 1		Stage 2		Total		Stage 1		Stage 2		Total	
	€m	%	€m	%	€m	%	€m	%	€m	%	€m	%
PD Grade												
1-4	22,161	100%	1	100%	22,162	100%	18,375	100%	1	100%	18,376	100%
5-7	19	–	–	–	19	–	–	–	–	–	–	–
8-9	–	–	–	–	–	–	–	–	–	–	–	–
10-11	–	–	–	–	–	–	–	–	–	–	–	–
Total	**22,180**	**100%**	**1**	**100%**	**22,181**	**100%**	**18,375**	**100%**	**1**	**100%**	**18,376**	**100%**

Loans and advances to banks at amortised cost (before impairment loss allowance) Asset quality	30 June 2026						31 December 2025					
	Stage 1		Stage 2		Total		Stage 1		Stage 2		Total	
	€m	%	€m	%	€m	%	€m	%	€m	%	€m	%
PD Grade												
1-4	1,652	100%	–	–	1,652	100%	1,572	100%	–	–	1,572	100%
5-7	–	–	–	–	–	–	–	–	–	–	–	–
8-9	–	–	–	–	–	–	–	–	–	–	–	–
10-11	–	–	–	–	–	–	–	–	–	–	–	–
Total	**1,652**	**100%**	**–**	**–**	**1,652**	**100%**	**1,572**	**100%**	**–**	**–**	**1,572**	**100%**

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.

Other financial instruments with ratings equivalent to:	30 June 2026		31 December 2025	
	€m	%	€m	%
AAA to AA-	5,054	55%	4,845	55%
A+ to A-	3,422	37%	3,337	38%
BBB+ to BBB-	496	6%	438	5%
BB+ to BB-	48	1%	74	1%
B+ to B-	125	1%	129	1%
Lower than B-	30	–	34	–
Total	**9,175**	**100%**	**8,857**	**100%**

19 Credit risk exposures *(continued)*

Credit risk for reinsurance contract assets

The table below provides information relating to the reinsurance contract assets with reinsurance counterparties split by credit ratings:

Reinsurance contract assets with ratings equivalent to:	30 June 2026 €m	31 December 2025 €m
AA- or higher	908	895
A / A+	410	433
Total	**1,318**	**1,328**

20 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.

	30 June 2026 €m	31 December 2025 €m
Financial assets modified during the period		
Amortised cost before modification	247	490
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 period	798	915

21 Deferred tax

The DTA of €292 million (31 December 2025: €390 million) includes an amount of €356 million (31 December 2025: €466 million) in respect of operating losses which are available to shelter future profits from tax, of which €309 million relates to Irish tax losses carried forward by The Governor and Company of the Bank of Ireland (the 'Bank'), €40 million relates to UK tax losses carried forward by Bank of Ireland (UK) plc, €5 million relates to UK losses carried forward by N.I.I.B. Group Limited and €2 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 Group to be satisfied that it is probable that it 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.

The Group's assessment of deferred tax recoverability is based on its financial projections, 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 2025: 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 30 June 2026.

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 UK DTA, the brought forward trading losses within the Bank's UK branch will be limited by reference to a ten year period of projected UK branch profits at the prevailing UK tax rates. 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 of the Bank's UK branch (31 December 2025: €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.

21 Deferred tax *(continued)*

Based on the Group's financial projections, the Group believes that Bank of Ireland (UK) plc will continue to be profitable and the DTA in respect of tax losses is estimated to be recoverable in full by the end of 2029 (31 December 2025: 2029).

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.

The Group has not recognised a DTA of €155 million (31 December 2025: €155 million) in respect of unused tax losses of which €45 million (31 December 2025: €45 million) relates to US tax losses which are scheduled to expire unused due to an annual limitation of use, and the Group's decision to wind down its US Leveraged Acquisition Finance business. The balance relates to UK tax losses which have no expiry date but are currently not projected to be recovered within ten 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, however, the impact on the current tax charge in the current period is insignificant, due primarily to the ability to take into account certain historic tax losses in the Bank at 15% and also due to profits arising in jurisdictions with an effective tax rate in excess of 15%.

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.

22 Deposits from banks

At 30 June 2026, the Group held Monetary Authority secured funding of €0.4 billion (31 December 2025: €0.6 billion) under the BoE Term Funding Scheme for Small and Medium-sized Enterprises (TFSME) and Indexed Long-Term Repo (ILTR) facility. Drawings under the TFSME from the BoE 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 October 2026.

At 30 June 2026, 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 (31 December 2025: €0.5 billion) received from derivative counterparties in relation to net derivative asset positions.

	30 June 2026 €m	31 December 2025 €m
Deposits from banks	612	821
Monetary Authority secured funding	383	550
Deposits from banks	**995**	**1,371**

23 Customer accounts

The carrying amount of the customer accounts designated at FVTPL at 30 June 2026 was €54 million, €2 million lower than the contractual amount due at maturity of €56 million (31 December 2025: the carrying amount was €52 million, €2 million lower than the contractual amount due at maturity of €54 million).

At 30 June 2026, the Group's largest 20 customer deposits amounted to 3% (31 December 2025: 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.

	30 June 2026 €m	31 December 2025 €m
Current accounts	62,112	62,265
Demand deposits	31,227	30,435
Term deposits and other products	15,061	14,735
Customer accounts at amortised cost	**108,400**	**107,435**
Term deposits at FVTPL	54	52
Total customer accounts	**108,454**	**107,487**

Movement in own credit risk on deposits at FVTPL	30 June 2026 €m	31 December 2025 €m
Balance at 1 January	**1**	**2**
Recognised in other comprehensive income	–	(1)
Balance at end of the period	**1**	**1**

24 Debt securities in issue

The carrying amount of bonds and medium term notes has increased by €0.9 billion at 30 June 2026 due to senior issuances of €1.6 billion in bonds and €0.1 billion of FX adjustments, offset by €0.8 billion in redemption of bonds and notes (31 December 2025: decreased by €1.4 billion 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).

The carrying amount of the debt securities in issue designated at FVTPL at 30 June 2026 was €188 million, €34 million lower than the contractual amount due at maturity of €222 million (31 December 2025: the carrying amount was €184 million, €36 million lower than the contractual carrying amount due at maturity of €220 million).

In H126, €1.25 billion of green bonds were redeemed and €1.25 billion were issued through the Group's Green Bond framework, bringing total issuances outstanding to €5.3 billion. The Group has set targets for sustainable financing of c.€25 billion by 2028 and c.€30 billion by 2030.

Movement in own credit risk on debt securities in issue at FVTPL	30 June 2026 €m	31 December 2025 €m
Balance at 1 January	**(5)**	**3**
Recognised in other comprehensive income	(1)	(8)
Balance at end of the period	**(6)**	**(5)**

	30 June 2026 €m	31 December 2025 €m
Bonds and medium term notes	7,363	6,510
Other debt securities in issue	990	1,100
Debt securities in issue at amortised cost	**8,353**	**7,610**
Debt securities in issue at fair value through profit or loss	188	184
Total debt securities in issue	**8,541**	**7,794**
Balance at 1 January	**7,794**	**9,130**
Issued during the period	1,598	2,024
Redemptions	(855)	(2,815)
Other movements[1]	4	(545)
Balance at end of the period	**8,541**	**7,794**

[1] *Other movements primarily relate 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.*

25 Provisions

	30 June 2026				31 December 2025			
	Restructuring €m	Onerous contracts €m	Legal and other €m	Total €m	Restructuring €m	Onerous contracts €m	Legal and other €m	Total €m
Opening balance at 1 January	**43**	**6**	**443**	**492**	**20**	**8**	**207**	**235**
Charge to the income statement	30	–	2	32	65	–	276	341
Exchange adjustment	–	–	6	6	–	–	(9)	(9)
Utilised during the period	(30)	(1)	(17)	(48)	(41)	(2)	(32)	(75)
Unused amounts reversed during the period	–	–	–	–	(1)	–	(4)	(5)
Other	–	–	(1)	(1)	–	–	5	5
Closing balance	**43**	**5**	**433**	**481**	**43**	**6**	**443**	**492**

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

At 30 June 2026, the Group's provision in relation to historical commission arrangements in its UK motor finance business amounted to €419 million (31 December 2025: €419 million). An income statement charge of €1 million was recognised in H126, offset by programme costs and foreign exchange movements of €1 million. The cumulative charge incurred to 30 June 2026 is €435 million.

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 (DCAs) 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 (CoA) 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.

On 1 August 2025, the Supreme Court held that motor dealers do not owe customers either a fiduciary or disinterested duty when acting as credit brokers and that receiving commission does not constitute 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.

On 30 March 2026, the FCA published a Policy Statement, detailing an industry-wide redress scheme, setting out final rules for eligible motor finance customers where a commission was payable by the lender to the broker (with separate schemes applying to agreements entered into before and after 1 April 2014). Following publication of the Policy Statement, legal challenges to the scheme have been submitted to the Upper Tribunal of the High Court of Justice in London by three lenders and one consumer representative company who have each issued applications for judicial review of the FCA scheme.

On 8 May 2026, the FCA published an update for firms, noting that redress under the scheme is unable to proceed as planned from the end of June 2026 and providing guidance for firms on immediate next steps. The FCA has set out its expectation that firms prepare contingency plans for different possible outcomes.

On 2 July 2026, the FCA announced that the Upper Tribunal has made an order suspending parts of the scheme, and that the legal challenges would be heard in either December 2026 or February 2027. As a result of the partial suspension, firms are not required to calculate or pay redress, or to send communications about compensation due under the scheme, however firms must comply with scheme rules which are not suspended. Complaints outside the scope of the scheme rules must be progressed in the usual way. The FCA has reiterated its expectation that firms continue to prepare contingency plans.

The Group's provision at 30 June 2026, 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 estimates for opt-in rates and operational costs. In establishing the provision estimate, the Group has modelled a single scenario reflecting all requirements of the scheme as presented in the FCA Policy Statement, including but not limited to, the population of customers impacted and the redress calculations.

While legal challenges to the scheme introduce a degree of uncertainty, the judicial review applications remain at an early stage and the Group considers that any potential amendments to the scheme would be limited in scope.

The average redress payment per customer, including compensatory interest is materially aligned to the FCA estimate of £829 quoted in the Policy Statement.

The key areas of estimation uncertainty are the percentage of eligible customers who opt-in to the scheme and operational costs.

25 Provisions *(continued)*

An average opt-in rate of 75%, incorporating opt-in rates of 72% for agreements before 2014 and 76% for agreements from 2014 onwards, based on 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, holding all other assumptions constant, would increase / decrease the provision by +/- €5 million.

Given the significant uncertainties described above, it is possible that the opt-in rate could change by more than the sensitivity disclosed and that amendments could be made to the scheme with the result that the ultimate financial impact could materially differ from the amount the Group has provided.

Restructuring provisions

At 30 June 2026, the restructuring provision amounted to €43 million (31 December 2025: €43 million). This largely related to the Simpler Business Programme and associated redundancy costs of €33 million (31 December 2025: €34 million) and building exit costs of €10 million (31 December 2025: €9 million) in line with the Group's property strategy.

26 Contingent liabilities and commitments

	30 June 2026 €m	31 December 2025 €m
Contingent liabilities and guarantees / letters of credit		
Guarantees and irrevocable letters of credit	777	807
Acceptances and endorsements	1	1
Other contingent liabilities	228	251
	1,006	**1,059**
Loan commitments		
Documentary credits and short-term trade related transactions	11	11
Undrawn formal standby facilities, credit lines and other commitments to lend	17,741	17,315
Revocable or irrevocable with original maturity of 1 year or less	*11,461*	*10,808*
Irrevocable with original maturity of over 1 year	*6,280*	*6,507*
	17,752	**17,326**
Capital commitments	**142**	**140**

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.

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' creditworthiness. The Group is also party to legal, regulatory, taxation and other actions arising out of its normal business operations.

The Group is currently involved in legal proceedings relating to certain charges and interest rates that have been applied in its Retail Ireland and Corporate and Commercial businesses. Given the inherent uncertainties relating to these proceedings, it is not currently practicable to estimate the extent of any potential financial impact.

Capital commitments

For full details on Davy's capital commitments, see note 40 of the Group's 2025 Annual Report. The total of Davy's capital commitments at 30 June 2026 was €142 million (31 December 2025: €140 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 for H126 was €12 million (31 December 2025: €33 million). At 30 June 2026, there were no unpaid cash calls in respect of third-party investment providers (31 December 2025: €nil).

27 Retirement benefit obligations

The net IAS 19 pension surplus at 30 June 2026 was €767 million (31 December 2025: €868 million). This is shown on the balance sheet as a retirement benefit asset of €769 million (31 December 2025: €870 million) and a retirement benefit obligation of €2 million (31 December 2025: €2 million). The significant financial assumptions used in measuring the Group's net defined benefit pension surplus under IAS 19 are set out in the table below.

Financial assumptions	30 June 2026 % p.a.	31 December 2025 % p.a.
Irish Schemes		
Discount rate	4.15%	4.45%
Inflation rate	2.15%	2.00%
UK Schemes		
Discount rate	6.10%	5.65%
Consumer Price Inflation		
pre - 2030	*2.00%*	*1.90%*
post - 2030	*3.00%*	*2.90%*
Retail Price Inflation	3.00%	2.90%

Sensitivity of defined benefit obligation to key assumptions

The table below sets out how the defined benefit obligation would have been affected by changes in the significant actuarial assumptions that were reasonably possible.

Impact on defined benefit obligations	Increase / (decrease) 30 June 2026 €m	Increase / (decrease) 31 December 2025 €m
RoI schemes		
Discount rate		
Increase of 0.25%	(175)	(159)
Decrease of 0.25%	185	169
Inflation rate		
Increase of 0.10%	46	43
Decrease of 0.10%	(45)	(42)
UK schemes		
Discount rate		
Increase of 0.25%	(30)	(31)
Decrease of 0.25%	31	34
Retail Price Inflation		
Increase of 0.10%	7	7
Decrease of 0.10%	(7)	(7)

27 Retirement benefit obligations *(continued)*

The table below sets out the estimated sensitivity of plan assets to changes in equity markets and interest rates.

Impact on plan assets	Increase / (decrease) 30 June 2026 €m	Increase / (decrease) 31 December 2025 €m
Sensitivity of plan assets to a movement in global equity markets with allowance for other correlated diversified asset classes		
Increase of 5.00%	59	66
Decrease of 5.00%	(59)	(66)
Sensitivity of liability matching assets to a 25bps movement in interest rates		
Increase of 0.25%	(206)	(197)
Decrease of 0.25%	220	211
Sensitivity of liability matching assets to a 10bps movement in inflation rates		
Increase of 0.10%	54	51
Decrease of 0.10%	(54)	(51)

The remeasurement of the net defined benefit pension asset is recognised in other comprehensive income as set out in the following table.

	6 months ended 30 June 2026 €m	6 months ended 30 June 2025 €m
Present value of obligation (loss) / gain	(288)	309
Fair value of plan assets gain / (loss)	157	(479)
Total (loss)	**(131)**	**(170)**

28 Subordinated liabilities

The principal terms and conditions of all subordinated liabilities, with the exception of €500 million Tier 2 capital issued in January 2026, are set out in note 43 of the Group's 2025 Annual Report.

	30 June 2026 €m	31 December 2025 €m
€500 million 4.750% Fixed Rate Reset Callable Subordinated Notes due 2034	502	507
€500 million 6.750% Fixed Rate Reset Callable Subordinated Notes due 2033	499	503
€500 million 4.000% Fixed Rate Reset Callable Subordinated Notes due 2038	495	–
£300 million 7.594% Fixed Rate Reset Callable Subordinated Notes due 2032	345	342
€500 million 1.375% Fixed Rate Reset Callable Subordinated Notes due 2031	–	496
Total subordinated liabilities	**1,841**	**1,848**

The €500 million 1.375% fixed rate reset callable subordinated notes were redeemed on their optional redemption date, 11 May 2026.

On 12 January 2026, the Group issued a €500 million 12 year (callable at any time between 12 October 2032 and 12 January 2033) 'Green' Tier 2 capital instrument. The bond carries a coupon of 4.0%.

This instrument is 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 Capital Requirements Regulation (CRR) and / such other laws and regulations which are applicable to the Group.

29 Cash and cash equivalents

Cash and balances at central banks of €20.4 billion decreased by €2.6 billion since 31 December 2025 primarily due to net bond purchases / maturities of €2.8 billion, higher customer loan volumes of €1.1 billion (constant currency basis), partially offset by higher deposit volumes of €0.7 billion (constant currency basis), higher wholesale funding volumes of €0.3 billion, FX gain of €0.1 billion and other items of €0.2 billion.

	30 June 2026 €m	31 December 2025 €m
Cash and balances at central banks	20,395	22,967
Less impairment loss allowance on cash and balances at central banks	(3)	(4)
Cash and balances at central banks (net of impairment loss allowance)	**20,392**	**22,963**
Loans and advances to banks (with an original maturity of less than 3 months)	1,700	1,656
Total cash and cash equivalents	**22,092**	**24,619**

30 Liquidity risk and profile

The following tables summarise the maturity profile of the Group's non-derivative financial liabilities (excluding those arising from insurance and investment contracts in the Wealth and Insurance division) at 30 June 2026 and 31 December 2025, based on contractual undiscounted repayment obligations. The balances will not agree directly to the consolidated balance sheet as the tables incorporate all cash flows, on an undiscounted basis, related to both principal and interest payments.

Unit-linked investment liabilities and unit-linked insurance liabilities with a carrying value of €11,265 million and €18,214 million respectively (31 December 2025: €10,179 million and €17,197 million respectively) are excluded from this analysis as their repayment is linked to the financial assets backing these contracts.

30 June 2026 **Group's non-derivative financial liabilities** **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	126	486	–	–	–	612
Monetary Authorities secured funding	–	8	272	129	–	409
Customer accounts	95,961	6,887	4,537	1,451	–	108,836
Debt securities in issue	–	137	283	4,641	6,725	11,786
Subordinated liabilities	–	24	80	430	2,208	2,742
Lease liabilities	–	11	37	146	141	335
Contingent liabilities	822	42	103	31	8	1,006
Commitments	16,650	59	1,164	21	–	17,894
Short positions in trading securities	3	–	–	122	151	276
Total	**113,562**	**7,654**	**6,476**	**6,971**	**9,233**	**143,896**

31 December 2025 **Group's non-derivative financial liabilities** **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**

31 Fair values of assets and liabilities

A definition of fair value and the fair value hierarchy, along with a description of the methods, assumptions and processes used to calculate fair values of assets and liabilities is set out on pages 417 to 420 of the Group's 2025 Annual Report. At 30 June 2026, there have been no significant changes to those methods, assumptions, processes or the Group's policy for assessing transfers between the different levels of the fair value hierarchy.

Sensitivity of level 3 valuations

Derivative financial instruments

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 30 June 2026 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 FVTPL

A small number of these assets have been valued using discounted cash flow (DCF) models and a 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.

Loans and advances to customers held at fair value

These consist of assets mandatorily measured at FVTPL, of which €157 million (31 December 2025: €166 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.

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 a material impact on the value of these liabilities.

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.

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.

31 Fair values of assets and liabilities *(continued)*

The following table sets out the level of the fair value hierarchy for financial assets and financial liabilities held at fair value.

	30 June 2026				31 December 2025			
	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	251	8	–	259	232	12	–	244
Derivative financial instruments	–	2,400	3	2,403	–	2,655	6	2,661
Other financial assets at FVTPL	27,371	160	287	27,818	25,161	150	275	25,586
Loans and advances to banks	–	48	–	48	–	84	–	84
Financial assets at FVOCI	2,008	129	–	2,137	2,837	153	–	2,990
Loans and advances to customers	–	–	157	157	–	–	166	166
Interest in associates	–	–	86	86	–	–	85	85
	29,630	**2,745**	**533**	**32,908**	**28,230**	**3,054**	**532**	**31,816**
Financial liabilities held at fair value								
Customer accounts	–	(54)	–	(54)	–	(52)	–	(52)
Derivative financial instruments	–	(2,164)	(4)	(2,168)	(1)	(2,355)	(8)	(2,364)
Debt securities in issue	–	(188)	–	(188)	–	(184)	–	(184)
Liabilities to customers under investment contracts	–	(11,265)	–	(11,265)	–	(10,179)	–	(10,179)
Short positions in trading securities	(276)	–	–	(276)	(360)	–	–	(360)
	(276)	**(13,671)**	**(4)**	**(13,951)**	**(361)**	**(12,770)**	**(8)**	**(13,139)**

31 Fair values of assets and liabilities *(continued)*

30 June 2026 Movements in level 3 assets and liabilities	Assets Loans and advances to customers at FVTPL €m	Other financial assets at FVTPL €m	Derivative financial instruments €m	Interest in associates €m	Total €m	Liabilities Derivative financial instruments €m	Total €m
Balance at 1 January 2026	**166**	**275**	**6**	**85**	**532**	**(8)**	**(8)**
Exchange adjustment	–	(2)	–	–	(2)	–	–
Total gains / (losses) in:							
Profit or loss							
Interest expense	(3)	–	–	–	(3)	–	–
Life assurance investment expense and losses	–	(7)	–	–	(7)	–	–
Net trading income / (expense)	–	14	–	–	14	(4)	(4)
Share of results of associates	–	–	–	(2)	(2)	–	–
Total investment losses	–	–	–	–	–	–	–
Additions	–	16	–	5	21	–	–
Disposals	–	–	–	(2)	(2)	–	–
Redemptions	(6)	(9)	–	–	(15)	–	–
Transfers out of level 3							
From level 3 to level 2	–	–	(3)	–	(3)	8	8
Balance at 30 June 2026	**157**	**287**	**3**	**86**	**533**	**(4)**	**(4)**
Total unrealised (losses) / gains for level 3 assets included in profit or loss at the end of the period	**(5)**	**3**	**1**	**(2)**	**(3)**	**1**	**1**
Net trading (expense) / income	*(2)*	*10*	*1*	*–*	*9*	*1*	*1*
Interest expense	*(3)*	*–*	*–*	*–*	*(3)*	*–*	*–*
Share of results of associates	*–*	*–*	*–*	*(2)*	*(2)*	*–*	*–*
Life assurance investment expense and losses	*–*	*(7)*	*–*	*–*	*(7)*	*–*	*–*
Total investment losses	*–*	*–*	*–*	*–*	*–*	*–*	*–*

The transfer of financial assets and financial liabilities from Level 3 to Level 2 at 30 June 2026 arose as a result of unobservable inputs becoming either observable or less significant. There were no transfers from Level 1 or Level 2 to Level 3 during the period. During H126, 'Debt securities in issue' with a fair value of €25 million was transferred from Level 1 to Level 2 due to observable inputs becoming less significant.

31 Fair values of assets and liabilities *(continued)*

31 December 2025 Movements in level 3 assets and liabilities	Assets Loans and advances to customers at FVTPL €m	Other financial assets at FVTPL €m	Derivative financial instruments €m	Interest in associates €m	Total €m	Liabilities Derivative financial instruments €m	Total €m
Balance at 1 January 2025	**185**	**322**	**15**	**76**	**598**	**(15)**	**(15)**
Exchange adjustment	–	–	–	–	–	1	1
Total gains / (losses) in:							
Profit or loss							
Interest income	7	–	–	–	7	–	–
Life assurance investment expense and losses	–	–	–	–	–	–	–
Net trading income / (expense)	2	6	15	–	23	(1)	(1)
Share of results of associates	–	–	–	–	–	–	–
Total Investment losses	–	(1)	–	–	(1)	–	–
Additions	–	5	–	11	16	–	–
Disposals	–	(29)	(20)	(2)	(51)	–	–
Redemptions	(28)	(28)	–	–	(56)	–	–
Transfers out of level 3							
From level 3 to level 2	–	–	(4)	–	(4)	7	7
Balance at 31 December 2025	**166**	**275**	**6**	**85**	**532**	**(8)**	**(8)**
Total unrealised gains / (losses) for level 3 assets included in profit or loss at the end of the year	**6**	**5**	**5**	**–**	**16**	**(8)**	**(8)**
Net trading income / (expense)	*–*	*6*	*5*	*–*	*11*	*(8)*	*(8)*
Interest income	*6*	*–*	*–*	*–*	*6*	*–*	*–*
Share of results of associates	*–*	*–*	*–*	*–*	*–*	*–*	*–*
Life assurance investment expense and losses	*–*	*–*	*–*	*–*	*–*	*–*	*–*
Total investment losses	*–*	*(1)*	*–*	*–*	*(1)*	*–*	*–*

The transfer of financial assets and financial liabilities from Level 3 to Level 2 at 31 December 2025 arose as a result of unobservable inputs becoming either observable or less significant. There were no transfers from Level 1 or Level 2 to Level 3 during the year. 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.

31 Fair values of assets and liabilities *(continued)*

Quantitative information about fair value measurements using significant unobservable inputs (Level 3)

Level 3 financial assets	Valuation technique	Unobservable input	Fair value 30 June 2026 €m	Fair value 31 December 2025 €m	Range 30 June 2026 %	Range 31 December 2025 %
Loans and advances to customers	Discounted cash flow	Discount on market rate	157	166	4.75% - 5.15%	4.50% - 4.90%
		Collateral charges			0% - 4.00%	0% - 3.90%
Other financial assets at FVTPL	Discounted cash flow	Discount rate	287	275	–	0% - 15%
	Equity value less discount	Discount			–	0% - 50%
	Market comparable property transactions	Yield			0.12% - 11.22%	0.05% - 11.68%
Derivative financial instruments	Discounted cash flow / Option pricing model	Counterparty credit spread	3	6	0% - 0.7%	0% - 1.2%
		Own credit spread			0.1% - 0.9%	0.5% - 1%
Interest in associates	Market comparable companies	Price of recent investment	86	85	–	–
		Earnings multiple				
		Revenue multiple				

Level 3 financial liabilities	Valuation technique	Unobservable input	Fair value 30 June 2026 €m	Fair value 31 December 2025 €m	Range 30 June 2026 %	Range 31 December 2025 %
Derivative financial instruments	Discounted cash flow / Option pricing model	Counterparty credit spread	(4)	(8)	0% - 0.7%	0% - 1.2%
		Own credit spread			0.1% - 0.9%	0.5% - 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 FVTPL) 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.

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.

Financial instruments	30 June 2026 Carrying amount €m	30 June 2026 Fair values €m	31 December 2025 Carrying amount €m	31 December 2025 Fair values €m
Assets				
Debt securities at amortised cost	22,176	22,339	18,372	18,502
Loans and advances to customers	83,796	84,072	82,312	83,048
Liabilities				
Customer accounts	(108,400)	(108,355)	(107,435)	(107,394)
Debt securities in issue	(8,353)	(8,343)	(7,610)	(7,661)
Subordinated liabilities	(1,841)	(1,896)	(1,848)	(1,910)

32 Post balance sheet events

In respect of H126, the Board has approved an interim distribution of 39 cents per share, equivalent to €373 million. The interim dividend will be paid on 23 October 2026 to ordinary shareholders who appear on the Company's register on 2 October 2026, the record date for the dividend.

33 Approval of interim report

The Board of Directors approved the Interim Report on 30 July 2026.

Other information

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 30 June 2026 and 31 December 2025. 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 12 for further details. The explanation of the underlying business trends in the Group's NIM is outlined in the OFR.

	30 June 2026			31 December 2025		
	Average Balance €m	Interest €m	Rate %	Average Balance €m	Interest €m	Rate %
Assets						
Loans and advances to banks	20,341	261	2.59%	27,589	747	2.71%
Loans and advances to customers	83,374	1,686	4.08%	82,211	3,368	4.10%
Debt securities at amortised cost, financial assets at FVOCI and FVTPL	24,566	310	2.54%	15,825	426	2.69%
Total interest earning assets	**128,281**	**2,257**	**3.55%**	**125,625**	**4,541**	**3.61%**
Non interest earning assets	38,052	–	–	37,223	–	–
Total assets	**166,333**	**2,257**	**2.74%**	**162,848**	**4,541**	**2.79%**
Liabilities and shareholders' equity						
Deposits from banks	837	15	3.61%	1,324	40	3.02%
Customer accounts	45,921	290	1.27%	44,809	609	1.36%
Debt securities in issue	8,101	181	4.51%	8,057	393	4.88%
Subordinated liabilities	2,167	56	5.21%	1,846	106	5.74%
Total interest bearing liabilities	**57,026**	**542**	**1.92%**	**56,036**	**1,148**	**2.05%**
Current accounts	61,894	–	–	60,330	1	–
Total interest bearing liabilities and current accounts	**118,920**	**542**	**0.92%**	**116,366**	**1,149**	**0.99%**
Lease liabilities	310	5	3.25%	342	11	3.22%
Other FVTPL liabilities	582	5	1.64%	615	10	1.67%
Non interest bearing liabilities	33,408	–	–	32,448	–	–
Shareholders' equity and non-controlling interests	13,113	–	–	13,077	–	–
Total liabilities and shareholders' equity	**166,333**	**552**	**0.67%**	**162,848**	**1,170**	**0.72%**
Euro and sterling reference rates (average)						
ECB base rate (deposit)			2.02%			2.26%
ECB base rate (refinancing)			2.17%			2.41%
3 month Euribor rate			2.15%			2.18%
Bank of England base rate			3.75%			4.24%
Sonia rate			3.73%			4.22%

'Interest' represents underlying interest income or expenses recognised on interest bearing items, net of interest on derivatives which are in a hedge relationship with the relevant asset or liability and non-trading derivatives (economic hedges).

In order that yields on products are presented on a consistent basis period on period and are not impacted by the resulting change in hedge accounting designations, net interest outflows of €34 million (31 December 2025: €265 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 €23 million (31 December 2025: €39 million).

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, 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, technology developments, 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 'Principal Risks and Uncertainties' section of this document and also the discussion of risk in the Risk Management Report in the Group's 2025 Annual Report.

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.

Rates of exchange

Principal rates of exchange used in the preparation of the interim financial statements are as follows:

	30 June 2026		30 June 2025		31 December 2025	
	Average	Closing	Average	Closing	Average	Closing
€ / Stg£	0.8672	0.8618	0.8423	0.8555	0.8568	0.8726
€ / US$	1.1666	1.1394	1.0928	1.1720	1.1300	1.1750

Credit Ratings

	30 June 2026	31 December 2025
BoIG plc - Senior debt[1]		
Moody's	A2 (Stable)	A2 (Stable)
Fitch	A- (Stable)	A- (Stable)
The Governor and Company of the Bank of Ireland - Senior debt[1]		
Moody's	Aa3 (Negative)	Aa3 (Stable)
Fitch	A+ (Stable)	A (Stable)

[1] On 25 March 2026, S&P Global Ratings withdrew its long and short-term credit ratings from BoIG plc and The Governor and Company of the Bank of Ireland at the Group's request.

Stock exchange listings

Bank of Ireland Group plc is a public limited company incorporated in Ireland in 2016 with registration number 593672. Its ordinary shares, of nominal value €1.00 per share, have a primary listing on the Irish Stock Exchange, trading as Euronext Dublin. On 29 June 2026, the Group confirmed its listing of ordinary shares on the official list of the UK FCA and the admission to trading of those shares on the main market for listed securities of the London Stock Exchange had been cancelled.

Alternative performance measures

This section contains further information related to certain measures referred to in the key performance highlights, OFR and financial statements.

The OFR is prepared using IFRS and non-IFRS measures to analyse the Group's performance, providing period on period comparability. 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 41.

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 8 and 114 for further information.

Calculation	Source	30 June 2026 €m	30 June 2025 €m
Interest expense	Income statement	744	1,054
Exclude impact of FV hedges of current accounts	Average balance sheet	(34)	(210)
Exclude interest on non-trading derivatives (not in hedge accounting relationships)	Note 5	(158)	(232)
Exclude interest on lease liabilities	Note 5	(5)	(6)
Exclude interest on other FVTPL liabilities	Average balance sheet	(5)	(5)
Underlying interest expense on interest bearing liabilities		**542**	**601**
Average interest bearing liabilities	Average balance sheet	**118,920**	**115,430**
Average cost of funds % (annualised)		**(0.92%)**	**(1.05%)**

Alternative performance measures *(continued)*

Business income is net other income before other expenses / income and other valuation items. See page 9 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 period 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 period end rate in both periods so that the impact of movements in FX rates are eliminated.

Calculation	Source	30 June 2026 €m	31 December 2025 €m
Customer accounts	Note 23	108,454	107,487
Impact of foreign exchange movements		(243)	1,021
Customer accounts on a constant currency basis		**108,211**	**108,508**
Growth in customer accounts		**724**	**5,439**

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 period end rate in both periods so that the impact of movements in FX rates are eliminated.

Calculation	Source	30 June 2026 €m	31 December 2025 €m
Loans and advances to customers	Note 18	83,953	82,478
Impact of foreign exchange movements		(334)	1,455
Loans and advances to customers on a constant currency basis		**83,619**	**83,933**
Growth in loans and advances to customers		**1,141**	**1,395**

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 8 and 114 for further information.

Calculation	Source	30 June 2026 €m	30 June 2025 €m
Interest income	Income statement	2,449	2,719
Include impact of FV hedges of current accounts	Average balance sheet	(34)	(210)
Include interest expense on non-trading derivatives (not in hedge accounting relationships)	Note 5	(158)	(232)
Underlying interest income on interest earning assets		**2,257**	**2,277**
Average interest earning assets	Average balance sheet	**128,281**	**124,905**
Average gross yield % (annualised)		**3.55%**	**3.68%**

Alternative performance measures *(continued)*

Gross yield - customer lending

Calculation	Source	30 June 2026 €m	30 June 2025 €m
Interest income on loans and advances to customers	Note 4	1,569	1,722
Include impact of FV hedges of current accounts	Average balance sheet	(34)	(210)
Include interest expense on non-trading derivatives (not in hedge accounting relationships)	Note 5	(158)	(232)
Include interest income on non-trading derivatives (not in hedge accounting relationships)	Note 4	135	210
Interest income on finance leases and hire purchase receivables	Note 4	174	167
Underlying interest income on customer lending		**1,686**	**1,657**
Average customer lending assets	Average balance sheet	**83,374**	**82,295**
Average gross yield on customer lending % (annualised)		**4.08%**	**4.06%**

Gross yield - liquid assets

Calculation	Source	30 June 2026 €m	30 June 2025 €m
Interest income on loans and advances to banks	Note 4	261	432
Interest income on debt securities at amortised cost	Note 4	281	135
Interest income on debt securities at FVOCI	Note 4	28	52
Interest income on other financial assets at FVTPL	Note 4	1	1
Underlying interest income on liquid assets		**571**	**620**
Loans and advances to banks	Average balance sheet	20,341	30,087
Debt securities at amortised cost and financial assets at FVOCI and FVTPL	Average balance sheet	24,566	12,523
Average interest earning liquid assets		**44,907**	**42,610**
Average gross yield on liquid assets % (annualised)		**2.56%**	**2.93%**

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 is calculated in accordance with the Commission Delegated Regulation (EU) 2015/61, which supplements the Capital Requirements Regulation (EU) No 575/2013, and is reported on a prudential consolidation basis, which comprises banking and other relevant financial institutions within the Group, while excluding entities outside the scope of prudential consolidation 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	30 June 2026 €m	31 December 2025 €m
Loans and advances to customers	Balance sheet	83,953	82,478
Customer deposits	Balance sheet	108,454	107,487
Loan to Deposit ratio %		**77%**	**77%**

Alternative performance measures *(continued)*

Market Consistent Embedded Value is no longer presented by the Group as an alternative performance measure in the current reporting period. This reflects how management assess performance and value following the implementation of IFRS 17, with greater utilisation of IFRS-based metrics. See note 6 insurance contracts.

Net impairment losses on financial instruments (basis points) is the net impairment loss on financial instruments (offset by credit insurance), divided by average gross loans and advances to customers at amortised cost.

Calculation	Source	30 June 2026 €m	30 June 2025 €m
Net impairment losses on financial instruments	Note 13	(32)	(136)
Average gross loans and advances to customers		84,347	83,249
Net impairment losses on financial instruments (bps) (annualised)		**(8)**	**(33)**

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 credit insurance) divided by average gross loans and advances to customers at amortised cost.

Calculation	Source	30 June 2026 €m	30 June 2025 €m
Net impairment losses on loans and advances to customers at amortised cost	Note 13	(40)	(131)
Average gross loans and advances to customers		84,347	83,249
Net impairment losses on loans and advances to customers at amortised cost (bps) (annualised)		**(10)**	**(32)**

Underlying net Impairment losses on loans and advances to customers at amortised cost (basis points): The Group has discontinued the use of underlying net Impairment losses on loans and advances to customers at amortised cost as an alternative performance measure in the current reporting period, as it is now equivalent to the statutory net impairment charge. The Group considers that the removal of this measure enhances the clarity and consistency of its reporting by avoiding the presentation of duplicate measures.

Net interest margin is stated on an underlying basis. See page 8 for further details.

Calculation	Source	30 June 2026 €m	30 June 2025 €m
Net interest income	Income statement	1,705	1,665
Underlying net interest income		**1,705**	**1,665**
Average interest earning assets	Average balance sheet	**128,281**	**124,905**
Net interest margin % (annualised)		**2.68%**	**2.69%**

Net 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 period.

Net Stable Funding Ratio is calculated in accordance with the Capital Requirement Regulation (EU) No 575/2013, as amended, on a prudential consolidation basis, with a minimum requirement of 100%. For further information, see the Group's Pillar 3 disclosures (tab 1.3) available on the Group's website.

Alternative performance measures *(continued)*

New lending volumes
- Net new lending volumes represent loans and advances to customers drawn down during the period (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 period and portfolio acquisitions.

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	30 June 2026 €m	31 December 2025 €m
Non-performing exposures	Loans and advances to customers (OFR)	1,711	1,831
Loans and advances to customers	Note 18	84,915	83,461
NPE ratio %		**2.0%**	**2.2%**

Return on assets is calculated as being statutory net profit / loss after tax (annualised) divided by total assets, in line with the requirement in the EU (Capital Requirements) Regulations 2014.

Calculation	Source	30 June 2026 €m	30 June 2025 €m
Profit for the period	Income statement	783	608
Total assets	Balance sheet	168,595	162,376
Return on assets (bps) (annualised)		**94**	**76**

Return on Tangible Equity is calculated as being profit attributable to ordinary shareholders divided by average shareholders' equity less average intangible assets and goodwill.

	Source	30 June 2026 €m	*Restated*[1] 30 June 2025 €m
Profit for the period attributable to shareholders	Income statement	783	608
Distribution on other equity instruments - AT1 coupon	SOCIE	(38)	(34)
Repurchase of AT1 securities	SOCIE	–	(2)
Profit attributable to ordinary shareholders		**745**	**572**
Annualised profit attributable to ordinary shareholders[1]		**1,490**	**1,144**
Shareholders' equity	Balance sheet	11,827	11,578
Intangible assets and goodwill	Balance sheet	(1,600)	(1,570)
Shareholders' tangible equity		**10,227**	**10,008**
Average shareholders' tangible equity		**10,329**	**10,324**
Return on Tangible Equity %		**14.4%**	**11.1%**

[1] As part of a refinement of the Group's performance reporting approach, comparative RoTE has been restated from 11.3% to 11.1% to reflect a simpler annualisation methodology.

The Group has discontinued the use of **Adjusted Return on Tangible Equity** as an alternative performance measure in the current reporting period. This reflects a refinement of the Group's performance reporting approach, under which standard Return on Tangible Equity is now the primary measure used by management to assess performance. The Group considers that standard RoTE provides a clear and appropriate measure of performance and that the removal of Adjusted RoTE enhances the clarity and consistency of its reporting.

Alternative performance measures *(continued)*

Statutory cost income ratio is calculated as other operating expenses and cost of restructuring divided by total operating income.

Calculation	Source	30 June 2026 €m	30 June 2025 €m
Operating expenses	Income statement	1,154	1,115
Cost of restructuring programme	Income statement	44	69
Total expenses		**1,198**	**1,184**
Total operating income	Income statement	**2,181**	**2,032**
Statutory cost / income ratio %		**55%**	**58%**

Tangible Net Asset Value 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	30 June 2026 €m	30 June 2025 €m
Shareholder equity	Balance sheet	11,827	11,578
Less - intangible assets and goodwill	Balance sheet	(1,600)	(1,570)
Adjust for own shares held for the benefit of life assurance policyholders	Balance sheet	6	6
Tangible net asset value		**10,233**	**10,014**
Number of ordinary shares in issue		944	965
Less - treasury shares held		(1)	(1)
		943	**964**
Tangible net asset value per share (cent)		**1,085**	**1,039**

Underlying excludes non-core items which are those items that the Group believes obscure the underlying performance trends in the business. See page 12 for further information.

Alternative performance measures *(continued)*

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	30 June 2026 €m	*Restated*[1] 30 June 2025 €m
Operating expenses	Income statement	1,154	1,115
Cost of restructuring programme	Income statement	44	69
Total costs		**1,198**	**1,184**
Exclude:			
Levies and regulatory charges	Note 11	(102)	(113)
Acquisition costs	Non-core items (OFR)	(20)	(13)
Customer redress charges	Non-core items (OFR)	(1)	–
Underlying costs[1]		**1,075**	**1,058**
Operating income	Income statement	2,181	2,032
Share of results of associates and joint ventures (after tax)[1]	Income statement	9	9
Total income		**2,190**	**2,041**
Exclude:			
Other valuation items	Other income (OFR)	(51)	21
Gross up of policyholder tax in the W&I business	Non-core items (OFR)	(13)	2
Other expenses	Other income (OFR)	1	2
Investment return on treasury shares held for policyholders	Non-core items (OFR)	1	2
Portfolio divestments (operating income)	Non-core items (OFR)	–	(4)
Underlying income[1]		**2,128**	**2,064**
Underlying cost / income ratio %[1]		**51%**	**51%**

[1] *Comparative figures have been restated following changes to the Group's presentation of underlying performance measures. Transformation programme costs of €71 million, comprising cost of restructuring of €69 million and other transformation costs of €2 million, are no longer considered to meet the definition of a non-core item as they are no longer considered to be non-recurring and are now presented in operating expenses, increasing total underlying costs from €987 million to €1,058 million. In addition, the Group's share of results of associates and joint ventures is now included within total income to better align the CIR with market practice, increasing total underlying income by €9 million from €2,055 million to €2,064 million. As a result, CIR increased from 48% to 51%.*

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	30 June 2026 €m	*Restated*[1] 30 June 2025 €m
Profit attributable to shareholders	Income statement	783	608
Non-core items, including tax[1]	Non-core items (OFR)	22	10
Distribution on other equity instruments - AT1 coupon	Note 16	(38)	(34)
Adjustment for repurchase of AT1 securities	Note 16	–	(2)
Underlying profit attributable to ordinary shareholders		**767**	**582**
Weighted average number of shares in issue, excluding treasury shares	Note 16	**950**	**987**
Underlying earnings per share (cent)[1]		**80.7**	**58.9**

[1] Comparative figures have been restated following changes to the Group's presentation of underlying performance measures. Transformation programme costs of €71 million are no longer considered to meet the definition of a non-core item as they are no longer considered to be non-recurring and are now presented in operating expenses, reducing non-core item from €83 million to €12 million and tax on non-core items of €11 million has decreased by €9 million to €2 million. As a result, non-core items, including tax has decreased from €72 million to €10 million, resulting in a reduction in underlying earnings per share from 65.1 cent to 58.9 cent.

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	30 June 2026 €m	*Restated*[1] 30 June 2025 €m
Tax charge	Income statement	(177)	(113)
Adjusted to exclude tax on non-core items[1]		13	(2)
Underlying tax charge		**(164)**	**(115)**
Profit before tax	Income statement	960	721
Adjusted to exclude non-core items[1]	Non-core items (OFR)	9	12
Underlying profit before tax		**969**	**733**
Underlying effective tax rate[1]		**17%**	**16%**

[1] Comparative figures have been restated following changes to the Group's presentation of underlying performance measures. Transformation programme costs of €71 million are no longer considered to meet the definition of a non-core item as they are no longer considered to be non-recurring and are now presented in operating expenses. As a result, tax on non-core items of €11 million has decreased by €9 million to €2 million and non-core items of €83 million have decreased by €71 million to €12 million.

Wholesale funding is comprised of deposits by banks (including collateral received) and debt securities in issue.

For abbreviations used in this document please refer to the abbreviations listing on pages 479 to 481 of the Group's 2025 Annual Report.

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