

## CHAIR'S STATEMENT

# BUILDING ON MOMENTUM FOR THE FUTURE

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It is a great honour for me to present this, my first Chairman's Statement since my appointment to the Board in October 2021. I would first like to thank and pay tribute to Brendan McDonagh, Deputy Chair, who himself fulfilled the role of acting chair at the Board's request with such skill, diligence and commitment since the retirement of my predecessor, Richard Pym. Under Brendan's leadership, the Board supported Colin Hunt, our Chief Executive Officer, and the Executive Committee as they successfully navigated the Group through the unprecedented disruption of the COVID-19 pandemic. The Group has emerged from this global shock with a robust balance sheet, a refreshed strategy and medium-term targets, an expanded product suite and exciting business plans for the future. We are focused on delivering sustainable growth by fostering deeper relationships with our customers and being at the heart of their financial lives.

## RETURN TO DISTRIBUTIONS

2021 saw a welcome return to profitability with the Group reporting profit before taxation of €629m. Colin will elaborate further on this in his Chief Executive's Review on pages 9 to 14. This result has enabled the Board to consider the issue of distributions and I am very pleased to announce that the Board is recommending a dividend per share of 4.5 cent, subject to shareholder approval at the Annual General Meeting on 5 May 2022.

## SELL DOWN BY THE IRISH STATE

On 21 December 2021, we were pleased to note the announcement by the Minister for Finance in which he announced his intention to sell part of the State's 71.12% shareholding in the Group. AIB owes the Irish taxpayer an immense debt of gratitude for its

support during the global financial crisis. Your Board remains focused on the Group executing its strategy which we believe will benefit all shareholders as the investment case for new shareholders in the Group becomes more and more attractive.

## BOARD CHANGES DURING 2021

2021 was a busy year for the Nomination and Corporate Governance Committee and saw a total of seven Directors joining the Board. On 22 January 2021 Fergal O'Dwyer, the former CFO of DCC plc was appointed to the Board and the Audit Committee. This was followed on 15 March 2021 when Andy Maguire, the former Group COO for HSBC Holdings plc was appointed to the Board and the Risk Committee. Donal Galvin, the Group CFO was appointed to the Board as an Executive Director on 28 May 2021. On 18 June 2021, we announced the appointment of Anik Chaumartin, a former senior partner at PricewaterhouseCoopers in Paris. Anik joined the Board and the Audit Committee with effect from 1 July 2021. On 14 September 2021, we announced the appointment of two Directors, Tanya Horgan, former CRO at Flutter Entertainment plc and Jan Sijbrand, former executive at ABN Amro Holding NV and Chairman for Supervision at De Nederlandsche Bank N.V. (the central bank for the Netherlands). Both joined the Board and Risk Committee with immediate effect. Finally, my own appointment was announced on 28 October 2021. As part of their induction, all new Directors, including myself, were invited to attend meetings while awaiting the regulatory approval process to conclude so all have been exposed to the Board, and the business and strategy of the Group, for longer than the foregoing dates suggest. This is a lot of change for the Board in one year but I have been struck since my own arrival at how well the new appointees

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had already settled in. On behalf of the Board, I wish to express my sincere gratitude to Ms Carolan Lennon, the Current Senior Independent Director, for her significant contributions to the Board and the Group since she joined in 2016. Carolan informed the Board that she will step down on 30 June 2022 and we wish her the very best for the future.

## SUSTAINABILITY AND COMMUNITY INVOLVEMENT

It is clear to me just how central sustainability is in the Group's strategy and how it informs so much of what we now decide as a Group. I have been equally impressed by the Group's commitment to supporting local and national initiatives which undertake such vital work in the communities where we operate. The pages following Colin's review, and our Sustainability Report 2021, provide more detail on the impressive work being undertaken by the Group in these important areas.

## THANK YOU TO COLLEAGUES

As the world pivots to a new normal in the aftermath of the pandemic and as we see our colleagues return to our offices in new hybrid ways of working, it is opportune for me to record here the Board's deep appreciation to everyone working in AIB Group, for

their extraordinary support to the Group, to each other, to our customers and our communities and those who rely on us every day for their financial needs. Everyone had an important part to play in keeping the Group, our employees and our customers safe during these difficult times, whether from their homes, from branches or our offices and I thank them all on behalf of the Board.

## AMBITION FOR THE FUTURE

My first official duty as Chair of the Board was to chair the strategy offsite meeting in November. I came away with a real appreciation for the ambition of Colin, his team and the Board for the growth and development of the Group, with our valued customers at the heart of every decision. During the year, we strengthened our medium-term targets to reflect the impact of the strategic initiatives in flight and we remain relentlessly focused on the delivery of these by 2023.

As we look to the future, everyone in AIB Group is focused on building on the momentum of a successful year in 2021. Your Board remains confident that the Group is well positioned to deliver real, sustainable value in the years ahead for all our shareholders.

## JIM PETTIGREW

Chair  
2 March 2022

