

Bank of Ireland Group plc (the “Group”)

Clearance by the Competition and Consumer Protection Commission of the Group’s acquisition of certain KBC Bank Ireland plc portfolios

24 May 2022

The Group welcomes the announcement by the Competition and Consumer Protection Commission (“CCPC”) confirming clearance of the Group’s acquisition of certain assets and liabilities of KBC Bank Ireland plc (“KBCI”) as previously outlined in the Group’s 22 October 2021 announcement. Following the CCPC review, the remaining transaction clearances will now be progressed.

As part of the agreement reached with the CCPC, the Group has agreed to a set of remedies as outlined below under ‘Additional Information’. For further details on the announcement, please refer to www.ccpc.ie. These remedies will not materially impact the overall financial benefits of the acquisition.

The Group continues to work closely with KBCI and KBC Group to ensure a safe transfer of the KBCI customers to the Group. Subject to final approval of the transaction, KBC Bank Ireland customers with mortgages or loans that are part of the transaction will migrate to Bank of Ireland on the rate of their product at the time of migration. KBC Bank Ireland customers who benefit from a mortgage or loan rate discount linked to the holding of a KBC current account will retain that discount for the duration of the mortgage or loan. In addition, on their first roll over post migration, KBC fixed rate mortgage customers will be offered the variable rate equivalent to that of KBC migrated variable rate customers, as well as BOI fixed rate options.

Francesca McDonagh, Group Chief Executive of Bank of Ireland, commented: “I welcome today’s announcement which is an important step towards the completion of this acquisition. Bank of Ireland has been part of Ireland’s commercial, economic, and social fabric for almost 240 years, and we look forward to providing an excellent long-term home for KBC Bank Ireland customers. We are committed to delivering a smooth and seamless migration for KBC customers, ensuring strong customer protections and financial stability within the Irish banking sector and broader economy.”

This announcement contains inside information.

Ends

For further information please contact:

Bank of Ireland

Mark Spain, Group Chief Financial Officer	+353 1 2508900 ext 43291
Eamonn Hughes, Chief Sustainability & Investor Relations Officer	+353 (0)87 2026325
Darach O’Leary, Head of Group Investor Relations	+353 (0)87 9480650
Damien Garvey, Head of Group External Communications and Public Affairs	+353 (0)86 8314435

Additional Information

The Group has committed to the following remedies:

- a) In support of the growth of non-bank lenders in the Irish mortgage market, make €1 billion in total funding available to certain non-bank lenders (Dilosk, Finance Ireland) through the purchasing of securities issued by them, to increase their funding capacity and reduce their cost of funding; and,
- b) To assist innovation in the Irish mortgage market, make €1 million in funding available for distribution to companies involved in developing innovations relevant to the market for the provision of mortgages in the State; and,
- c) To address the effects of the transaction on KBC mortgage customers, Bank of Ireland will adopt measures, including:
 - (i) honouring the fixed rate included in the existing terms and conditions of KBC fixed rate mortgages for the remainder of the fixed term,
 - (ii) honouring the 0.2% discount in mortgage rate of every KBC customer eligible for that discount at the date of mortgage transfer to BOI, for as long as their transferred mortgage is held with BOI, without being required to hold a BOI current account, and,
 - (iii) offering the variable rate equivalent to that of KBC migrated variable rate customers, as well as BOI fixed rate options, to fixed rate KBC mortgage customers on their first roll-over post-migration.

Forward Looking Statement

This announcement contains forward-looking statements with respect to certain of Bank of Ireland Group plc ('BOIG plc') and its subsidiaries' (collectively the '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, level of ownership by the Irish Government, loan to deposit ratios, expected impairment losses, the level of the Group's assets, the Group's financial position, future income, business strategy, projected costs, margins, future payment of dividends, 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 and plans and objectives for future operations. 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.

Nothing in this announcement should be considered to be a forecast of future profitability, dividends or financial position of the Group and none of the information in this announcement is or is intended to be a profit forecast, dividend forecast or profit estimate. Any forward-looking statement speaks only as at the date it is made. The Group does not undertake to release publicly any revision to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date hereof.