
AIB
For the life you're after
AIB Group plc
Pillar 3 Disclosures
31 December 2023

Pillar 3 Report

AIB Group plc

Table of Contents

Forward Looking Statement

This document contains certain forward looking statements with respect to the financial condition, results of operations and business of AIB Group and certain of the plans and objectives of the Group. These forward looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward looking statements sometimes use words such as ‘aim’, ‘anticipate’, ‘target’, ‘expect’, ‘estimate’, ‘intend’, ‘plan’, ‘goal’, ‘believe’, ‘may’, ‘could’, ‘will’, ‘seek’, ‘continue’, ‘should’, ‘assume’, or other words of similar meaning. Examples of forward looking statements include, among others, statements regarding the Group’s future financial position, capital structure, Government shareholding in the Group, income growth, loan losses, business strategy, projected costs, capital ratios, estimates of capital expenditures, and plans and objectives for future operations. Because such statements are inherently subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward looking information. By their nature, forward looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward looking statements. These are set out in the Principal risks on pages 27 to 30 in the 2023 Annual Financial Report. In addition to matters relating to the Group’s business, future performance will be impacted by the Group's ability along with governments and other stakeholders to measure, manage and mitigate the impacts of climate change effectively, the impact of higher inflation on customer sentiment and by Irish, UK and wider European and global economic and financial market considerations. Future performance will further be impacted by the direct and indirect consequences of the Russia-Ukraine War on European and global macroeconomic conditions. Any forward looking statements made by or on behalf of the Group speak only as of the date they are made. The Group cautions that the list of important factors on page 27 to 30 of the 2023 Annual Financial Report is not exhaustive. Investors and others should carefully consider the foregoing factors and other uncertainties and events when making an investment decision based on any forward looking statement.

Introduction

This document contains the required regulatory disclosures under Capital Requirements Regulation ("CRR"), Part Eight – Disclosures by Institutions and is prepared in compliance with Regulation (EU) 2021/637.

Basis of disclosures

AIB Group plc ('the parent company') is a company domiciled in Ireland and is the holding company of the Group (LEI code: 635400AKJBGNS5WNQL34).

Under Article 4 (1) (29) of the CRR, AIB Group plc is an EU parent institution. Under Article 13 (1) of the CRR, disclosure obligations as laid down in Part Eight of the CRR are on the basis of the consolidated situation of the EU parent institution (i.e. AIB Group plc).

Allied Irish Banks, p.l.c., a direct subsidiary of AIB Group plc, is a credit institution authorised by the Central Bank of Ireland ("CBI")/Single Supervisory Mechanism ("SSM") (LEI code: 3U8WV1YX2VMUHH7Z1Q21). Allied Irish Banks, p.l.c. and its subsidiaries: AIB Mortgage Bank Unlimited Company and EBS d.a.c. are licenced entities and are required to file regulatory returns with the CBI for the purpose of assessing their capital adequacy. In addition, AIB Group (UK) p.l.c., also a subsidiary of Allied Irish Banks, p.l.c., is a licenced entity and files regulatory returns with the Prudential Regulatory Authority ("PRA"). Goodbody Stockbrokers Unlimited Company ("Goodbody") is a subsidiary of Allied Irish Banks, p.l.c. Goodbody is supervised per the Investment Firms Regulation ("IFR") on an individual basis and is included in Group consolidated supervision under CRR.

AIB Group plc and its subsidiaries (collectively "AIB Group" or "Group") prepares consolidated financial statements ("consolidated accounts") under International Financial Reporting Standards ("IFRS"). Not all subsidiary entities are included in the scope of regulatory consolidation, Semeral Limited and Payzone Ireland Limited are fully consolidated for accounting purposes and neither consolidated nor deducted for regulatory purposes.

The Pillar 3 disclosures have been prepared to explain the basis on which the Group has prepared and disclosed capital requirements and information about the management of certain risks as at 31 December 2023 and for no other purpose. They do not constitute any form of financial statement and should not be relied upon exclusively in making any judgement on the Group. They should be read in conjunction with the other information made public by AIB Group and available on the AIB Group website, including the Annual Financial Report and the Sustainability Report, for the financial year ended 31 December 2023.

Reporting conventions

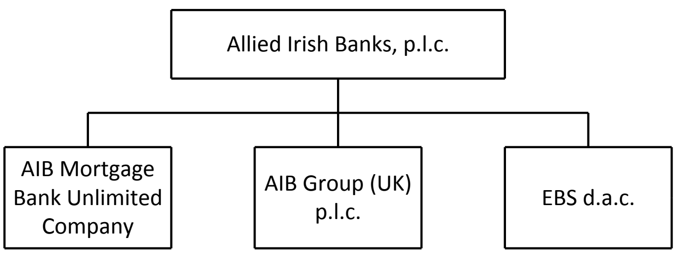
Where disclosures have been enhanced, or are new, they are generally not restated or comparatives provided. Wherever specific rows and columns in the tables and templates prescribed by the EBA are not applicable to our activities, they are left blank. Comparisons against prior periods have been included in the templates as required by Regulation (EU) 2021/637.

This Pillar 3 disclosure is reported in Euro millions for the reference date 31 December 2023 and the reference period 1 January 2023 to 31 December 2023.

Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Numbers presented are on a transitional basis unless otherwise stated.

Licensed banks within AIB Group as at 31 December 2023



Large subsidiary

Subsidiaries are not required to comply with Pillar 3 disclosures per Article 6, however, large subsidiaries are required to disclose certain information per Article 13(1). A review of the licensed subsidiaries is carried out quarterly to determine if they meet the definition of a large subsidiary. The only large subsidiary in AIB Group at 31 December 2023 is Allied Irish Banks, p.l.c. Large subsidiaries shall disclose all the information required per Article 13(1) on an annual basis and the required information on a semi-annual and quarterly basis. Allied Irish Banks, p.l.c. disclosures for 31 December 2023 are also available at https://aib.ie/investorrelations.

Attestation

The Group has formal policies and internal processes, systems and controls in place to comply with the disclosure requirements under CRR. Specific governance committees are responsible for reviewing the Group's Pillar 3 disclosures and ensuring that they have been subject to adequate verification and comply with applicable standards and legislation.

"I confirm that AIB Group's Pillar 3 disclosures, to the best of my knowledge, comply with Part Eight of the CRR and have been prepared in compliance with AIB Group's internal control framework".

This report has been attested by:

Chief Financial Officer and Member of the Board of AIB Group
Donal Galvin

Chapter 1. Disclosure of key metrics and overview of risk-weighted exposure amounts

1: Template EU KM1 - Key metrics template

As per Article 447, points (a) to (g) and Article 438, point (b) the following template provides a summary of the main prudential and regulatory information and ratios covered by the CRR on a transitional basis. It also includes information on Pillar 2 requirements.

Main movements between September to December 2023 are as follows:
Available own funds:
• Capital levels increased mainly due to a lower deferred tax asset (DTA) deduction. Capital includes H2 profits materially offset by proposed dividend and share buyback.

Risk-weighted exposure amounts (RWEA) increased by € 1.0 bn mainly due to the below:
• Operational risk increased by € 1.3 bn due to higher 3-year average income.
• Credit risk (excluding counterparty credit risk (CCR) and Article 3 adjustment) decreased by € 0.5 bn mainly due to decrease in DTA regarding cashflow hedges.
• Counterparty credit risk remained relatively static during the period.
• Market and securitisation risks remained relatively static over the quarter.

The capital ratios decreased as a result of the RWEA increase partially offset by the increase in capital.

The leverage ratio decreased in the quarter due to higher exposures partially offset by higher Tier 1 capital.

Liquidity and Funding:
• The December 2023 liquidity coverage ratio remains very strong (the ratio at 199.17%, well in excess of the ratio requirement of 100%). The average of the preceding 12 months LCR is 185.88% per row 17 on the template below.
• The net stable funding ratio remains very strong (the ratio at 159.06%, well in excess of the ratio requirement of 100%).

		a	b	c	d	e
		31/12/2023	30/09/2023	30/06/2023	31/03/2023	31/12/2022
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	9,868	9,737	9,663	9,252	9,944
2	Tier 1 capital	10,981	10,850	10,776	10,365	11,057
3	Total capital	12,553	12,398	12,323	11,894	12,582
	Risk-weighted exposure amounts					
4	Total risk exposure amount	59,643	58,632	58,724	58,020	55,558
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%)	16.55 %	16.61 %	16.45 %	15.95 %	17.90 %
6	Tier 1 ratio (%)	18.41 %	18.50 %	18.35 %	17.87 %	19.90 %
7	Total capital ratio (%)	21.05 %	21.15 %	20.99 %	20.50 %	22.65 %
	Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	2.75 %	2.75 %	2.75 %	2.75 %	2.75 %
EU 7b	of which: to be made up of CET1 capital (percentage points)	1.55 %	1.55 %	1.55 %	1.55 %	1.55 %
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	2.06 %	2.06 %	2.06 %	2.06 %	2.06 %
EU 7d	Total SREP own funds requirements (%)	10.75 %	10.75 %	10.75 %	10.75 %	10.75 %
	Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)					
8	Capital conservation buffer (%)	2.50 %	2.50 %	2.50 %	2.50 %	2.50 %
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)[1]	— %	— %	— %	— %	— %
9	Institution specific countercyclical capital buffer (%)	1.08 %	0.73 %	0.56 %	0.20 %	0.18 %
EU 9a	Systemic risk buffer (%)[1]	— %	— %	— %	— %	— %
10	Global Systemically Important Institution buffer (%)					
EU 10a	Other Systemically Important Institution buffer (%)	1.50 %	1.50 %	1.50 %	1.50 %	1.50 %
11	Combined buffer requirement (%)	5.08 %	4.73 %	4.56 %	4.20 %	4.18 %
EU 11a	Overall capital requirements (%)	15.83 %	15.48 %	15.31 %	14.95 %	14.93 %
12	CET1 available after meeting the total SREP own funds requirements (%)	10.30 %	10.40 %	10.24 %	9.90 %	11.85 %
	Leverage ratio					
13	Total exposure measure	140,774	137,533	135,197	132,725	133,971
14	Leverage ratio (%)	7.80 %	7.89 %	7.97 %	7.81 %	8.25 %
	Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)					
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)[2]	— %	— %	— %	— %	— %
EU 14b	of which: to be made up of CET1 capital (percentage points)	— %	— %	— %	— %	— %
EU 14c	Total SREP leverage ratio requirements (%)	3.00 %	3.00 %	3.00 %	3.00 %	3.00 %
	Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)					
EU 14d	Leverage ratio buffer requirement (%)[3]	— %	— %	— %	— %	— %
EU 14e	Overall leverage ratio requirement (%)	3.00 %	3.00 %	3.00 %	3.00 %	3.00 %
	Liquidity Coverage Ratio[4]					

15	Total high-quality liquid assets (HQLA) (Weighted value - average)	40,320	41,089	42,301	42,707	42,956
EU 16a	Cash outflows - Total weighted value	22,685	22,818	22,597	22,005	21,605
EU 16b	Cash inflows - Total weighted value	949	892	789	864	930
16	Total net cash outflows (adjusted value)	21,736	21,926	21,808	21,141	20,676
17	Liquidity coverage ratio (%)	185.88 %	187.68 %	194.59 %	202.32 %	207.91 %
	Net Stable Funding Ratio					
18	Total available stable funding	103,891	102,433	101,083	100,737	99,459
19	Total required stable funding	65,316	65,971	64,145	63,632	60,788
20	NSFR ratio (%)	159.06 %	155.27 %	157.59 %	158.31 %	163.62 %

[1] To date the Group has no conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State nor a Systemic risk buffer.

[2] To date the Group has no additional own funds requirements to address the risk of excessive leverage.

[3] The Group is not a G-SII and therefore has no value to report for leverage ratio buffer requirement.

[4] Average of the preceding 12 months for each quarter of the relevant disclosure period.

2: Template EU OV1 - Overview of total risk exposure amounts

As per Article 438 point (d), the following template provides an overview of the total risk exposure amounts ("TREA") forming the denominator of the risk based capital requirements calculated in accordance with Article 92 of the CRR.
Note: Total own funds requirements are calculated as 8% of TREA.

		Total risk exposure amounts (TREA)		Total own funds requirements
		a	b	c
		31/12/2023	30/09/2023	31/12/2023
1	Credit risk (excluding CCR)*	51,465	51,909	4,117
2	Of which the standardised approach	27,318	27,967	2,185
3	Of which the Foundation IRB (F-IRB) approach	17,538	17,196	1,403
4	Of which slotting approach			
EU 4a	Of which equities under the simple riskweighted approach			
5	Of which the Advanced IRB (A-IRB) approach	6,259	6,381	501
6	Counterparty credit risk - CCR	1,070	997	86
7	Of which the standardised approach	319	242	26
8	Of which internal model method (IMM)			
EU 8a	Of which exposures to a CCP	44	62	4
EU 8b	Of which credit valuation adjustment - CVA	65	62	5
9	Of which other CCR	642	632	51
10	Not applicable			
11	Not applicable			
12	Not applicable			
13	Not applicable			
14	Not applicable			
15	Settlement risk	5	3	0
16	Securitisation exposures in the non-trading book (after the cap)	939	969	75
17	Of which SEC-IRBA approach			
18	Of which SEC-ERBA (including IAA)	665	700	53
19	Of which SEC-SA approach	274	269	22
EU 19a	Of which 1250%	—	—	—
20	Position, foreign exchange and commodities risks (Market risk)	342	302	27
21	Of which the standardised approach	342	302	27
22	Of which IMA			
EU 22a	Large exposures	—	—	—
23	Operational risk	5,822	4,452	466
EU 23a	Of which basic indicator approach			
EU 23b	Of which standardised approach	5,822	4,452	466
EU 23c	Of which advanced measurement approach			
24	Amounts below the thresholds for deduction (subject to 250% risk weight)**	1,035	1,419	83
25	Not applicable			
26	Not applicable			
27	Not applicable			
28	Not applicable			
29	**Total**	**59,643**	**58,632**	**4,771**

*RWEAs of € 0.3 bn at 31 December 2023 are recognised as an Article 3 adjustment due to the remaining Ulster Bank tracker (and linked) mortgage portfolio that will transfer in 2024. Article 3 RWEA adjustment was € 0.4 bn at 30 September 2023. This adjustment is not included under the standardised, F-IRB or A-IRB approaches.

** The amount is shown for information only, as these exposures are already included in row 1 Credit risk (excluding CCR) and related ''of which''.

3: Table EU OVC - ICAAP information

As per Article 438 points (a) and (c) the following table below provides information on the Internal Capital Adequacy Assessment Process and ongoing assessment of the bank's risks and how the bank intends to mitigate those risks.

Legal basis	Row number	Qualitative information	
Article 438(a) CRR	(a)	Approach to assessing the adequacy of the internal capital.	An annual Material Risk Assessment (MRA) is conducted to identify all relevant (current and anticipated) material risks which are then assessed from a capital perspective. The sub-risks are identified as part of the MRA process including risks surrounding the quality and composition of capital as well as measurement and forecasting risk. Capital adequacy risk is primarily evaluated through the annual financial planning and the Group's ICAAP processes where the level of capital required to support growth plans and meet regulatory requirements is assessed over the three year planning horizon. Plans are assessed across a range of scenarios ranging from base case and moderate downside scenarios to a severe but plausible stress using the Group's stress testing methodologies. The ICAAP is fully integrated and embedded in the strategic, financial and risk management processes of the Group. The Business Model and Capital Adequacy (BMCA) Framework sets out the key processes, governance arrangements and roles and responsibilities which support the ICAAP. The BMCA Framework was updated in 2023 to reflect the work of the Climate Stress Testing project regarding Climate Stress Testing models, roles and responsibilities and governance requirements relating to climate stress testing across the Group. The climate stress testing approach and associated models consider the impact of physical and transition risks across a number of scenarios on the Group's exposures. The initial scope of climate stress testing activities and climate modelling in the Group is primarily focused on the credit risk implications for its loan portfolio via both transition and physical risk (See Climate & Environmental Risk on page 193 of the Annual Financial Report 2023). Embedding of the ICAAP is facilitated through capital planning, the setting of risk appetite and risk adjusted performance monitoring. In addition to the capital plan, a capital contingency plan is in place which identifies and quantifies actions which are available to the Group in order to mitigate against the impact of a stress event. Trigger points at which these actions will be considered are also identified. The impact of changing regulatory requirements, changes in the risk profile of the Group's balance sheet, other internal factors, and changing external risks are regularly assessed by first and second line of defence teams via regular monitoring of performance against the agreed financial plan, monthly capital updates to ALCo and Group Risk Committees and are also assessed via quarterly internal stress testing. A further set of triggers and capital options are set out in the Group's Recovery Plan, which presents the actions available to the Group to restore viability in the event of extreme stress. The Group uses risk adjusted return on capital for capital allocation purposes and as a behavioural driver of sound risk management. The use of risk adjusted return on capital for portfolio management and in new lending decisions continues to be an area of focus and a key consideration for pricing of lending products, both at portfolio level and individually for large transactions. The Board reviews and approves the ICAAP on an annual basis and is also responsible for approving a capital adequacy statement attesting that the Board has reviewed and is satisfied with the capital adequacy of the Group.
Article 438(c) CRR	(b)	Upon demand from the relevant competent authority, the result of the institution's internal capital adequacy assessment process.	Not applicable as the competent authority has not requested disclosure of the results of the ICAAP.

Chapter 2. Disclosure of risk management objectives and policies

4: Table EU OVA - Institution risk management approach

As per Article 435(1) see table below:

Legal basis	Row number	Qualitative information	
Point (f) of Article 435(1) CRR	(a)	Disclosure of concise risk statement approved by the management body.	The Group's Risk Management Framework (RMF) sets out how risk is managed and articulates the integrated approach to risk management within the Group including its licenced subsidiaries. The RMF supports the Group in achieving its strategic ambitions by providing a clear, concise and comprehensive approach to the governance, implementation and embedding of risk management practices. The RMF is reviewed, updated and approved by the Board at least annually to reflect any changes to the Group's business or consideration of external regulations, corporate governance requirements and industry best practice. Risk management is central to how the Group conducts its business while safeguarding the Group. The risk management structure in the Group includes defined lines of authority and accountability, effective processes to identify, manage, monitor and report the risks to which the Group is or might be exposed to. Clear responsibilities for the management of risk are defined across the Group through a three lines of defence model which ensures effective independent oversight and assurance in respect of key decisions. Under the three lines of defence model, the primary responsibility for risk management lies with the business management who are the first line of defence. The Risk function provides the second line of defence, providing independent oversight, support and constructive challenge to business line managers. Oversight involves regular monitoring of Business Units risk management activities and reporting. The third line of defence is the Group Internal Audit function ("GIA") which provides independent assurance to the Board through the Board Audit Committee on the effectiveness of the system of internal control. GIA carries out its corporate governance responsibilities by providing an independent view on the key risks facing the Group, and on the adequacy and effectiveness of the system of governance, risk management and internal controls in managing these risks. All activities undertaken within, and on behalf of, the Group are within the scope of GIA. This includes the activities of subsidiaries, joint ventures and associates, the risk and control functions including Group Risk and first and second line assurance activities established by the Group. One of the key processes required by the RMF is the Material Risk Assessment (MRA) which identifies the key risks to which the Group is exposed. The MRA is a top down process performed on an least annual basis for the Group which identifies the key principal and emerging risks. This assessment makes use of horizon scanning and takes into account the Group's strategic objectives and incorporates both internal and external risk information. The Group applies a common taxonomy of risk through its MRA. Separate material risk assessments are also undertaken for the licenced subsidiaries.
			The following are considered the largest risks facing the Group and fall into two broad categories. In addition reputation risk may emerge as an outcome risk from any of these areas: Financial Risks: Risks that the Group takes intentionally in order to earn a return as part of its business activities. These generally arise through exposure to individuals or corporates, or to market prices and economic conditions. Risks falling into this category include Credit Risk, Market Risk, Liquidity & Funding Risk and Capital Adequacy Risk. Non-Financial Risks: Risks that the Group faces as a direct or indirect consequence of its business activities/operations and which it mitigates as appropriate. These risks generally arise from operational errors, failures to comply with regulatory requirements or generally accepted ethical business standards, or from changes in external market conditions (e.g. increased competition from new entrants). Risks falling into this category are Operational Risk, Conduct Risk and Culture Risk, Climate & Environmental Risk, Model Risk, Regulatory Compliance Risk and Business Model Risk. The Group Risk Committee is responsible for the annual review of the Group MRA and recommendation to the Board Risk Committee, which in turn reccomends to the Board for approval. The Group faces 10 Principal Risks which are key areas of management focus including: Credit Risk; Operational Risk; Business Model Risk; Conduct Risk and Culture Risk; Regulatory Compliance Risk; Climate & Environmental Risk; Financial Risk; Model Risk; Liquidity and Funding Risk; and Capital Adequacy Risk.
Point (f) of Article 435(1) CRR	(a)	Disclosure of concise risk statement approved by the management body (continued)	This risk profile interaction with the risk tolerance is managed through the Risk Appetite Statement (RAS) process. The Board sets the RAS for the Group which informed by the MRA. Risk appetite is the nature and extent of risk that the Group is willing to take, accept, or tolerate in pursuit of its business objectives and strategy as set by the Board. It also informs the Group's strategy, and as part of the RMF, is a boundary condition to strategy and guides the Group in its risk taking and related business activities including key strategic business decisions. The Financial Plan is tested to ensure it is within the risk appetite. The Group RAS is articulated through qualitative statements and quantitative limits and thresholds. The Group RAS seeks to encourage appropriate risk taking to ensure that risks are consistent with the Group strategy and risk appetite. The key method by which this is achieved is that the Group RAS cascades into key business segments with separate RASs for each licenced subsidiary reflecting the risk appetite of the subsidiary as a standalone entity.

			In accordance with Article 432(1) on materiality, the key metrics and ratios that have been included to outline the management of the risk profile through the Risk Appetite process are: – Credit Risk - Asset class concentration risk metrics, Country concentration risk metrics, Non-Performing Exposures (NPE) as a % of outstanding loans and ECL cover rates to manage counterparty credit risk – Operational Risk - Cumulative operational risk losses, Cyber security and technology risk metrics. – Business Model Risk - Operating profit (before exceptional items); Risk Adjusted Return on Capital (RAROC); Return on Tangible Equity (RoTE). – Conduct Risk - Number of complaints and time taken to resolve; Number of overdue product reviews. – Regulatory Compliance Risk – Number of data protection incidents; Number of suspicious transactions reported within 30 days. – Climate & Environmental Risk - Climate Stress as a % of Total Capital – Financial Risk - Earnings Sensitivity; Interest Rate Capital at Risk; Pension Capital at Risk; Equity nominal investment. – Model Risk - Quarterly risk assessment of approved models in use. – Liquidity and Funding Risk - Liquidity Coverage Ratio (LCR); Survival Period; Net Stable Funding Ratio (NSFR). – Capital Adequacy Risk - Fully Loaded CET1 Ratio; Fully Loaded Total Capital Ratio; Fully Loaded Internal Capital Buffer.
Point (b) of Article 435(1) CRR	(b)	Information on the risk governance structure for each type of risk.	The overall control framework in place is the RMF. This sets out the risk management requirements for the Group and there are supporting frameworks and policies in place for each material risk. The supporting executive committees that are key to the management of the material risks are: Group Risk Committee: The Group Risk Committee is the most senior management risk committee and is accountable to the Executive Committee to set policy and monitor all risk types across the Group to enable delivery of the Group's risk strategy. The roles and responsibilities of the Group Risk Committee are: • Reviewing and approving (or recommending to the Board and/or its subcommittees where appropriate) risk frameworks, risk appetite statements, risk policies and thresholds in order to manage the risk profile of the Group; • Monitoring and reviewing the Group's risk profile (enterprise wide); • Periodically reviewing the effectiveness of the Group's risk management policies for identifying, evaluating, monitoring, managing and measuring significant risks; • Providing oversight and challenge of regulatory, operational and conduct risk related matters; • Providing oversight and challenge of credit risk management related matters and periodically reviewing the credit portfolio exposures and trends; • Providing oversight and challenge of risk measurement matters; • Overseeing the development of the Group's risk management culture; • Monitoring and reviewing the Group's risk profile and the business segment limits for equity risk; • Considering the annual Money Laundering Reporting Officer's report; and • Considering and assessing management's response to Group Internal Audit findings. The sub-committees of the GRC are the Group Credit Committee, the Group IRB Committee, the Regulatory and Conduct Risk Committee, the Model Risk Committee and the Operational Risk Committee: • The Group Credit Committee (and its sub-committees) is responsible for developing and monitoring credit policy within the Group and approval of all large credit transactions. The Areas Credit Committees exercise approval authority in line with the relevant Credit Approval and Review Authorities for the business areas; • The Group IRB Committee ensures delivery of the commitments set out in the IRB Enterprise Plan; • The Regulatory and Conduct Risk Committee is responsible for the governance and oversight of regulatory and conduct risks; • The Model Risk Committee reviews the technical and methodological aspects of the Group's material models as well as maintenance of existing material models and approval of less material models; • The Operational Risk Committee is responsible for the governance and oversight of operational risks.

			Risk Management Framework - Continued Group Asset and Liability Management Committee (“ALCo”) ALCo has been established as a sub-committee of the Executive Committee. ALCo is the Group’s strategic and business decision making forum for balance sheet management matters. ALCo is tasked with decision-making in respect of the Group’s balance sheet structure, including capital, funding, liquidity, interest rate risk in the banking book from an economic value and net interest margin (“NIM”) perspective, foreign exchange (“FX”) risks and other market risks to ensure it enables the delivery of the Group’s Strategic Plan. ALCo provides oversight of funding and liquidity, capital, market and equity/investments risk as well as balance sheet pricing in line with the relevant risk frameworks and policies in accordance with risk appetite. ALCo also monitors, reviews and makes decisions regarding key legal, regulatory and accounting developments affecting the measurement and control of balance sheet risks and capital. Approved Limits: The approved metrics and ratios used in setting the risk appetite are detailed above. Risk Culture Risk culture is an integral part of the Group’s overall culture. The risk culture defines how risk is managed and owned throughout the Group. It is the values, behaviours, beliefs, knowledge, attitudes, awareness and understanding of, and towards risk shared by individuals. It sets the foundation for how the Group manages risk in a consistent and coherent manner. The effectiveness of the Group Risk Appetite Statement is highly dependent on risk culture. Risk culture is one of the key elements of the Group’s Risk Management Framework; it is through the communication of risk framework and policy documents and the cascade of Risk Appetite Statements to segment and subsidiary level that an awareness of risk and control is set and cascaded throughout the Group. The Group's promotion of risk learning through recommended risk training and education supports the embedding of risk culture. The Group has a principles based Code of Conduct which sets out how employees are expected to behave in terms of Business, Customer and Employees. The Code is fully aligned to the Group’s Purpose and the Values, and is supported by a range of employee policies including Conflicts of Interests and Speak Up. The Code and policies are reviewed (and updated if required) on an annual basis and are communicated through an annual mandatory e-Learning course, which must be completed by anyone working in or for the Group. The Group’s Speak Up Policy is the whistleblowing policy. It sets out how all those working in and for the Group, including but not limited to, employees, agency staff, tied agents, suppliers, contractors, consultants and those providing an outsourced service, can safely and confidentially speak up to raise a concern about suspected or actual wrongdoing in work, without fear of penalisation. The policy outlines the channels available to raise such concerns and was approved by the Board Audit Committee.

Point (e) of Article 435(1) CRR	(c)	Declaration approved by the management body on the adequacy of the risk management arrangements.	Directors’ Statement on Risk Management and Internal Controls The Board of Directors is responsible for the Group’s system of internal control, which is designed to manage the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss. The Group has implemented a framework and policy architecture covering business and financial planning, corporate governance and risk management. The system of internal controls is designed to ensure that there is thorough and regular evaluation of the Group’s risks in order to react accordingly, rather than to eliminate risk. This is done through a process of identification, measurement, monitoring and reporting. This process includes an assessment of the effectiveness of internal controls, which was in place for the full year under review up to the date of approval of the financial statements, and which accords with the Central Bank of Ireland’s Corporate Governance requirements for Credit Institutions 2015 and the UK Corporate Governance Code 2018. The Board has ultimate responsibility for risk appetite and reviewing the effectiveness of the system of internal control on a continuous basis and is supported by a number of sub-committees including Board Audit Committee (“BAC”), Board Risk Committee (“BRC”), Remuneration Committee, Sustainable Business Advisory Committee (“SBAC”), Technology and Data Advisory Committee (“TDAC”), and Nomination & Corporate Governance Committee. The BRC is appointed by the Board to assist the Board in fulfilling its oversight responsibilities. It is responsible for fostering sound risk governance across all of the Group’s finances and operations (including all operations, legal entities and branches in ROI, the UK and USA) taking a forward looking perspective and anticipating changes in business conditions. The Committee discharges its responsibilities in ensuring that risks within the Group are appropriately identified, reported, assessed, managed and controlled to include commission, receipt and consideration of reports on key strategic and operational risk issues. It ensures that the Group’s overall actual and future risk appetite statement and strategy, taking into account all types of risks, are aligned with the business strategy, objectives, corporate culture and values of the institution while promoting a risk awareness culture within the Group. The BRC oversees and challenges the risk management function, which is managed on a day-to-day basis by the Chief Risk Officer (“CRO”) and liaises regularly with the CRO to ensure the development and on-going maintenance of a risk management system within the Group that is effective and proportionate to the nature, scale and complexity of the risks inherent in the business. The BRC provides qualitative and quantitative input to the Remuneration Committee on the alignment of variable remuneration to risk performance for material risk takers. The Committee further provides advice on the ongoing viability of the Group, taking into account the Group’s overall position and principal risks. The committee is composed of Independent Non-Executive Directors and operates under Board approved terms of reference. The Chief Financial Officer (“CFO”), the CRO, the Group Internal Auditor and the External Auditor are involved in meetings of the BRC, where appropriate. The BAC is appointed by the Board to assist it in fulfilling its oversight responsibilities in relation to the quality and integrity of the Group’s accounting policies, financial and narrative reports, non-financial disclosures, and disclosure practices. The Committee also ensures the effectiveness of the Group’s internal control, risk management, and accounting and financial reporting systems and the adequacy of arrangements by which staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. It also ensures the independence and performance of the internal and external auditors. The BAC works to ensure that this purpose is fully aligned to the Group’s strategy and values, considers the interests of stakeholders while operating within all applicable regulatory and statutory requirements. The BAC is composed of Independent Non-Executive Directors and operates under a Board approved terms of reference. Neither the Chair of the Board nor the CEO are permitted to be members of the BAC. The CFO, the CRO, the Group Internal Auditor and the External Auditor are involved in meetings of the BAC, where appropriate.

			The Remuneration Committee is appointed by the Board and is responsible for the design and implementation of the Group's overall Remuneration Policy for employees and directors, designed to support the long term business strategy, values and culture of the Group as well as to promote effective risk management, and reward fairly and responsibly, with a clear link to corporate and individual performance in compliance with applicable legal and regulatory requirements. The SBAC was established by the Board to act as an Advisory Committee, supporting the execution of the Group's sustainable business strategy in accordance with the approved Group Strategic and Financial Plan. The Strategy includes the development and safe guarding of the Group's "social licence to operate" through Environmental, Social and Governance activities, alignment with the United Nations Environmental Programme Finance Initiative ("UNEPFI") Principles for Responsible Banking, UN Global Compact and the Group's Pledge to Do More. The TDAC is appointed by the Board as an Advisory Committee to assist in fulfilling its oversight responsibilities by reviewing and challenging the strategy, governance and execution of matters relating to technology, data and cyber security. The Nomination and Corporate Governance Committee is appointed by the Board to support and advise it in fulfilling its oversight responsibilities in relation to the composition of the Board. It does this by ensuring the Board is comprised of individuals who are best able to discharge the duties and responsibilities of Directors, by leading the process for nominations and appointments to the Board and Board Committees as appropriate, and making the recommendations in this regard to the Board for its approval. It also supports and advises the Board in fulfilling its oversight responsibilities in relation to the composition of the Group's Executive Committee and the composition of the Boards of its material subsidiaries. It keeps Board governance arrangements, corporate governance compliance and related policies under review and makes appropriate recommendations to the Board to ensure corporate governance practices are consistent with best practice standards.

			Directors' Statement on Risk Management and Internal Controls - Continued Executive risk management and controls • The Executive Committee ("ExCo") is the most senior executive committee of the Group. Subject to financial and risk limits set by the Board, and excluding those matters which are reserved specifically for the Board, the ExCo has primary authority and responsibility for the day-to-day operations of, and the development of strategy for the Group. The ExCo works with and advises the CEO, ensuring a collaborative approach to decision making and collective ownership of strategy development and implementation, including promoting action to address performance issues as required. The ExCo has delegated certain functions to a number of executive sub-committees, which operate under term of reference approved by the ExCo and subject to formal review every two years. • The Group Risk Committee ("GRC") was established by, and is accountable to, the ExCo to set policy and monitor all risk types across the Group and to enable delivery of the Group's risk strategy. It is the primary second line of defence risk management committee of the Group. It provides oversight and monitors strategic business initiatives that have material implications for the Group to ensure they align and are consistent with the Group risk appetite and other risk policies as approved by the BRC. • The Group Asset and Liability Committee ("ALCo") is a sub-committee of the ExCo and acts as the Group's strategic and business decision making forum for balance sheet management matters. It sets policy and is responsible for effective balance sheet management and alignment to Group strategy for funding and liquidity risk, market risk and capital adequacy risk. • There is a centralised risk control function headed by the CRO, who is responsible for independent challenge, ensuring that risks are understood, managed, measured, monitored and reported on, and for reporting on risk mitigation actions. • The Risk function is responsible for establishing and embedding risk management frameworks, ensuring that material risk policies are reviewed, and reporting on adherence to risk limits as set by the Board of Directors. • The Group's risk profile is measured against its risk appetite and exceptions are reported to the GRC and BRC through the CRO report. Material breaches of risk appetite are escalated to the Board and reported to the Central Bank of Ireland/Joint Supervisory Team ("JST"). • The centralised credit function is headed by a Chief Credit Officer who reports to the CRO. • Compliance, which is part of the Risk function, provides interpretation and assessment of compliance risk, specifically, laws, regulations, rules and codes of conduct applicable to its banking activities. • There is an independent Group Internal Audit function which is responsible for independently assessing the effectiveness of the Group's corporate governance, risk management and internal controls and reports directly to the Chair of the BAC. • AIB employees who perform pre-approved controlled functions/controlled functions meet the required standards as outlined in the Group's Fitness and Probity programme. In the event that material failings or weaknesses in the systems of risk management or internal control are identified, Management is required to attend the relevant Board forum to provide an explanation of the issue and to present a proposed remediation plan. Agreed remediation plans are tracked to conclusion, with regular status updates provided to the relevant Board forum. Given the work of the Board, BRC, BAC and representations made by the ExCo during the year, the Board is satisfied that the necessary actions to address any material failings or weaknesses identified through the operation of the Group's risk management and internal control framework have been taken, or are currently being undertaken. Taking this and all other information into consideration as outlined above, the Board is satisfied that there has been an effective system of control in place throughout the year.
Point (c) of Article 435(1) CRR	(d)	Disclosure on the scope and nature of risk disclosure and/or measurement systems.	Risk reporting processes are in place for each of the principal risks under the relevant risk frameworks and policies. This enables management, governance committees and other stakeholders to oversee the effectiveness of the risk management processes, adherence to risk Policies and to regulatory requirements. Each of the material risks has a specific approach to how the risk is measured. The Group Risk Appetite Statement and the separate risk appetite statements for the business segments and licensed subsidiaries contain metrics which are measured on a monthly basis against the limits set. Metrics for Group RAS and any deviations to appetite for Group, segments and subsidiaries are reported to Group Risk Committee and Board Risk Committee through the CRO report. The Group CRO has unrestricted access to the Chair of the Board and BRC. The CRO provides extensive reporting on the risks through the CRO report, including extensive detail on each of the principal risks and details of mitigants/controls and management actions in place to address areas of concern. It also presents the Group's risk profile against its risk appetite.

Point (c) of Article 435(1) CRR	(e)	Disclose information on the main features of risk disclosure and measurement systems.	The risk strategy, articulated through the annual risk plan and the risk objectives, is a key element of the Board's understanding of how risk is to be managed in the short, medium and long term. The Group has a set of strategic risk objectives which support the delivery of the Group's strategy, with a specific focus on the Risk and Capital pillar. The key processes which support the Group's approach to risk management are set out below: • Identification and assessment: through various assessments and processes including analysis and testing across material risks; • Measurement and management: management selects an appropriate risk response: avoiding, accepting, reducing, or sharing risk and develops a set of management actions. These actions are activities initiated to improve management of specific risks or in response to a risk event; • Monitoring, escalating and reporting : the continuous monitoring of risks to ensure that the key risks remain within risk appetite; and • Testing and assurance : an objective examination of evidence for the purpose of providing an independent assessment of governance, risk management and control processes for the Group in relation to all risk types. Identification and assessment Risk is identified and assessed in the Group through a combination of the following: • Material risk assessment ("MRA"); • Risk and control assessments ("RCA"); • Annual Financial Plan; • Stress testing & Scenario Analysis; • Annual Internal Capital Adequacy Assessment Process ("ICAAP"); • Annual Internal Liquidity Adequacy Assessment Process ("ILAAP"); • Recovery and resolution planning. Material risk assessment ("MRA") The MRA is a top down process performed on at least an annual basis for the Group which identifies the key principal risks and the identification of emerging and evolving risks. This assessment makes use of horizon scanning and takes into account the Group's strategic objectives and incorporates both internal and external risk information. The Board is responsible for the annual approval of the Group material risk assessment. Risk and control assessments ("RCA") The first line of defence is responsible for ensuring that detailed bottom up RCAs are undertaken for all businesses or business processes falling under their responsibility. These assessments are performed regularly and whenever there is a material change in organisation, business processes or business environment. Annual Financial Plan The financial plan is integral to how the Group manages its business and monitors performance. It informs the delivery of the Group's strategy and is reviewed and challenged by the Risk function to ensure that it is within the Group's risk appetite. It enables realistic business objectives to be set for management, identifies accountability in the Group's delivery of planning targets and identifies the risks to the delivery of the Group's strategic goals and the mitigants of those risks. The plan is produced under a base scenario and assessed under a range of alternative scenarios. This assessment forms the basis for consideration of business model risk and internal capital adequacy.

			Risk Strategy - Continued Internal Capital Adequacy Assessment Process ("ICAAP") This is the Group process to ensure adequate capital resources are maintained at all times, having regard to the nature and scale of its business and the risks arising from its operations. The ICAAP is the process by which the Group performs a formal and rigorous assessment of its balance sheet, business plans, risk profile and risk management processes to determine whether it holds adequate capital resources to meet both internal objectives and external regulatory requirements. Multiple scenarios are considered for each ICAAP including both systemic and idiosyncratic stress tests ranging from moderate to extreme and are applied to the Group’s material risks as identified through its material risk assessment. The stress time horizon of three years is aligned with the planning horizon. Internal Liquidity Adequacy Assessment Process ("ILAAP") The Internal Liquidity Adequacy Assessment Process (“ILAAP”) is the process by which the Group performs a formal and rigorous assessment of its balance sheet, business plans, risk profile and risk management processes to determine whether it holds sufficient liquid resources of appropriate quality to meet both internal objectives and external regulatory requirements. Multiple scenarios are considered for each ILAAP including both firm specific and systemic risk events and a combination of both to ensure the continued stability of the Group’s liquidity position within the Group’s pre-defined liquidity risk tolerance levels. The stress time horizon of three years is aligned with the planning horizon. Recovery planning The Group’s recovery plan sets out the arrangements and measures that the Group could adopt in the event of severe financial stress to restore the Group to long term viability. A suite of indicators and options are included in the Group’s recovery plan, which together presents the identification of stress events and the tangible mitigating actions available to the Group to restore viability. Resolution planning Resolution is the restructuring of a bank by a resolution authority that has failed or is likely to fail, through the use of resolution tools in order to: -safeguard the public interest; -ensure the continuity of the Group’s critical functions; -ensure financial stability in the economy in which it operates; and -minimise costs to taxpayers.

Risk Strategy - Continued

Measurement and management

Setting risk appetite
The CRO proposes and the Board approves the risk appetite for the Group informed by the material risk assessment. Risk appetite is the nature and extent of risk that the Group is willing to take, accept, or tolerate in pursuit of its business objectives and strategy. It also informs the Group’s strategy, and as part of the Risk Management Framework, is a boundary condition to strategy and guides the Group in its risk taking and related business activities. The financial plan is tested to ensure it is within the risk appetite.

The Group Risk Appetite Statement is an articulation of the Group’s appetite for, and tolerance of risk expressed through qualitative statements and quantitative limits and thresholds. The Group Risk Appetite Statement seeks to encourage appropriate risk taking to ensure that risks are consistent with the Group strategy and risk appetite. The Group Risk Appetite Statement cascades into key business segments with separate Risk Appetite Statements for each licenced subsidiary reflecting the risk appetite of the subsidiary as a standalone entity.

Risk measurement
Each of the material risks has a specific approach to how the risk is measured. The Group Risk Appetite Statement and the separate risk appetite statements for the business segments and licensed subsidiaries contain metrics which are measured on a monthly basis against the thresholds set.

Risk management
The material risk types are actively managed and measured against their respective frameworks, policies and processes on an ongoing basis. Risk models are used to measure credit, market, liquidity and funding risk, and where appropriate, capital is allocated (taking account of risk concentrations) to mitigate material risks. The management and measurement of the Group’s risk profile also informs the Group’s strategic and operational planning processes. Any deviations to risk appetite are escalated through appropriate governance, with management actions to address where possible.

Monitoring, escalating and reporting
The Group has designed risk appetite statement metrics for each of its material risk categories. Material risks are actively monitored under their respective frameworks and policies to ensure material risks are managed effectively in line with the Group’s Risk Management Framework and Risk Appetite Statement. The Risk Appetite Policy sets out the process for the escalation of the relevant risk appetite statement limit breaches. On a regular basis, the CRO reports actual performance against Risk Appetite Statements to the Board Risk Committee and material breaches of risk appetite are reported to the Board and the Group’s regulator, where appropriate.

Testing and assurance
The Group has implemented testing and assurance activities with the objective to provide assurance to the Board, and its delegated sub-committees on the design and operating effectiveness of the control environment within the Group. The material risk types are continuously tested and assured in line with the Group assurance methodology, which distinguishes between risk management, risk control and risk assurance. Each line of defence is responsible for preparing business controls testing plans with consideration of the adequacy of the risk identified and the design and effectiveness of the controls in place. The combined assurance is the alignment of governance, risk and assurance activities, linked with the Group’s strategy with the objective to provide better co-ordinated efforts, risk reporting, and to continuously improve performance and resilience.

<table>
<tr>
<td>Point (a) of Article 435(1) CRR</td>
<td>(f)</td>
<td>Strategies and processes to manage risks for each separate category of risk.</td>
<td>Stress testing

Stress testing is recognised as a key risk management process by the Group. It seeks to ensure that risk assessment is dynamic and forward looking, and considers not only existing risks but also potential and emerging threats. Stress test methodologies are developed to assess the material risks identified in the material risk assessment process. The Group undertakes stress testing on all the Group's exposures including loans and receivables, the investment securities book, equity investments and other exposures related to our Treasury business. It also include the macroeconomic scenarios used for planning. Internal stress testing purposes are reviewed by the Asset and Liability Committee (ALCo) and by the Board Risk Committee.

The Group’s stress testing programme embraces a range of forward looking stress tests and takes all the Group's material risks into account. These include:

• ICAAP stress testing undertaken on an annual basis in support of the Internal Capital Adequacy Assessment Process and is integrated with the Group’s annual financial planning. This aims to highlight the key vulnerabilities of the Group and inform potential future capital needs including capital buffers, in excess of minimum regulatory capital requirements and internal capital requirements under both base and stressed conditions over the planning horizon. Multiple scenarios are considered for each ICAAP including both systemic and idiosyncratic stress tests ranging from moderate to extreme and are applied to the Group’s material risks as identified through its MRA. The time horizon of 3 years is aligned with the planning horizon. Other alternative scenarios can be supported as and when required, subject to confirmation through normal governance channels, such as climate stress tests.
• The climate stress testing approach consider the impact of physical and transition risks across a number of scenarios on the Group’s exposures. The initial scope of climate stress testing activities and climate modelling in the Group is primarily focused on the credit risk implications for the loan portfolio.
• Internal capital stress tests on all the material risks of the Group. These consider the implications of a severe shock across the Group’s material risks and additional supporting scenarios as deemed appropriate. In addition, an annual stress test is performed at a portfolio level on the Group’s portfolio of leverage loans;
• Annual ILAAP stress testing applied to the funding and liquidity plan to formally assess the Group’s liquidity risks;
• Internal liquidity stress tests which are performed weekly;
• Reverse stress testing undertaken at least annually to explore the vulnerabilities of the Group’s strategies and plans in extreme adverse events that would cause the Group to fail. The Group will adopt an action plan to prevent and mitigate where deemed appropriate in its strategic plans;
• Annual Recovery Stress Tests which use scenarios to assess the adequacy of recovery indicators of both capital and liquidity in identifying the onset of a period of stress and the recovery plan options used to exit that stress;
• Ad hoc stress testing, idiosyncratic or deep dive analysis on key core portfolios as required, of emerging risks identified from the material risk assessment process and as well as in response to regulatory requests; and
• Sensitivity analysis assesses the marginal impact of an incremental change in one risk parameter on the Group’s capital and liquidity position. Sensitivity analysis on the key risk drivers are included in the annual ICAAP and ILAAP and in other stress tests as required.
• Subsidiary stress tests conducted on in-scope Subsidiaries subject to individual regulatory capital requirements

Stress Testing Methodology
Across all of the Group’s material risks, the methodology will be an appropriate blend of model based and expert judgement approaches. Assumptions and outputs are reviewed by impacted businesses and central functions and by Risk to ensure they are plausible and intuitive. All models used in the stress testing process are subject to model validation as per the Group’s Model Risk Management Framework. The stress tests must comply with all regulatory requirements, achieved through the comprehensive review and challenge of macroeconomic scenarios and stress test outcomes, and the ongoing validation of stress testing models.</td>
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</table>

Points (a) and (d) of Article 435(1) CRR	(g)	Information on the strategies and processes to manage, hedge and mitigate risks, as well as on the monitoring of the effectiveness of hedges and mitigants.	When a financial instrument is designated as a hedge, the Group formally documents the relationship between the hedging instrument and hedged item as well as its risk management objectives and its strategy for undertaking the various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of the hedged items. The Group discontinues hedge accounting when: a) it is determined that a derivative is not, or has ceased to be, highly effective as a hedge; b) the derivative expires, or is sold, terminated, or exercised; c) the hedged item matures or is sold or repaid; or d) a forecast transaction is no longer deemed highly probable. To the extent that the changes in the fair value of the hedging derivative differ from changes in the fair value of the hedged risk in the hedged item, or the cumulative change in the fair value of the hedging derivative differs from the cumulative change in the fair value of expected future cash flows of the hedged item, ineffectiveness arises. The amount of ineffectiveness, (taking into account the timing of the expected cash flows, where relevant) provided it is not so great as to disqualify the entire hedge for hedge accounting, is recorded in the income statement. An interest rate Structural Hedging Programme (SHP) is used by AIB which aims to ensure a stable Net Interest Income. The first line of defence makes proposals to ALCo on how this interest rate management strategy should be effected, outlining the expected net interest income impacts. The second line provide an accompanying review and challenge to ALCo. The perceived strength of a borrower's repayment capacity is the primary factor in granting a loan. The Group uses various approaches to help mitigate risks relating to individual credits, including transaction structure, collateral and guarantees. Collateral and/or guarantees are usually required as a secondary source of repayment in the event of a borrower's default. At a portfolio level, credit risk is assessed in relation to the degree of name, sector and geographic concentration. Changes in concentrations are tracked on a regular basis across the Group's loan portfolio. Where potential risk concentrations are identified, the risk capital implications are assessed and, where appropriate, risk mitigation options (e.g. disposals, securitisations, hedging strategies) are considered. Credit policy and credit management standards are controlled and set centrally by the credit risk function. Occasionally, credit derivatives are purchased to hedge credit risk. Current levels are minimal and their use is subject to the normal credit approval process. The Group enters into netting agreements for derivatives with certain counterparties, to ensure, that in the event of default, all amounts outstanding with those counterparties will be settled on a net basis. Derivative transactions with wholesale counterparties are typically collateralised under a Credit Support Annex in conjunction with the International Swaps and Derivatives Association ("ISDA") Master Agreement. The Group also has in place an Interbank Exposure Policy which establishes the maximum exposure for each counterparty bank, depending on credit rating. Each bank is assessed for the appropriate maximum exposure limit in line with the policy. Risk generating business units in each segment are required to have an approved bank or country limit prior to granting any credit facility, or approving any credit obligation or commitment which has the potential to create interbank or country exposure.

5: Table EU OVB - Disclosure on governance arrangements

As per Article 435(2) the following table provides information on the Group's governance arrangements.

Legal basis	Row number	Qualitative information	
Article 435(2) CRR		Governance arrangements.	The Group's governance framework underpins effective decision-making and accountability. It is the basis on which the Group conducts its business and engages with customers and other stakeholders. It ensures that organisational and control arrangements are appropriate for the governance of the Group's strategy and operations and the mitigation of related material risks. This framework encompasses AIB Group plc and its subsidiaries (collectively referred to as "AIB Group" or the "Group"). The Group's corporate governance practices meet the statutory and regulatory obligations that apply to the Group, including various corporate governance codes, regulations and best practice standards and guidelines, Irish company law, the listing rules of the main securities market of the Euronext Dublin and the London Stock Exchange, the UK Corporate Governance Code 2018, and, for the UK business, UK company law. The Group's governance arrangements include a Board of Directors of sufficient size and expertise, the majority of whom are Independent Non-Executive Directors, to oversee the operations of the Group. At 31 December 2023, the Board consisted of the Chair, who was deemed independent on appointment, twelve Independent Non-Executive Directors and two Executive Directors, being the Chief Executive Officer ("CEO") and the Chief Financial Officer. The Group is headed by an effective Board which is collectively responsible for the long term, sustainable success of the Group, generating value for shareholders and contributing to wider society. The Board has delegated the day to day running of the Group to the Chief Executive Officer, who is in turn supported by the Executive Committee, being the most senior management committee of the Group. The Executive Committee has primary responsibility for the day-to-day operations of, and the development of strategy for, the Group. The Board supports, and strives to operate in accordance with, the Group's purpose and values at all times and challenges Management as to whether the purpose, values and strategic direction of the Group align with its desired culture, or if they do not, whether there are options to mitigate negative stakeholder impacts. The Board ensures a clear division of responsibilities between the Chair, who is responsible for the overall leadership of the Board and for ensuring its effectiveness, and the CEO, who manages and leads the business. The governance framework and organisational structure is sufficient to ensure that no one individual has unfettered powers of decision or exercises excessive influence. Key roles and responsibilities are clearly defined, documented and communicated to key stakeholders via the Group's website (www.aib.ie/investorrelations). Whilst arrangements have been made by the Directors for the delegation of the management, organisation and administration of the Group's affairs, certain matters are reserved specifically for decision by the Board. These matters are kept under review to ensure that they remain relevant and are available on the Group's website (www.aib.ie/investorrelations). The Board is assisted in the discharge of its duties by a number of Board and Advisory Committees, whose purpose is to consider, in greater depth than would be practicable at Board meetings, matters for which the Board retains responsibility. The Board has established a Board Risk Committee, Board Audit Committee, Nomination and Corporate Governance Committee and Remuneration Committee comprised of Non-Executive Directors. In addition to the four main Board Committees, the Board has a Sustainable Business Advisory Committee and a Technology and Data Advisory Committee. Each of the advisory committees comprise of Non-Executive Directors and members of senior management from relevant business areas. Each Committee operates under terms of reference approved by the Board. The term management body is frequently used in relevant European Banking Authority guidelines and in AIB Group is understood to be the Board of Directors and the Board Committees.

Point (a) of Article 435(2) CRR	(a)	The number of directorships held by members of the management body.	The number of directorships held by members of the Board as at 31 December 2023 is listed below. Director — Number of Directorships* Andy Maguire — 2 Non-Executive Directorships Anik Chaumartin — 4 Non-Executive Directorships Ann O'Brien — 2 Non-Executive Directorships Basil Geoghegan — 2 Non-Executive Directorships Brendan McDonagh — 3 Non-Executive Directorships Colin Hunt — 1 Executive Directorship Donal Galvin — 1 Executive Directorship Elaine MacLean — 1 Non-Executive Directorship Fergal O'Dwyer — 3 Non-Executive Directorships Helen Normoyle — 2 Non-Executive Directorship and 1 Executive Directorship Jan Sijbrand — 2 Non-Executive Directorships Jim Pettigrew — 2 Non-Executive Directorships Raj Singh — 4 Non-Executive Directorships Sandy Kinney Pritchard — 2 Non-Executive Directorships Tanya Horgan — 1 Non-Executive Directorship *Directorships have been counted under CRD Article 91(3) and (4) and are reflective of any Group company as one directorship, and exclude directorships in non-commercial entities.
Point (b) of Article 435(2) CRR	(b)	Information regarding the recruitment policy for the selection of members of the management body and their actual knowledge, skills and expertise.	The review of the appropriateness of the composition of the Board and Board Committees is a continuous process, and recommendations are made based on merit and objective criteria, having regard to the collective skills, experience, independence and knowledge of the Board along with its diversity requirements. The Board Succession Plan is reviewed by the Nomination and Corporate Governance Committee at each scheduled meeting to allow for proactive and continuous succession planning and, in turn, the timely commencement of Director search processes. The Board Succession Plan details planned Board composition as well as Board Committee membership, the likely tenure of Non-Executive Directors and upcoming actions to be undertaken. The skills included in the Board Skills Matrix were identified taking into account the Group's strategic priorities and relevant regulatory requirements. Each Non-Executive Director was selected for appointment on the basis of their knowledge, skills and experience which enable them to effectively discharge their duties, ensure the effective governance of the Group, and contribute to its long-term, sustainable success. In addressing appointments to the Board, a role profile for the proposed new Directors is prepared by the Group Company Secretary on the basis of the criteria laid down by the Nomination and Corporate Governance Committee, taking into account the existing skills and expertise of the Board and the anticipated time commitment required. The services of experienced third party professional search firms are retained for Non-Executive Director appointments where required and deemed necessary by the Nomination and Corporate Governance Committee. In all Director selection activity, the Group ensures a formal and rigorous process. Prior to a recommendation for appointment of any given candidate, a comprehensive due diligence process is undertaken, which includes the candidate's self-certification of probity and financial soundness, external checks and enhanced due diligence. The due diligence process enables the Nomination and Corporate Governance Committee to satisfy itself as to the candidate's independence, fitness and probity, and capacity to devote sufficient time to the role. A final recommendation is made to the Board by the Nomination and Corporate Governance Committee. The Relationship Framework specified by the Minister for Finance (the 'Minister'), which governs the relationship between AIB and the Minister, on behalf of the Irish State as shareholder, requires the Group to consult with the Minister before appointing, reappointing or removing the Chair or Chief Executive Officer and in respect of any other proposed Board appointments. A Board-approved Policy is in place for the assessment of the suitability of members of the Board, which outlines the Board appointment process, and is in compliance with applicable joint guidelines issued by the European Securities and Markets Authority and the European Banking Authority.

Point (c) of Article 435(2) CRR	(c)	Information on the diversity policy with regard of the members of the management body.	A formal Board Diversity Policy is in place which sets out the approach to diversity on the Board and is available on the Group's website at www.aib.ie/investorrelations. The Nomination and Corporate Governance Committee (the 'Committee') is responsible for developing measurable objectives to effect the implementation of this Policy and for monitoring progress towards achievement of the objectives. The Policy and performance relative to the target is reviewed annually by the Committee, in conjunction with Board succession and skills planning, and any proposed changes to the Policy are presented to the Board for approval. The Boards target, as set out in its Diversity Policy, is that it shall maintain at least 40% female representation and at least one Board member shall be from a minority ethnic group. As at 31 December 2023, the percentage of females on the Board stood at 40% and one Director was a member of an ethnic minority group, thereby meeting its Board Diversity Policy targets as well as regulatory requirements on gender diversity and best practice guidelines on ethnicity. Additionally, in compliance with the UK Listing rule requirement, at least one senior Board position, was held by a female. The Board recognises that diversity in its widest sense is important, is inclusive of all individuals and is focused on ensuring a truly diverse board. The Board embraces the benefits of diversity among its members and through its succession planning is committed to achieving the most appropriate blend and balance of diversity possible over time. In terms of implementation of the Board Diversity Policy, the Committee reviews and assesses the Group Board composition and has responsibility for leading the process for identifying and nominating, for approval by the Board, candidates for appointment as Directors. In reviewing the Board composition, balance and appointments, the Committee considers candidates on merit against objective criteria and with due regard for the benefits of diversity, in order to maintain an appropriate range and balance of skills, experience and background on the Board and in consideration of the Group's future strategic plans. Where external search firms are engaged to assist in a candidate search, they are requested to aim for a fair representation of both genders to be included in the initial list of potential candidates so the Committee have a balanced list from which to select candidates for interview. All Board succession planning processes were conducted in line with the Policy.
Point (d) of Article 435(2) CRR	(d)	Information whether or not the institution has set up a separate risk committee and the frequency of the meetings.	As at 31 December 2023, the Board Risk Committee (the 'Committee') comprised seven Non-Executive Directors all considered by the Board to be independent. The Board has determined that the Committee members have the collective skills and relevant experience to enable the Committee to discharge its responsibilities. The Committee met on eleven occasions during 2023.
Point (e) Article 435(2) CRR	(e)	Description on the information flow on risk to the management body.	Risk reporting processes are in place for each of the material risks under the relevant risk frameworks and policies. This enables management, governance committees and other stakeholders to oversee the effectiveness of the risk management processes, adherence to risk Policies and to regulatory requirements. Each of the material risks has a specific approach to how the risk is measured. The Group Risk Appetite Statement and the separate risk appetite statements for the licensed subsidiaries contain metrics which are measured on a monthly basis against the limits set. These are reported to Group Risk Committee and Board Risk Committee through the CRO report. The Group has appointed an independent CRO with unrestricted access to the Chair of the BRC. The CRO provides extensive reporting on the risks to the Group through the CRO report at each scheduled meeting of the BRC, and the CRO report provides extensive detail and assurance on each of the material risks including details of mitigants/controls and management actions in place to address areas of concern. It also presents the Group's risk profile against its risk appetite, which represents the Board's defined position on the amount of risk it is willing for the Group to take in pursuit of its strategic objectives.

Chapter 3. Disclosure of the scope of application

6: Template EU LI1 - Differences between the accounting scope and the scope of prudential consolidation and mapping of financial statement categories with regulatory risk categories

As per Article 436 point (c) the following template shows both the Group's consolidated balance sheet as at 31 December 2023 on an accounting consolidated basis and the Group's consolidated balance sheet under the regulatory scope of consolidation. The difference between the accounting scope of consolidation and the regulatory scope of consolidation is outlined in template EU LI3.
Movements in the consolidated balance sheet are outlined in AIB's Annual Financial Report. Trading derivative financial instruments are the only exposures that are treated under both counterparty credit risk and market risk frameworks subject to capital requirements.

		a	b	c	d	e	f	g
				Carrying values of items				
		Carrying values as reported in published financial statements	Carrying values under scope of prudential consolidation	Subject to the credit risk framework	Subject to the CCR framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to own funds requirements or subject to deduction from own funds
	Breakdown by asset classes according to the balance sheet in the published financial statements							
1	Cash and balances at central banks	38,018	38,018	38,018	—	—	—	—
2	Trading portfolio financial assets	93	93	—	—	—	93	—
3	Derivative financial instruments	2,377	2,377	—	2,377	—	454	—
4	Loans and advances to banks	1,329	1,328	626	702	—	—	—
5	Loans and advances to customers	65,491	65,491	65,479	12	—	—	—
6	Securities financing	6,466	6,466	—	6,466	—	—	—
7	Investment securities	17,353	17,353	14,958	—	2,395	—	—
8	Investments accounted for using the equity method	310	310	310	—	—	—	—
9	Intangible assets and goodwill	925	831	296	—	—	—	535
10	Property, plant and equipment	558	555	555	—	—	—	—
11	Other assets	260	241	241	—	—	—	—
12	Current taxation	17	18	18	—	—	—	—
13	Deferred tax assets	2,581	2,581	379	—	—	—	2,202
14	Prepayments and accrued income	540	539	539	—	—	—	—
15	Retirement benefit assets	31	31	—	—	—	—	31
16	Investments in Group undertakings	—	102	102	—	—	—	—
17	**Total assets**	**136,349**	**136,334**	**121,521**	**9,557**	**2,395**	**547**	**2,768**
	Breakdown by liability classes according to the balance sheet in the published financial statements							
1	Deposits by central banks and banks	1,780	1,780	—	746	—	—	1,034
2	Customer accounts	104,782	104,801	—	93	—	—	104,708
3	Securities financing	575	575	—	575	—	—	—
4	Trading portfolio financial liabilities	139	139	—	—	—	139	—
5	Derivative financial instruments	1,902	1,902	—	1,902	—	447	—
6	Debt securities in issue	8,423	8,423	—	—	—	—	8,423
7	Lease liabilities	282	281	—	—	—	—	281
8	Current taxation	1	—	—	—	—	—	—
9	Deferred tax liabilities	23	21	—	—	—	—	21
10	Retirement benefit liabilities	14	14	—	—	—	—	14
11	Other liabilities	1,082	1,062	—	—	—	—	1,062
12	Accruals and deferred income	607	589	—	—	—	—	589
13	Provisions for liabilities and commitments	197	197	—	—	—	—	197
14	Subordinated liabilities and other capital instruments	1,473	1,473	—	—	—	—	1,473
15	**Total liabilities**	**121,280**	**121,257**	**—**	**3,316**	**—**	**586**	**117,802**
	Equity							
16	Share capital	1,637	1,637	—	—	—	—	1,637
17	Reserves	12,323	12,331	—	—	—	—	12,331
18	Other equity interests	1,115	1,115	—	—	—	—	1,115
19	Non-controlling interests	(6)	(6)	—	—	—	—	(6)
20	**Total equity**	**15,069**	**15,077**	**—**	**—**	**—**	**—**	**15,077**
21	**Total liabilities and equity**	**136,349**	**136,334**	**—**	**3,316**	**—**	**586**	**132,879**

7: Template EU LI2 - Main sources of differences between regulatory exposure amounts and carrying values in financial statements

As per Article 436 point (d) the following template below provides information on the main sources of differences between the financial statements' carrying value amounts and the exposure amounts used for regulatory framework purposes. There are fundamental technical differences in the basis of calculation between financial statement information based on International Financial Reporting Standards (IFRS) accounting standards and regulatory information based on CRR. This is most relevant for credit risk disclosures.

There are two different types of templates included in this document, those compiled based on accounting standards (sourced from the Group's Annual Financial Report 2023) and those compiled using CRR methodologies. The specific methodology used is indicated where applicable.

		a	b	c	d	e
		Total	Items subject to			
			Credit risk framework	Securitisation framework	CCR framework	Market risk framework
1	**Assets carrying value amount under the scope of regulatory consolidation (as per template EU LI1)**	**133,566**	**121,521**	**2,395**	**9,557**	**547**
2	**Liabilities carrying value amount under the regulatory scope of consolidation (as per template EU LI1)**	**(3,455)**	**—**	**—**	**(3,316)**	**(586)**
3	**Total net amount under the regulatory scope of consolidation**	**130,111**	**121,521**	**2,395**	**6,241**	**(39)**
4	**Off-balance-sheet amounts**	**16,952**	**16,952**	**—**	**—**	
5	*Differences in valuations*	—	—	—	—	
6	*Differences due to different netting rules, other than those already included in row 2*	2,254	—	—	2,254	
7	*Differences due to consideration of provisions*	481	481	—	—	
8	*Differences due to the use of credit risk mitigation techniques (CRMs)*	9,507	—	—	9,507	
9	*Differences due to credit conversion factors*	(11,233)	(11,233)	—	—	
10	*Differences due to Securitisation with risk transfer*	—	—	—	—	
11	*Other differences* [1]	324	324	—	—	
12	**Exposure amounts considered for regulatory purposes**	**148,396**	**128,045**	**2,395**	**18,002**	**(39)**

(1) Other differences include IFRS 9 Transitional adjustment and 3 months projected interest included in Advanced IRB Mortgage Model.

8: Template EU LI3 - Outline of the differences in the scopes of consolidation (entity by entity)

As per Article 436 point (b) the following template provides information on entities which are treated differently under the accounting and regulatory scope of consolidation. In October 2019, Allied Irish Banks, p.l.c. acquired a majority stake in Semeral Limited a holding company for Payzone Ireland. The exposure to holdings in non-financial sector entities are subject to RWEA treatment.

a	b	c	d	e	f	g	h
Name of the entity	Method of accounting consolidation	Method of prudential consolidation					Description of the entity
		Full consolidation	Proportional consolidation	Equity method	Neither consolidated nor deducted	Deducted	
Semeral Limited	*Full consolidation*				X		*Investment holding company*
Payzone Ireland Limited	*Full consolidation*				X		*Technology/payments platform*

9: Table EU LIA - Explanations of differences between accounting and regulatory exposure amounts

As per Article 436, points (b) and (d) the table below provides information on the differences between accounting and regulatory exposure amounts.

Legal basis	Row number	Qualitative information	
Article 436(b) CRR	(a)	Differences between columns (a) and (b) in template EU LI1	The difference between accounting and regulatory exposure amounts is due to entities which are treated differently under the accounting and regulatory scope of consolidation. Semeral Limited a holding company for Payzone Ireland is fully consolidated for accounting purposes. For regulatory purposes the exposure is subject to RWEA treatment as a holding in a non-financial sector entity.
Article 436(d) CRR	(b)	Qualitative information on the main sources of differences between the accounting and regulatory scope of consolidation shown in template EU LI2	The main sources of differences between the accounting and regulatory scope of consolidation shown in template EU LI2 are off balance sheet amounts, mainly netting, consideration of provisions, use of credit risk mitigation techniques, credit conversion factors and IFRS9 transitional adjustment.

10: Table EU LIB - Other qualitative information on the scope of application

As per Article 436, points (f), (g) and (h) the table below provides information on the scope of application.

Legal basis	Row number	Qualitative information	
Article 436(f) CRR	(a)	Impediment to the prompt transfer of own funds or to the repayment of liabilities within the group	Allied Irish Banks, p.l.c. is the parent company of a number of licensed subsidiary banks which are subject to individual capital adequacy requirements. Each of the licensed subsidiaries are subject to minimum capital requirements imposed by their individual regulators. In order to maintain capital and/or liquidity ratios at or above the levels set down by their regulators, the licensed subsidiaries are unable to remit capital to the parent when to do so would result in such ratios being breached.
Article 436(g) CRR	(b)	Subsidiaries not included in the consolidation with own funds less than required	Not applicable, AIB has no subsidiaries not included in consolidation with own funds less than required.
Article 436(h) CRR	(c)	Use of derogation referred to in Article 7 CRR or individual consolidation method laid down in Article 9 CRR	AIB does not apply the derogation referred to in Article 7 The Central Bank of Ireland has adopted the national discretion under Article 9 of CRR concerning the ability of institutions to include certain subsidiaries in their individual regulatory returns. This treatment, termed 'solo consolidation', in effect, treats such subsidiaries as if they were branches of the parent rather than separate entities in their own right. There are certain criteria that must be met before the Central Bank will approve the inclusion of non-authorised subsidiaries in the 'solo consolidation'. Allied Irish Banks, p.l.c. has approval to prepare regulatory returns on a solo consolidation basis.
Article 436(g) CRR	(d)	Aggregate amount by which the actual own funds are less than required in all subsidiaries that are not included in the consolidation	Not applicable, AIB has no subsidiaries not included in consolidation with own funds less than required.

11: Template EU PV1 - Prudent valuation adjustments (PVA)

As per Article 436 point (e) the template below provides a granular breakdown of the Prudent Valuation Adjustment.

Prudential Valuations (PV) require banks to consider an additional valuation adjustment on top of their reported fair values, for prudential purposes. PVA captures valuation uncertainty. AIB use the Core approach for PVA measurement. PVA is a Common Equity Tier 1 capital deduction. CRR Articles 34 & 105 define regulatory principles that are applied to all fair valued assets and liabilities in order to determine a prudent valuation. The Prudent Valuation Adjustment (PVA) is the difference between the financial statement fair valuation and the prudent valuation.

Decrease in AVA between December 2022 and December 2023 is mainly due to the maturity of an illiquid derivative.

		a	b	c	d	e	EU e1	EU e2	f	g	h
		Risk category					Category level AVA - Valuation uncertainty				
	Category level AVA	Equity	Interest Rates	Foreign exchange	Credit	Commodities	Unearned credit spreads AVA	Investment and funding costs AVA	**Total category level post-diversification**	Of which: **Total core approach** in the trading book	Of which: **Total core approach** in the banking book
1	Market price uncertainty	0	9	—	25	—	9	2	23	5	17
2	Not applicable										
3	Close-out cost	—	9	—	—	—	—	—	9	—	9
4	Concentrated positions	0	—	—	2	—			2	—	2
5	Early termination	—	—	—	—	—			—	—	—
6	Model risk	—	—	—	—	—	—	—	—	—	—
7	Operational risk	0	2	—	3	—			5	1	4
8	Not applicable										
9	Not applicable										
10	Future administrative costs	—	—	—	—	—			—	—	—
11	Not applicable										
12	**Total Additional Valuation Adjustments (AVAs)**								**38**	**6**	**32**

Chapter 4. Disclosure of own funds

12: Template EU CC1 - Composition of regulatory own funds

As per Article 437, points (a), (d), (e) and (f) the following template provides a breakdown of the constituent elements of AIB's transitional own funds. Regulatory adjustments comprise deductions from own funds and prudential filters. It includes a cross-reference to the corresponding rows in template EU CC2 to facilitate full reconciliation of accounting and regulatory own funds.

Main movements between June to December 2023 for CET1 increase are as follows:
- A lower deferred tax asset (DTA) deduction. Capital includes H2 profits materially offset by proposed dividend and share buyback.

Main movements between June to December 2023 for total risk exposures amounts (increased by € 0.9 bn) as detailed below:
- Operational risk increased by € 1.5 bn due to higher 3-year average income.
- RWEAs of € 0.3 bn have been recognised as an Article 3 adjustment due to the remaining Ulster Bank tracker (and linked) mortgage portfolio to transfer - a decrease of € 1.6 bn from June 2023 (€ 1.9 bn).
- Credit risk (excluding CCR and article 3 adjustment) increased by € 1.1 bn mainly due to increases in respect of the Ulster Bank tracker (and linked) mortgage portfolio migration.
- Counterparty credit risk decreased by € 0.1 bn reflecting a reduction in derivatives and in securities financing transactions.
- Market and securitisations risk remained relatively static.

All restrictions are applied to the calculation of own funds in accordance with CRR:
- The Group applies an Article 3 deduction of € 77 m at 31 December 2023, which is predominately driven by the application of calendar provisioning to legacy non-performing exposures. Calendar provisioning is a Supervisory Review and Evaluation Process ("SREP") recommendation to ensure minimum coverage levels on long term NPE exposures. The difference between the SREP recommended coverage levels and the IFRS 9 ECL coverage is taken as a CET1 deduction.
- The Group has recognised additional RWEAs as an Article 3 adjustment as mentioned above for the remaining Ulster Bank exposures to transfer.

		(a)	(b)
		Amounts	**Source based on reference numbers/ letters of the balance sheet under the regulatory scope of consolidation**
	Common Equity Tier 1 (CET1) capital: instruments and reserves		
1	Capital instruments and the related share premium accounts	1,637	37
	Of which: Ordinary stock	1,637	
2	Retained earnings	13,542	39
3	Accumulated other comprehensive income (and other reserves)	(3,277)	41
EU-3a	Funds for general banking risk	—	
4	Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1	—	
5	Minority interests (amount allowed in consolidated CET1)	—	
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	358	40
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**12,259**	
	Common Equity Tier 1 (CET1) capital: regulatory adjustments		
7	Additional value adjustments (negative amount)	(38)	
8	Intangible assets (net of related tax liability) (negative amount)	(535)	10
9	Not applicable		
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	(2,458)	15
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	287	42
12	Negative amounts resulting from the calculation of expected loss amounts	—	
13	Any increase in equity that results from securitised assets (negative amount)	—	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	—	
15	Defined-benefit pension fund assets (negative amount)	(26)	18
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	(5)	
17	Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	—	
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	—	

19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	—	
20	Not applicable		
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	—	
EU-20b	of which: qualifying holdings outside the financial sector (negative amount)	—	
EU-20c	of which: securitisation positions (negative amount)	—	
EU-20d	of which: free deliveries (negative amount)	—	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	—	
22	Amount exceeding the 17,65% threshold (negative amount)	—	
23	of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	—	
24	Not applicable		
25	of which: deferred tax assets arising from temporary differences	—	
EU-25a	Losses for the current financial year (negative amount)	—	
EU-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	—	
26	Not applicable		
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	—	
27a	Other regulatory adjustments	383	
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**(2,391)**	
29	**Common Equity Tier 1 (CET1) capital**	**9,868**	
	Additional Tier 1 (AT1) capital: instruments		
30	Capital instruments and the related share premium accounts	1,115	44
31	of which: classified as equity under applicable accounting standards	1,115	
32	of which: classified as liabilities under applicable accounting standards	—	
33	Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1	—	
EU-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1	—	
EU-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1	—	
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	—	
35	of which: instruments issued by subsidiaries subject to phase out	—	
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**1,115**	
	Additional Tier 1 (AT1) capital: regulatory adjustments		
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	(3)	
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	—	
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	—	
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	—	
41	Not applicable		
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	—	
42a	Other regulatory adjustments to AT1 capital	—	
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	**(3)**	
44	**Additional Tier 1 (AT1) capital**	**1,113**	

45	**Tier 1 capital (T1 = CET1 + AT1)**	**10,981**	
	Tier 2 (T2) capital: instruments		
46	Capital instruments and the related share premium accounts	1,500	35
47	Amount of qualifying items referred to in Article 484 (5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR	—	
EU-47a	Amount of qualifying items referred to in Article 494a (2) CRR subject to phase out from T2	—	
EU-47b	Amount of qualifying items referred to in Article 494b (2) CRR subject to phase out from T2	—	
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	29	35
49	of which: instruments issued by subsidiaries subject to phase out	(1)	
50	Credit risk adjustments	111	
51	**Tier 2 (T2) capital before regulatory adjustments**	**1,640**	
	Tier 2 (T2) capital: regulatory adjustments		
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	(3)	
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	—	
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	—	
54a	Not applicable		
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	—	
56	Not applicable		
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	—	
EU-56b	Other regulatory adjustments to T2 capital	(66)	
57	**Total regulatory adjustments to Tier 2 (T2) capital**	**(68)**	
58	**Tier 2 (T2) capital**	**1,572**	
59	**Total capital (TC = T1 + T2)**	**12,553**	
60	**Total Risk exposure amount**	**59,643**	
	Capital ratios and requirements including buffers		
61	Common Equity Tier 1 capital	16.55 %	
62	Tier 1 capital	18.41 %	
63	Total capital	21.05 %	
64	Institution CET1 overall capital requirement	11.13 %	
65	of which: capital conservation buffer requirement	2.50 %	
66	of which: countercyclical buffer requirement	1.08 %	
67	of which: systemic risk buffer requirement	— %	
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	1.50 %	
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	1.55 %	
68	**Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount) available after meeting the minimum capital requirements**	**10.30 %**	
	Amounts below the thresholds for deduction (before risk weighting)		
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	88	
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	275	
74	Not applicable		

75	Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	139	
Applicable caps on the inclusion of provisions in Tier 2			
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	—	
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	344	
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	111	
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	147	
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)			
80	Current cap on CET1 instruments subject to phase out arrangements	—	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	—	
82	Current cap on AT1 instruments subject to phase out arrangements	—	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	—	
84	Current cap on T2 instruments subject to phase out arrangements	—	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	—	

13: Template EU CC2 - reconciliation of regulatory own funds to balance sheet in the audited financial statements

As per Article 437 point (a), the following template outlines the differences between the scope of accounting consolidation and the scope of regulatory consolidation, showing the link between AIB's balance sheet in the audited financial statements and the numbers that are used in the composition of own funds disclosure template (EU CC1).

		a	b	c
		Balance sheet as in published financial statements	**Under regulatory scope of consolidation**	**Reference**
		As at period end	**As at period end**	
Assets - Breakdown by asset classes according to the balance sheet in the published financial statements				
1	Cash and balances at central banks	38,018	38,018	
2	Trading portfolio financial assets	93	93	
3	Derivative financial instruments	2,377	2,377	
4	Loans and advances to banks	1,329	1,328	
5	Loans and advances to customers	65,491	65,491	
6	Securities financing	6,466	6,466	
7	Investment securities	17,353	17,353	
8	Investments accounted for using the equity method	310	310	
9	Intangible assets and goodwill	925	831	
10	*Of which are deducted from Own funds*		535	8
11	Property, plant and equipment	558	555	
12	Other assets	260	241	
13	Current taxation	17	18	
14	Deferred tax assets	2,581	2,581	
15	*Of which are deducted from Own funds*		2,458	10
16	Prepayments and accrued income	540	539	
17	Retirement benefit assets	31	31	
18	*Of which are deducted from Own funds*		26	15
19	Investments in Group undertakings	—	102	
20	**Total assets**	**136,349**	**136,334**	
Liabilities - Breakdown by liability classes according to the balance sheet in the published financial statements				
21	Deposits by central banks and banks	1,780	1,780	
22	Customer accounts	104,782	104,801	
23	Securities financing	575	575	
24	Trading portfolio financial liabilities	139	139	
25	Derivative financial instruments	1,902	1,902	
26	Debt securities in issue	8,423	8,423	
27	Lease liabilities	282	281	
28	Current taxation	1	—	
29	Deferred tax liabilities	23	21	
30	Retirement benefit liabilities	14	14	
31	Other liabilities	1,082	1,062	
32	Accruals and deferred income	607	589	
33	Provisions for liabilities and commitments	197	197	
34	Subordinated liabilities and other capital instruments	1,473	1,473	
35	*Of which are allowable for own funds purposes*		1,529	46, 48
36	**Total liabilities**	**121,280**	**121,257**	
Shareholders' Equity				
37	Share capital	1,637	1,637	1
38	Reserves	12,323	12,331	
39	*Of which Retained earnings*		13,542	2
40	*Of which Current year Profit less foreseeable charges*		358	EU-5a
41	*Of which AOCI and other Reserves*		(3,277)	3
42	*Of which Cash flow hedges deducted from own funds*		(287)	11
43	**Total shareholders' equity**	**13,960**	**13,968**	
44	Other equity interest	1,115	1,115	30
45	Non-controlling interests	(6)	(6)	
46	**Total equity**	**15,069**	**15,077**	
47	**Total liabilities and equity**	**136,349**	**136,334**	

14: Table EU CCA - Main features of regulatory own funds instruments and eligible liabilities instruments

As per Article 437 points (b) and (c) the following template outlines the main features of Common Equity Tier 1 instruments, Additional Tier 1 instruments and Tier 2 instruments. No new own funds instruments were issued in 2023.

	Instrument name	Ordinary shares	€500m callable subordinated step-up floating rate notes due October 2017 (maturity extended to 2035 as a result of the SLO)	£368m subordinated notes due June 2019 (maturity extended to 2035 as a result of the SLO)	£500m subordinated callable fixed/ floating rate notes due March 2025 (maturity extended to 2035 as a result of the SLO)	€500m additional tier 1 perpetual contingent temporary write down securities	€500m subordinated tier 2 notes due 2029, callable 2024	€625m additional tier 1 perpetual contingent temporary write down securities	€1,000m subordinated tier 2 notes due 2031, callable 2026
1	Issuer	AIB Group plc	Allied Irish Banks, p.l.c.	Allied Irish Banks, p.l.c.	Allied Irish Banks, p.l.c.	AIB Group plc	AIB Group plc	AIB Group plc	AIB Group plc
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	IE00BF0L3536	XS0232498393	XS0435957682	XS0214107053	XS2056697951	XS2080767010	XS2010031057	XS2230399441
2a	Public or private placement	Public	Public	Public	Public	Public	Public	Public	Public
3	Governing law(s) of the instrument	Irish Law	English Law, with subordination governed by Irish law	English Law, with subordination governed by Irish law	English Law, with subordination governed by Irish law	Irish Law	Irish Law	Irish Law	Irish Law
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A	N/A	N/A	N/A	Yes	Yes	Yes	Yes
Regulatory treatment									
4	Current treatment taking into account, where applicable, transitional CRR rules	Common Equity Tier 1	N/A	Tier 2	Tier 2	Additional Tier 1	Tier 2	Additional Tier 1	Tier 2
5	Post-transitional CRR rules	Common Equity Tier 1	N/A	Tier 2	Tier 2	Additional Tier 1	Tier 2	Additional Tier 1	Tier 2
6	Eligible at solo/ (sub-)consolidated/ solo&(sub-)consolidated	Group and solo	Group and solo	Group and solo	Group and solo	Group and solo (the external issuance is downstreamed to Allied Irish Banks, p.l.c. in similar format)	Group and solo (the external issuance is downstreamed to Allied Irish Banks, p.l.c. in similar format)	Group and solo (the external issuance is downstreamed to Allied Irish Banks, p.l.c. in similar format)	Group and solo (the external issuance is downstreamed to Allied Irish Banks, p.l.c. in similar format)
7	Instrument type (types to be specified by each jurisdiction)	Ordinary shares	Subordinated notes	Subordinated notes	Subordinated notes	Additional Tier 1	Tier 2	Additional Tier 1	Tier 2
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	€1,671 m	NIL	€30 m	€1 m	€496 m (net of transaction costs)	€500 m	€619 m (net of transaction costs)	€1,000 m
9	Nominal amount of instrument	€1,671 m	€25.5 m	£79 m	£1 m	€500 m	€500 m	€625 m	€1,000 m
EU-9a	Issue price	€0.625 each (current issue price)	99.935	100	99.321	Par	99.58	Par	99.952
EU-9b	Redemption price	Non-redeemable	Nominal amount	Nominal amount	Nominal amount	Par	Par	Par	Par
10	Accounting classification	Shareholders' equity	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost	Equity - other equity interest	Liability - amortised cost	Equity - other equity interest	Liability - amortised cost
11	Original date of issuance	Multiple (ordinary shares)	24/10/2005	25/06/2009	10/03/2005	9/10/2019	19/11/2019	23/06/2020	30/09/2020
12	Perpetual or dated	Perpetual	Dated	Dated	Dated	Perpetual	Dated	Perpetual	Dated
13	Original maturity date	No maturity	24/10/2035	25/06/2035	10/03/2035	No maturity	19/11/2029	No maturity	30/05/2031
14	Issuer call subject to prior supervisory approval	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes

15	Optional call date, contingent call dates and redemption amount	N/A	From interest payment date October 2012	N/A	From interest payment date March 2020	9/10/2024	19/11/2024	23/06/2025	30/05/2026
16	Subsequent call dates, if applicable	N/A	Quarterly thereafter	N/A	Quarterly thereafter	9 October 2024 to First Reset Date (9 April 2025) or any Interest Payment Date thereafter	N/A	23 June 2025 to First Reset Date (23 December 2025) or any Interest Payment Date thereafter	N/A
Coupons / dividends									
17	Fixed or floating dividend/ coupon	N/A	N/A	N/A	N/A	Fixed	Fixed	Fixed	Fixed
18	Coupon rate and any related index	N/A	N/A	N/A	N/A	0.0525	0.01875	0.0625	0.02875
19	Existence of a dividend stopper	No	No	No	No	No however payment of coupon on AT1 is fully discretionary	No	No however payment of coupon on AT1 is fully discretionary	No
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Mandatory	Fully discretionary	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Mandatory	Fully discretionary	Mandatory
21	Existence of step up or other incentive to redeem	No	No	No	No	No	No	No	No
22	Noncumulative or cumulative	N/A	N/A	N/A	N/A	Non-cumulative	Cumulative	Non-cumulative	Cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
30	Write-down features	No	No	No	No	Yes	No	Yes	No
31	If write-down, write-down trigger(s)	N/A	N/A	N/A	N/A	If the consolidated CET1 ratio of AIB Group plc. at any time falls below 7% (a trigger event), subject to certain conditions, the AT1 instrument will be written down in whole or in part	N/A	If the consolidated CET1 ratio of AIB Group plc. at any time falls below 7% (a trigger event), subject to certain conditions, the AT1 instrument will be written down in whole or in part	N/A
32	If write-down, full or partial	N/A	N/A	N/A	N/A	Fully or partially	N/A	Fully or partially	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A	N/A	Temporary	N/A	Temporary	N/A

34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	To the extent permitted in order to comply with regulatory capital and other requirements, AIB Group plc. may at its sole and full discretion reinstate any previously written down amount.	N/A	To the extent permitted in order to comply with regulatory capital and other requirements, AIB Group plc. may at its sole and full discretion reinstate any previously written down amount.	N/A
34a	Type of subordination (only for eligible liabilities)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
EU-34b	Ranking of the instrument in normal insolvency proceedings	1	2(b)	2(b)	2(b)	2(a)	2(b)	2(a)	2(b)
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Most junior Instrument type immediately senior: AT1	Subordinated in right of payment to ordinary creditors, including depositors. Instrument type immediately senior: Senior Non Preferred Notes	Subordinated in right of payment to ordinary creditors, including depositors. Instrument type immediately senior: Senior Non Preferred Notes	Subordinated in right of payment to ordinary creditors, including depositors. Instrument type immediately senior: Senior Non Preferred Notes	The securities, which do not carry voting rights, rank pari passu with holders of other tier 1 instruments (excluding ordinary shares). They rank ahead of the holders of ordinary share capital but junior to the claims of Tier 2 investors and Senior Creditors. Instrument type immediately senior: Dated Subordinated Notes	Senior to Tier 1 instruments and junior to Senior Creditors Instrument type immediately senior: Senior Non Preferred Notes	The securities, which do not carry voting rights, rank pari passu with holders of other tier 1 instruments (excluding ordinary shares). They rank ahead of the holders of ordinary share capital but junior to the claims of Tier 2 investors and Senior Creditors. Instrument type immediately senior: Dated Subordinated Notes	Senior to Tier 1 instruments and junior to Senior Creditors Instrument type immediately senior: Senior Non Preferred Notes
36	Non-compliant transitioned features	No	No	No	No	No	No	No	No
37	If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
37a	Link to the full term and conditions of the instrument (signposting)	Please see excel Pillar 3 book for link: 1. AIB HoldCo Prospectus	Please see excel Pillar 3 book for link: SERIES 50 ISIN XS232498393 EMTN 2005	Please see excel Pillar 3 book for link: EMTN.090623.Final Terms (Series 109)	Please see excel Pillar 3 book for link: EMTN.050308.Final Terms (Series 43)	€500m additional tier 1 perpetual contingent temporary write down securities	€500m subordinated tier 2 notes due 2029, callable 2024	€625m additional tier 1 perpetual contingent temporary write down securities	€1,000m subordinated tier 2 notes due 2031, callable 2026

15: Template IFRS 9/Article 468-FL - Comparison of institutions' own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs, and with and without the application of the temporary treatment in accordance with Article 468 of the CRR

As per Article 473a and Article 468, the following template shows key metrics as required by the EBA/GL/2020/12 relating to IFRS 9.

On 1 January 2018, IFRS 9 transitional capital arrangements were implemented by Regulation (EU) 2017/2395. AIB elected to apply the transitional arrangements at both consolidated and individual entity levels and disclosed both transitional and fully loaded CET1 ratios until the end of the transitional period. The transitional benefit was phased out over a 5-year period with 95% applicable for 2018; 85% for 2019; 70% for 2020; 50% for 2021; 25% for 2022 with no transitional benefit from 1 January 2023 onwards.

The Group also applies the transitional arrangements as per Regulation (EU) 2020/873 of the European Parliament and of the Council which allows any increase in new expected credit loss provisions on non-credit impaired loans to be added back to CET1 from 1 January 2020 to 31 December 2024. The transitional benefit is phased out over a 5-year period with 100% applicable for 2020 and 2021; 75% for 2022; 50% for 2023; 25% for 2024; with no transitional benefit from 1 January 2025 onwards.

The transitional arrangements, implemented under a modified static approach, allow for transitional relief on the 'day 1' impact on adoption of IFRS 9 (static element) and for the increase between 'day 1' and the reporting date (modified element), subject to eligibility. For the static element, all credit provisions are eligible for transition, whereas for the modified element, credit impaired are excluded.

Separate calculations are performed for standardised and IRB (both foundation and advanced) portfolios, reflecting the different ways these frameworks take account of credit provisions. Under the standardised approach, increases in credit provisions for both the static and the modified elements are eligible for transition. In addition, under the standardised approach the credit provision amount not deducted from CET1 is risk weighted at 100%. Under the IRB approach, for both the static and modified elements, credit provisions are only eligible for transitional relief to the extent that they exceed regulatory expected losses. However, where the credit provision is higher than regulatory expected loss, the excess is added back to Tier 2 capital.

The Group is not applying the temporary treatment specified in Article 468. Own funds, capital and leverage ratios reflect the full impact of unrealised gains and losses measured at fair value through other comprehensive income.

- The IFRS 9 capital adjustment remained relatively static over the reporting period.

		a	b	c	d	e
		31/12/2023	30/09/2023	30/06/2023	31/03/2023	31/12/2022
Available capital (amounts)						
1	CET1 capital [1]	9,868	9,737	9,663	9,252	9,944
2	CET1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	9,645	9,506	9,430	9,048	9,533
2a	CET1 capital as if the temporary treatment of unrealised gains and losses measured at fair value through OCI (other comprehensive income) in accordance with Article 468 of the CRR had not been applied					
3	Tier 1 capital [1]	10,981	10,850	10,776	10,365	11,057
4	Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	10,758	10,619	10,543	10,161	10,646
4a	Tier 1 capital as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied					
5	Total capital [1]	12,553	12,398	12,323	11,894	12,582
6	Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	12,396	12,291	12,214	11,826	12,305
6a	Total capital as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied					
Risk-weighted assets (amounts)						
7	Total risk-weighted assets [1]	59,643	58,632	58,724	58,020	55,558
8	Total risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	59,463	58,498	58,582	57,903	55,333
Capital ratios						
9	CET1 (as a percentage of risk exposure amount)	16.55 %	16.61 %	16.45 %	15.95%	17.90 %
10	CET1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	16.22 %	16.25 %	16.10 %	15.63%	17.23 %
10a	CET1 (as a percentage of risk exposure amount) as if fair value through OCI the temporary treatment of unrealised gains and losses measured at in accordance with Article 468 of the CRR had not been applied					
11	Tier 1 (as a percentage of risk exposure amount)	18.41 %	18.50 %	18.35 %	17.87%	19.90 %
12	Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	18.09 %	18.15 %	18.00 %	17.55%	19.24 %

12a	Tier 1 (as a percentage of risk exposure amount) as if fair value through OCI the temporary treatment of unrealised gains and losses measured at in accordance with Article 468 of the CRR had not been applied					
13	Total capital (as a percentage of risk exposure amount)	21.05 %	21.15 %	20.99 %	20.50%	22.65 %
14	Total capital (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	20.85 %	21.01 %	20.85 %	20.42%	22.24 %
14a	Total capital (as a percentage of risk exposure amount) as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied					
Leverage ratio						
15	Leverage ratio total exposure measure	140,774	137,533	135,197	132,725	133,971
16	Leverage ratio	7.80 %	7.89 %	7.97 %	7.81%	8.25 %
17	Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	7.66 %	7.74 %	7.81 %	7.67%	7.97 %
17a	Leverage ratio as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied					

[1] Transitional CET1, Tier 1 and total capital and RWEAs are calculated applying the IFRS 9 transitional arrangements of the CRR as amended by CRR II applicable as at the reporting date.

Chapter 5. Disclosure of countercyclical capital buffers

16: Template EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

As per Article 440(a), the following template sets out geographical distribution of credit exposures relevant to the calculation of the countercyclical capital buffer. The template contains an overview of the exposure distribution for all countries. The relevant credit exposures include all the classes of exposure other than those under Article 112, letters from a) to f), of regulation (EU) 575/2013. The following portfolios are excluded: exposures to central administrations or central banks; exposures to regional administrations or local authorities; exposures to public-sector entities; exposures to multilateral development banks; exposures to international organisations; exposures to institutions. The Central Bank of Ireland ("CBI") increased the Irish countercyclical capital buffer from 0.5% to 1% in November 2023. The Bank of England ("BoE") increased the UK countercyclical capital buffer from 1% to 2% in July 2023.

		a	b	c	d	e	f	g	h	i	j	k	l	m
		General credit exposures		Relevant credit exposures – Market risk				Own fund requirements						
		Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA[1]	Value of trading book exposures for internal models	Securitisation exposures Exposure value for non-trading book	Total exposure value	Relevant credit risk exposures – Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total	Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
010	**Breakdown by country:**													
	Ireland : 001	30,408	29,201	464		1,101	61,174	2,731	5	50	2,786	34,825	69.72%	1.00%
	United Kingdom : 002	8,577	1,623	—		—	10,200	680	—	—	680	8,497	17.01%	2.00%
	Algeria : 003	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Andorra : 004	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Argentina : 005	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Australia : 006	13	9	—		—	22	1	—	—	1	16	0.03%	1.00%
	Austria : 007	0	3	—		—	3	0	—	—	0	3	0.01%	—%
	Bahamas : 008	173	—	—		—	173	14	—	—	14	173	0.35%	—%
	Bahrain : 009	0	0	—		—	0	0	—	—	0	0	0.00%	—%
	Bangladesh : 010	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Barbados : 011	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Belgium : 012	1	49	—		—	49	5	—	—	5	61	0.12%	—%
	Bermuda : 013	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Bolivia : 014	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Bosnia and Herzegovina : 015	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Brazil : 016	0	0	—		—	0	0	—	—	0	0	0.00%	—%
	Bulgaria : 017	0	—	—		—	0	0	—	—	0	0	0.00%	2.00%
	Canada : 018	4	93	—		—	98	8	—	—	8	95	0.19%	—%
	Cayman Islands : 019	0	0	—		—	0	0	—	—	0	0	0.00%	—%
	Chile : 020	0	2	—		—	2	0	—	—	0	2	0.00%	—%
	China : 021	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Costa Rica : 022	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Croatia : 023	0	—	—		—	0	0	—	—	0	0	0.00%	1.00%
	Cuba : 024	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Cyprus : 025	0	—	—		—	0	0	—	—	0	0	0.00%	0.50%
	Czech Republic : 026	0	—	—		—	0	0	—	—	0	0	0.00%	2.00%
	Denmark : 027	1	33	—		—	34	3	—	—	3	41	0.08%	2.50%
	Egypt : 028	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Estonia : 029	0	—	—		—	0	0	—	—	0	0	0.00%	1.50%
	Finland : 030	6	69	—		—	74	6	—	—	6	73	0.15%	—%
	France : 031	201	676	—		31	908	66	—	—	66	824	1.65%	0.50%
	Gambia : 032	0	0	—		—	0	0	—	—	0	0	0.00%	—%
	Germany : 033	49	395	—		—	444	30	—	—	30	381	0.76%	0.75%
	Gibraltar : 034	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Greece : 035	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Guernsey : 036	32	38	—		—	70	7	—	—	7	88	0.18%	—%
	Guinea : 037	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Holy See (Vatican City State) : 038	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Hong Kong : 039	1	0	—		—	1	0	—	—	0	0	0.00%	1.00%
	Hungary : 040	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	India : 041	0	0	—		—	0	0	—	—	0	0	0.00%	—%
	Isle Of Man : 042	81	150	—		—	230	16	—	—	16	202	0.40%	—%
	Israel : 043	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Italy : 044	35	82	—		—	117	7	—	—	7	92	0.18%	—%
	Jamaica : 045	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Japan : 046	0	1	—		—	1	0	—	—	0	1	0.00%	—%
	Jersey : 047	51	19	—		55	126	7	—	1	7	92	0.18%	—%
	Kenya : 048	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Korea, Republic Of : 049	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Kuwait : 050	0	0	—		—	0	0	—	—	0	0	0.00%	—%
	Latvia : 051	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Lebanon : 052	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Liberia : 053	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Lithuania : 054	0	—	—		—	0	0	—	—	0	0	0.00%	1.00%
	Luxembourg : 055	253	512	—		—	766	60	—	—	60	753	1.51%	0.50%
	Macao : 056	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Malaysia : 057	1	0	—		—	1	0	—	—	0	0	0.00%	—%
	Malta : 058	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Mayotte : 059	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Moldova : 060	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Monaco : 061	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Netherlands : 062	59	456	—		114	630	48	—	9	57	710	1.42%	1.00%
	New Zealand : 063	1	—	—		—	1	0	—	—	0	1	0.00%	—%
	Nicaragua : 064	0	0	—		—	0	0	—	—	0	0	0.00%	—%
	Norway : 065	0	73	—		—	73	6	—	—	6	77	0.15%	2.50%
	Oman : 066	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Pakistan : 067	0	0	—		—	0	0	—	—	0	0	0.00%	—%
	Paraguay : 068	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Peru : 069	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Philippines : 070	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Poland : 071	1	15	—		—	16	2	—	—	2	19	0.04%	—%
	Portugal : 072	0	55	—		—	55	3	—	—	3	38	0.08%	—%
	Puerto Rico : 073	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Qatar : 074	0	—	—		—	0	0	—	—	0	0	0.00%	—%

	Romania : 075	0	—	—		—	0	0	—	—	0	0	0.00%	1.00%
	Russian Federation : 076	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Saudi Arabia : 077	0	0	—		—	0	0	—	—	0	0	0.00%	—%
	Singapore : 078	1	—	—		—	1	0	—	—	0	1	0.00%	—%
	Slovakia : 079	0	—	—		—	0	0	—	—	0	0	0.00%	1.50%
	Slovenia : 080	0	—	—		—	0	0	—	—	0	0	0.00%	0.50%
	South Africa : 081	0	0	—		—	1	0	—	—	0	1	0.00%	—%
	Spain : 082	61	181	—		—	242	16	—	—	16	203	0.41%	—%
	Sweden : 083	0	106	—		—	106	6	—	—	6	77	0.15%	2.00%
	Switzerland : 084	3	74	—		—	77	5	—	—	5	67	0.13%	—%
	Taiwan, Province Of China : 085	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Tanzania : 086	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Thailand : 087	0	0	—		—	0	0	—	—	0	0	0.00%	—%
	Uganda : 088	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	United Arab Emirates : 089	0	1	—		—	1	0	—	—	0	0	0.00%	—%
	United States : 090	168	2,006	—		1,094	3,269	188	—	15	203	2,535	5.07%	—%
	Vietnam : 091	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Virgin Islands, British : 092	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Zambia : 093	0	—	—		—	0	0	—	—	0	0	0.00%	—%
	Zimbabwe : 094	0	—	—		—	0	0	—	—	0	0	0.00%	—%
020	Total	40,185	35,925	464		2,395	78,969	3,916	5	75	3,996	49,949	100.00%	

17: Template EU CCyB2 - Amount of institution-specific countercyclical capital buffer

As per Article 440 point (b), the following template provides the additional countercyclical capital buffer requirement. The Central Bank of Ireland (“CBI”) increased the Irish countercyclical capital buffer from 0.5% to 1% in November 2023. The Bank of England ("BoE") increased the UK countercyclical capital buffer from 1% to 2% in July 2023.

		a
1	Total risk exposure amount[1]	59,643
2	Institution specific countercyclical capital buffer rate	1.08 %
3	Institution specific countercyclical capital buffer requirement	646

[1] This includes all credit risk (including counterparty credit risk and securitisations), operational risk, market risk & CVA.

Chapter 6. Disclosure of the leverage ratio

18: Template EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio

As per Article 451(1) point (b), the following template provides a reconciliation of the total assets in AIB Group financial statements under IFRS and the total leverage exposure. The template includes a breakdown of all adjustments that lead from the total assets as reported in the audited financial statements to the LR exposure measure on a transitional basis.

Main movements between June to December 2023 are as follows:
• Total assets increased € 5.1 bn primarily driven by the acquisition of loans from Ulster Bank and increased balances with Central Banks (growth in deposits and debt securities issued), partially offset by securities financing.
• The movement in off-balance sheet relates to increases in underlying business activity and Ulster Bank loans acquisition.

		a
		Applicable amount
1	Total assets as per published financial statements	136,349
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	(15)
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	—
4	(Adjustment for temporary exemption of exposures to central banks (if applicable))	—
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR)	—
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	—
7	Adjustment for eligible cash pooling transactions	—
8	Adjustment for derivative financial instruments	1,607
9	Adjustment for securities financing transactions (SFTs)	258
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	5,017
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	—
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	—
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	—
12	Other adjustments [1]	(2,441)
13	**Total exposure measure**	**140,774**

[1] Other adjustments mainly relate to asset amounts deducted in determining tier 1 capital both on a transitional and fully loaded basis for example deferred tax asset and intangible assets.

19: Template EU LR2 - LRCom: Leverage ratio common disclosure

As per Article 451(1), points (a) and (b) and Article 451(3) (taking into account, where applicable, point (c) of Article 451(1) and Article 451(2) CRR), the following template provides a detailed breakdown of the components of the LR denominator, as well as information on the actual LR, minimum requirements and buffers. Article 451(2) is not applicable to AIB, as AIB is not a public development credit institution as defined in Article 429a(2). This information is on a transitional basis. AIB does not have any promotional loan exposures.

There was an increase in Tier 1 capital between June to December 2023 mainly due to the following:
• Capital levels increased mainly due to a lower DTA deduction. Capital includes H2 profits materially offset by proposed dividend and share buyback.

The LR decreased over the second half year due to higher exposures partially offset by higher Tier 1 capital.

		CRR leverage ratio exposures	
		a	b
		31/12/2023	30/06/2023
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	127,668	121,367
2	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	—	—
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	—	—
4	Adjustment for securities received under securities financing transactions that are recognised as an asset	—	—
5	(General credit risk adjustments to on-balance sheet items)	—	—
6	(Asset amounts deducted in determining Tier 1 capital)	(2,618)	(2,774)
7	Total on-balance sheet exposures (excluding derivatives and SFTs)	**125,050**	**118,593**
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	3,285	3,427
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	—	—
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	699	680
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	—	—
EU-9b	Exposure determined under Original Exposure Method	—	—
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	—	—
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	—	—
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (original Exposure Method)	—	—
11	Adjusted effective notional amount of written credit derivatives	—	—
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	—	—
13	**Total derivatives exposures**	**3,984**	**4,107**
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	10,253	11,563
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(3,787)	(3,937)
16	Counterparty credit risk exposure for SFT assets	258	120
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	—	—
17	Agent transaction exposures	—	—
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)	—	—
18	**Total securities financing transaction exposures**	**6,724**	**7,747**
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	16,994	16,627
20	(Adjustments for conversion to credit equivalent amounts)	(11,917)	(11,813)
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	(60)	(64)
22	**Off-balance sheet exposures**	**5,017**	**4,750**
Excluded exposures			

EU-22a	(Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	—	—
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a (1) CRR (on and off-balance sheet))	—	—
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)	—	—
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans)	—	—
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))	—	—
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	—	—
EU-22g	(Excluded excess collateral deposited at triparty agents)	—	—
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	—	—
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	—	—
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)	—	—
EU-22k	(Total exempted exposures)	—	—
Capital and total exposure measure			
23	**Tier 1 capital**	10,981	10,776
24	**Total exposure measure**	**140,774**	**135,197**
Leverage ratio			
25	Leverage ratio (%)	7.80 %	7.97 %
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	7.80 %	7.97 %
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	7.80 %	7.97 %
26	Regulatory minimum leverage ratio requirement (%)	3.00 %	3.00 %
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	— %	— %
EU-26b	of which: to be made up of CET1 capital	— %	— %
27	Leverage ratio buffer requirement (%)	— %	— %
EU-27a	Overall leverage ratio requirement (%)	3.00 %	3.00 %
Choice on transitional arrangements and relevant exposures			
EU-27b	Choice on transitional arrangements for the definition of the capital measure	Transitional	Transitional
Disclosure of mean values			
28	Mean value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	7,207	7,382
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	6,466	7,627
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	141,515	134,953
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	141,515	134,953
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	7.76 %	7.98 %
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	7.76 %	7.98 %

20: Template EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

As per Article 451(1) point (b) the following template analyses the calculation of the leverage ratio exposures on a transitional basis.

		a
		CRR leverage ratio exposures
EU-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	**127,668**
EU-2	Trading book exposures	93
EU-3	Banking book exposures, of which:	127,576
EU-4	Covered bonds	4,102
EU-5	Exposures treated as sovereigns	45,454
EU-6	Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns	5
EU-7	Institutions	3,342
EU-8	Secured by mortgages of immovable properties	41,895
EU-9	Retail exposures	4,992
EU-10	Corporates	17,820
EU-11	Exposures in default	1,360
EU-12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	8,605

21: Table EU LRA - Disclosure of LR qualitative information

As per Article 435(1), points (d) and (e) the table below provides qualitative information the management of the risk of excessive leverage and factors that had an impact on the leverage ratio during the period.

Row number	Qualitative information	
(a)	Description of the processes used to manage the risk of excessive leverage	As per Article 451(1)(d) the Group ensures the avoidance of excessive leverage through its capital allocation process as part of the annual financial planning process. The use of capital and risk adjusted return on capital by business area is monitored at the Asset & Liability Committee ("ALCo") at each meeting, and updates are provided by the CFO to the Board on a quarterly basis. In addition to limits for usage of capital, the ALCo monitors an overall Group leverage risk appetite limit.
(b)	Description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers	As per Article 451(1)(e) the transitional leverage ratio decreased to 7.8% at 31 December 2023 from 8.0% at 30 June 2023. Main movements between June to December 2023 are as follows: • Total assets increased € 5.1 bn primarily driven by the acquisition of loans from Ulster Bank and increased balances with Central Banks (growth in deposits and debt securities issued), partially offset by securities financing • The movement in off-balance sheet relates to increases in underlying business activity and Ulster Bank loans acquisition.

Chapter 7. Disclosure of liquidity requirements

22: Table EU LIQA - Liquidity risk management

As per Article 435(1) and Article 451a(4) the table below provides information on the Groups liquidity risk management.

Row number	Qualitative Information	
(a)	Strategies and processes in the management of the liquidity risk, including policies on diversification in the sources and tenor of planned funding,	• Liquidity and Funding risk is identified and assessed by the Groups material risk assessment (“MRA”) process in support of the Internal Liquidity Adequacy Assessment Process ("ILAAP"). The MRA process is a ‘Top-Down’ assessment performed on at least an annual basis and identifies the key material risks to the Group, taking into account its strategic objectives, in addition to internal and external risk information. • The Group Risk Appetite Statement (“RAS”) is an articulation of the nature and extent of risk that the Group is willing to take, accept or tolerate in pursuit of its business objectives and strategy as set by the Board. The Group’s risk profile is measured against its risk appetite and adherence to the Group RAS is reported to the Board on a monthly basis. • The Group RAS consists of series of Level 1 RAS metrics and supporting Level 2 Key Risk Indicators ("KRIs"). Group Level 1 metrics address the key strategic risks to the Group, reflecting business model, size and complexity of the Group and which require oversight by the Board. Group Level 1 metrics are supported by a series of Group Level 2 metrics or Key Risk Indicators (“KRIs”). Level 2 Group KRIs support Level 1 Group RAS metrics by providing additional breakdown of the key strategic risks. The escalation process as stipulated under the RAS policy is commenced in the event of a breach of either the RAS watch trigger or limit for any of the metrics. This ensures Board and Regulator notification within approved timeframes. • The ILAAP is fully integrated and embedded in the strategic, financial and risk management processes of the Group. Embedding of the ILAAP is facilitated through the setting of risk appetite, liquidity and funding planning and the dynamic review thereof in light of key strategic decisions. • The Group has a comprehensive ILAAP Framework for managing the Group’s liquidity risk and complying with the Board’s risk appetite as well as evolving regulatory standards. This is delivered through a combination of policy formation, governance, analysis, stress testing and limit setting and monitoring, and is part of the wider Risk Management Framework. The Funding and Liquidity Risk Policy serves as a key policy document within the ILAAP Framework. • The management of Liquidity and Funding Risk ensures that the Group has robust strategies, policies, processes and systems for the identification, measurement, management and monitoring of liquidity risk, ensure that all significant and emerging risks to the Groups liquidity position are identified and appropriately managed as part of the Material Risk Assessment ("MRA") process and maintains sufficient and sustainable financial resources to ensure the Group can meet its commitments as they fall due. • The Funding and Liquidity Risk Policy outlines the Group’s requirement for a diversified funding profile. This is facilitated through a range of funding concentration limits by which the associated concentration risk is identified and managed. Compliance with these limits is assessed on a forward looking basis as part of the Group’s Funding and Liquidity Plan and under a range of adverse scenarios.

(b)	Structure and organisation of the liquidity risk management function (authority, statute, other arrangements).	• The risk management structure in the Group includes defined lines of authority and accountability, effective processes to identify, manage, monitor and report the risks to which the Group is or might be exposed to. Clear responsibilities for the management of risk are defined across the Group through a three lines of defence model which ensures effective independent oversight and assurance in respect of key decisions. • Under the three lines of defence model, the primary responsibility for risk management lies with the business management who are the first line of defence. The Risk function provides the second line of defence, providing independent oversight, support and challenge to business line managers. The third line of defence is the Group Internal Audit function ("GIA") which provides independent assurance to the Board Audit Committee on the effectiveness of the system of internal control. • The Group's Risk Management Framework (RMF) sets out how risk is managed in the Group, it provide the foundations and organisational arrangement for risk management practices, and articulates the integrated approach to risk management within the Group including its licenced subsidiaries. The RMF ensures that all classes of risk are managed in a single consistent and cohesive manner. The Risk Management Framework supports the Group in achieving its strategic ambitions by providing a clear, concise and comprehensive approach to the governance, implementation and embedding of risk management practices. This, in turn, will enable the Group across the Three Lines of Defence ("LOD"), to have a common understanding of the Group's approach to each stage of the Risk Management life cycle (risk identification, assessment, management, measurement, monitoring, escalation and reporting). • The objective of liquidity management is to ensure that, at all times, the Group holds sufficient funds to meet its contracted and contingent commitments to customers and counterparties at an economic price. The ILAAP framework and supporting Funding and Liquidity risk policy set out the key requirements for managing the risk. These include: ◦ Adherence to both internal limits and regulatory defined liquidity ratios including the Liquidity Coverage Ratio ("LCR") and the Net Stable Funding Ratio ("NSFR"). The LCR is designed to promote short term resilience of the Group's liquidity risk profile by ensuring that it has sufficient high quality liquid resources to survive an acute stress scenario lasting for 30 days. The NSFR has a time horizon of one year and has been developed to promote a sustainable maturity structure of assets and liabilities; ◦ Performing a multiyear projection of the Group's funding sources taking into account its baseline scenario, strategy and operational plans as outlined in the Group's Funding and Liquidity Plan. The purpose of this Plan is to set out a comprehensive, forward looking liquidity and funding strategy for the Group including subsidiary companies; ◦ Assessing the funding plan under a range of adverse scenarios, the outcomes of which should ensure sufficient liquidity to implement a sustainable strategy even in a stressed environment; ◦ Maintaining a Contingency Funding Plan that identifies and quantifies actions that are available to the Group in deteriorating liquidity conditions and emerge from a temporary liquidity crisis as a credit worthy institution; ◦ Monitoring a further set of triggers and liquidity options outlined in the Group's Recovery Plan, which presents the actions available to the Group to restore viability in the event of extreme stress; and ◦ Having an approved liquidity cost-benefit allocation mechanism in place to attribute funding costs, benefits and risks to the Group's business lines.
(c)	A description of the degree of centralisation of liquidity management and interaction between the group's units	• The Central Bank of Ireland has granted a derogation to the application of liquidity requirements on an individual basis under Article 8 of the CRR for AIB Mortgage Bank u.c. and EBS d.a.c.. Through a Liquidity Management Agreement the respective Boards of these subsidiaries have appointed Allied Irish Banks p.l.c. as their Liquidity Manager ("LM"). The agreement provides for the free movement of funds between the entities to enable them to meet their individual and joint obligations as they come due. The LM will oversee at all times the consolidated liquidity position of these subsidiaries and the individual liquidity position of each party in order to ensure that the subsidiary has sufficient liquidity. • AIB Group (UK) p.l.c. is a subsidiary regulated by the Prudential Regulation Authority (PRA) and manages liquidity and funding requirements in accordance with UK/EU regulatory requirements and its business objectives.

(d)	Scope and nature of liquidity risk reporting and measurement systems.	• The Group liquidity and funding position is reported regularly to the Finance and Risk functions, Group Asset and Liability Committee ("ALCo"), Group Risk Committee ("GRC") and Board Risk Committee ("BRC"). In addition, the Executive Committee ("ExCo") and the Board are briefed on liquidity and funding on an ongoing basis. • On an annual basis, the Board attests to the Group's liquidity adequacy via the liquidity adequacy statement as part of ILAAP. The Group's ILAAP encompasses all aspects of liquidity and funding management, including planning, analysis, stress testing, control, governance, policy and contingency planning. This document is submitted to the Joint Supervisory Team and forms the basis of their supervisory review and evaluation process. • The information systems used by the Group provides timely and relevant liquidity information that is in line with the nature and complexity of the Group's business. This information monitors compliance with policies, procedures and limits, facilitate monitoring of individual foreign currency exposures and accommodate the performance of appropriate stress testing and scenario analysis.
(e)	Policies for hedging and mitigating the liquidity risk and strategies and processes for monitoring the continuing effectiveness of hedges and mitigants.	• The Funding and Liquidity Risk Policy serves as a key policy document within the ILAAP Framework. The objective of liquidity management is to ensure that at all times the Group holds sufficient funds to meet its contracted and contingent commitments to customers and counterparties at an economic price. • This policy details the roles and responsibilities within the Group with regard to the identification, assessment, management, reporting, control and oversight of liquidity and funding risk. This policy is aligned with the Group Risk Appetite Statement (RAS) and all appropriate qualitative statements and metrics, as outlined within the Group RAS, are reflected either directly within this policy and / or supporting guidelines and procedures.
(f)	An outline of the bank`s contingency funding plans.	• The Group Contingency Funding Plan (CFP) is designed to ensure that the Group can manage its business in deteriorating liquidity conditions and emerge from a temporary liquidity crisis as a creditworthy institution. A key objective of the CFP is to ensure the Group has the capacity to meet all of its liquidity requirements as set out in the RAS in a stressed environment. • The CFP sets out the operational framework under which the liquidity of the Group will be managed in the event of an adverse operating environment as a result of company specific or systemic events. The Plan is designed to: ◦ Enable the Group to maintain its core business in deteriorating liquidity conditions by ensuring that sufficient liquid financial resources are available to meet liabilities as they fall due; ◦ Ensure clarity of management action in a crisis situation by having clearly defined roles and responsibilities, management information, infrastructure, and communication strategy; ◦ Ensure clarity on co-ordination between AIB and the regulatory authorities; ◦ Provide a holistic approach to liquidity management encompassing a broad range of metrics and measurements across the business that will enable a swift response to early warning signs; and ◦ Incorporate the key regulatory guidelines as set out by the European Banking Authority (EBA). • A further set of triggers and liquidity options are set out in the Group's Recovery Plan, which presents the actions available to the Group to restore viability in the event of extreme stress.
(g)	An explanation of how stress testing is used.	• Liquidity stress testing is a key component of the ILAAP framework. The Group undertakes liquidity stress testing that includes both firm specific and systemic risk events and a combination of both as a key liquidity control. • Stressed assumptions are applied to the Group's liquidity buffer and liquidity risk drivers. This estimates the potential impact of a range of stress scenarios on the Group's liquidity position including its available liquid assets. Actions and strategies available to mitigate the impacts of the stress scenarios are evaluated as to their appropriateness. The purpose of these tests is to ensure the continued stability of the Group's liquidity position within the Group's pre-defined liquidity risk tolerance levels. • Liquidity stress test results are reported to the ALCo, Executive Committee and Board. The Group also monitors a suite of Recovery Plan Triggers and Early Warning Indicators in order to identify the potential emergence of a liquidity stress. As part of its contingency and recovery planning, the Group has identified a suite of potential liquidity and funding options which could be exercised to help the Group to restore its liquidity position on the occurrence of a major stress event.

(h)	A declaration approved by the management body on the adequacy of liquidity risk management arrangements of the institution providing assurance that the liquidity risk management systems put in place are adequate with regard to the institution’s profile and strategy.	On an annual basis, the Board attests to the Group’s liquidity adequacy via the liquidity adequacy statement.
(i)	A concise liquidity risk statement approved by the management body succinctly describing the institution’s overall liquidity risk profile associated with the business strategy. This statement shall include key ratios and figures (other than those already covered in the EU LIQ1 template under this ITS) providing external stakeholders with a comprehensive view of the institution’s management of liquidity risk, including how the liquidity risk profile of the institution interacts with the risk tolerance set by the management body. These ratios may include: · Concentration limits on collateral pools and sources of funding (both products and counterparties) · Customised measurement tools or metrics that assess the structure of the bank’s balance sheet or that project cash flows and future liquidity positions, taking into account off-balance sheet risks which are specific to that bank · Liquidity exposures and funding needs at the level of individual legal entities, foreign branches and subsidiaries, taking into account legal, regulatory and operational limitations on the transferability of liquidity · Balance sheet and off-balance sheet items broken down into maturity buckets and the resultant liquidity gaps	• The objective of liquidity management is to ensure that, at all times, the Group holds sufficient funds to meet its contracted and contingent commitments to customers and counterparties at an economic price. Liquidity and Funding risk is identified and assessed using a range of liquidity stress testing scenarios and ensuring adherence to limits based on both internal limits and the regulatory defined liquidity ratios, the Liquidity Coverage Ratio (“LCR”) and the Net Stable Funding Ratio (“NSFR”). • As outlined in part (a), the MRA process identifies the key material risks to the Group which in turn informs the Group's appetite for, and tolerance of risk in the Group RAS process. The Group's risk profile is measured against the risk appetite and adherence to the Group RAS is reported to the Board on a monthly basis. • The qualitative articulation of the Group's tolerance to liquidity and funding risk is for the Group’s funding strategy to deliver a sustainable, diversified and robust customer deposit base at economic pricing and to further enhance and strengthen the wholesale funding franchise with appropriate access to term markets to support core lending activities. The strategy aims to deliver a solid funding structure that complies with internal and regulatory policy requirements and reduces the probability of a liquidity stress, i.e. an inability to meet funding obligations as they fall due. • The quantitative articulation of the Group's tolerance to liquidity and funding risk consists of a series of RAS metrics for the material risks identified as per the Group MRA process. This includes but is not limited to a series of concentration metrics on the Group's sources of funding. This is complemented with a metric that determines the survival period (in months) for which the Group has sufficient liquidity to survive a pre-determined stressed scenario. • The Group manages the liquidity pool on a centralised basis and is primarily comprised of government guaranteed bonds, balances with central banks and internal and external covered bonds. The composition of the liquidity pool is subject to limits recommended by the Risk function and approved by the Board. At 31 December 2023, the Group held € 67,776 m (2022: € 61,077 m) in qualifying liquid assets (“QLA”) of which € 6,903 m (2022: € 7,845 m) was not available due to repurchase, secured loans and other restrictions. The Group's available QLA was € 60,873 m (2022: € 53,232 m).

23: Template EU LIQ1 - Quantitative information of LCR

As per Article 451a(2), the template below sets out the liquidity coverage ratio detail of AIB Group.

Scope of consolidation:	consolidated

		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on (DD/MM/YYYY)	31/12/2023	30/09/2023	30/06/2023	31/03/2023	31/12/2023	30/09/2023	30/06/2023	31/03/2023
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
HIGH-QUALITY LIQUID ASSETS									
1	Total high-quality liquid assets (HQLA)					40,320	41,089	42,301	42,707
CASH - OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	72,358	71,798	70,690	70,117	6,439	6,597	6,623	6,544
3	*Stable deposits*	39,811	39,629	39,052	38,708	1,991	1,981	1,953	1,911
4	*Less stable deposits*	31,027	31,051	30,617	30,336	4,318	4,322	4,267	4,160
5	Unsecured wholesale funding	30,193	30,093	29,377	29,094	13,526	13,570	13,332	13,116
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*	—	—	—	—	—	—	—	—
7	*Non-operational deposits (all counterparties)*	30,193	30,093	29,377	29,094	13,526	13,570	13,332	13,116
8	*Unsecured debt*	—	—	—	—	—	—	—	—
9	*Secured wholesale funding*					56	80	79	106
10	Additional requirements	11,967	11,804	11,503	11,396	1,520	1,455	1,399	1,310
11	*Outflows related to derivative exposures and other collateral requirements*	499	447	429	418	499	447	429	387
12	*Outflows related to loss of funding on debt products*	—	—	—	—	—	—	—	—
13	*Credit and liquidity facilities*	11,467	11,357	11,074	10,978	1,021	1,008	970	923
14	Other contractual funding obligations	805	775	832	549	624	627	704	486
15	Other contingent funding obligations	5,141	4,906	4,707	4,584	520	489	460	444
16	TOTAL CASH OUTFLOWS					22,685	22,818	22,597	22,005
CASH - INFLOWS									
17	Secured lending (e.g. reverse repos)	329	263	187	197	208	180	102	114
18	Inflows from fully performing exposures	780	744	723	719	550	523	501	494
19	Other cash inflows	683	676	662	674	191	189	185	255
EU 19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non convertible currencies)								
EU 19b	(Excess inflows from a related specialised credit institution)								
20	TOTAL CASH INFLOWS	1,792	1,683	1,573	1,590	949	892	789	864
EU 20a	*Fully exempt inflows*								
EU 20b	*Inflows Subject to 90% Cap*								
EU 20c	*Inflows subject to 75% cap*	1,638	1,541	1,475	1,477	949	892	789	864
TOTAL ADJUSTED VALUE									
EU-21	LIQUIDITY BUFFER					40,320	41,089	42,301	42,707
22	TOTAL NET CASH OUTFLOWS					21,736	21,926	21,808	21,141
23	LIQUIDITY COVERAGE RATIO					185.88%	187.68 %	194.59 %	202.32 %

24: Table EU LIQB on qualitative information on LCR, which complements template EU LIQ1

As per Article 451a(2), the below table provides qualitative information on the LCR ratio.

	Qualitative information	
(a)	Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time	The LCR aims to ensure that a bank has an adequate stock of unencumbered High Quality Liquid Assets ("HQLA") to meet its liquidity needs for a 30-calendar day liquidity stress scenario. The LCR remained above the regulatory minimum requirements of 100% and internal risk appetite limits over the review period. The Group maintains a strong liquidity position by keeping a stable balance sheet structure that is supported by a diversified funding base. The LCR remains strong due to sustained levels of customer deposits. Customer deposits increased by € 0.3 bn over the quarter. All amounts are averages of the preceding 12 months for each quarter of the relevant disclosure period.
(b)	Explanations on the changes in the LCR over time	The Group LCR for 31 December 2023 is 199.17%. The average LCR for the 12 months to 31 December 2023 decreased -1.8% to 185.88% for the period under review. The decrease in High Quality Liquid Assets between December and September is due to the TLTRO repayment which occurred in December 2022 that is no longer included in the rolling average amount of December 2023. This was partially offset by MREL Issuance of € 0.75 bn in October 2023.
(c)	Explanations on the actual concentration of funding sources	The composition of the Group's funding results in a low LCR outflow relative to the overall size of the funding base, as a large proportion of this deposit base comes from Retail customers, which in aggregate provide a stable source of funding. Funding concentration by counterparty, currency and tenor is monitored on an ongoing basis and where concentrations do exist, these are managed as part of the planning process and limited by the internal liquidity and funding risk monitoring framework, with analysis regularly provided to senior management.
(d)	High-level description of the composition of the institution`s liquidity buffer.	The buffer is primarily composed of Level 1 assets. Notably, reserves at central banks represents the substantial majority of the buffer at the reporting date. Diversification in the buffer is achieved through investments in Level 1 debt instruments such as government guaranteed bonds, and Level 2 debt instruments such as high quality external covered bonds.
(e)	Derivative exposures and potential collateral calls	The Group actively manages its over-the-counter ("OTC") derivative exposures arising from activity generated by corporate customers while the remainder represent hedging and trading decisions of the Group's derivative and foreign exchange traders with a view to generating incremental income. These derivative financial instruments include interest rate, foreign exchange, equity and credit derivatives. The LCR captures both contractual derivative outflows and the impact of an adverse market scenario on derivative outflows and collateral calls. In addition, derivative outflows are captured in the Group's liquidity stress testing.
(f)	Currency mismatch in the LCR	As part of its funding strategy, the Group makes use of the swap markets to support its funding needs across currencies. Matching its deposit currency mix, the main portion of the Group's liquid assets is denominated in EUR and the local currencies of key operating locations (GBP and USD). The Group's stable funding base of customer deposits is predominantly denominated in the local currency of its key operating locations.
(g)	Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile	For LCR purposes, assets outside the Liquidity function's control can qualify as HQLAs in so far as they match outflows in the same jurisdiction. For the Group, this means that AIB Group (UK) p.l.c. HQLAs (cash held with the Bank of England) can qualify up to the amount of 30 days UK outflows under LCR.

25: Template EU LIQ2 - Net Stable Funding Ratio

As per Article 451a(3) the template below sets out the NSFR ratio detail of AIB Group. The December 2023 NSFR increased by 1.47% to 159.06% from June 2023. Available Stable Funding increased due to retail deposits up € 0.7 bn, wholesale funding up € 1.4 bn of which MREL issuance in October 2023 € 0.75 bn. Required Stable Funding increased due to acquisition of Ulster Bank tracker (and linked) mortgages in July 2023.

AIB Group does not treat any assets or liabilities as being interdependent.

		a	b	c	d	e
	(in currency amount)	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	Capital items and instruments	12,797	—	1,000	1,030	14,327
2	*Own funds*	12,797	—	1,000	1,030	14,327
3	*Other capital instruments*		—	—	—	—
4	Retail deposits		70,727	1,285	1,261	68,098
5	*Stable deposits*		39,968	556	557	39,055
6	*Less stable deposits*		30,759	729	704	29,043
7	Wholesale funding:		33,630	497	7,235	21,273
8	*Operational deposits*		—	—	—	—
9	*Other wholesale funding*		33,630	497	7,235	21,273
10	Interdependent liabilities		—	—	—	—
11	Other liabilities:	192	2,163	—	193	193
12	*NSFR derivative liabilities*	192				
13	*All other liabilities and capital instruments not included in the above categories*		2,163	—	193	193
14	**Total available stable funding (ASF)**					103,891
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					3,507
EU-15a	Assets encumbered for more than 12m in cover pool		2	2	28	27
16	Deposits held at other financial institutions for operational purposes		—	—	—	—
17	Performing loans and securities:		5,335	5,930	64,028	53,627
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		171	71	246	282
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		1,816	1,705	3,282	4,245
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		2,387	2,983	22,754	21,901
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		98	154	825	666
22	*Performing residential mortgages, of which:*		871	1,032	32,817	22,862
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		757	789	30,297	20,538
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		90	139	4,929	4,337
25	Interdependent assets					
26	Other assets:	—	4,330	—	6,581	7,128
27	*Physical traded commodities*				—	—
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*				535	454
29	*NSFR derivative assets*				—	—
30	*NSFR derivative liabilities before deduction of variation margin posted*				1,846	92
31	*All other assets not included in the above categories*		1,949	—	6,581	6,581
32	Off-balance sheet items		10	—	16,978	1,028
33	**Total RSF**					65,316
34	**Net Stable Funding Ratio (%)**					159.06 %

Chapter 8. Disclosure of exposures to credit risk, dilution risk and credit quality

26: Table EU CRA - General qualitative information about credit risk

As per Article 435(1), points (a), (b), (d) and (f) the table below provides a description of AIB risk management objectives and policies for credit risk by providing the following information:

Legal basis	Row number		Qualitative information
Point (f) of Article 435(1) CRR	(a)	In the concise risk statement in accordance with point (f) of Article 435(1) CRR, how the business model translates into the components of the institution's credit risk profile.	One of the Group's main sources of income arises from granting credit. Accordingly, this exposes it to its most significant risk, namely credit risk. The most significant credit risk in AIB Group arises from traditional lending activities to corporate, commercial and personal customers and to sovereigns and banks. Credit risk also arises through the use of derivatives, off-balance sheet guarantees and commitments and through the Group's investment securities. The Group Credit Risk Framework ("GCRF") is an overarching Group-wide credit risk document that sits within the Risk Management Framework ("RMF") of the Group and sets out the principles and governance arrangements for the identification, assessment, measurement, management, monitoring and reporting of credit risk within the Group and defines Credit Risk Culture. This Framework is supported by the Group Credit Risk Policy ("GCRP") and by a suite of individual Credit Risk Management and Sanctioning Credit Policies (by asset and sub-asset class, as required), collectively forming the Credit Risk Policy Architecture. The Group Credit Risk Policy is an overarching Group-wide policy which outlines: the Group's Credit Risk Strategy, the core credit risk activities that must be undertaken to ensure that the Group's credit risk is appropriately and consistently identified, assessed, measured, managed, monitored and reported across the Group. Internal credit ratings One of the objectives of credit risk management is to accurately quantify the level of credit risk to which the Group is exposed through the initial credit approval and ongoing review process. All relevant exposures are assigned to a rating model and within that to an internal risk grade (rating). A grade is assigned on the basis of rating criteria within each rating model from which estimates of probability of default (PD) are derived. Internal credit grades are fundamental in assessing the credit quality of loan exposures, and for assessing capital requirements for portfolios where prior regulatory approval has been received. Internal credit grades are key to management reporting, credit portfolio analysis, credit quality monitoring and in determining the level and nature of management attention applied to exposures. Changes in the objective information are reflected in the credit grade of the borrower/ loan with the resultant grade influencing the management of individual loans. In line with the Group's credit management lifecycle, heightened credit management and special attention is paid to lower quality performing loans or 'criticised' loans and non-performing/defaulted loans which are defined below. Using internal models, the Group utilises a credit grading masterscale that gives it the ability to categorise credit risk across different rating models and portfolios in a consistent manner. Masterscale consolidates complex credit information into a single attribute, aligning the output from the risk models with the Group's Forbearance and Definition of Default and Credit Impairment policies. Masterscale grades are driven by grading model appropriate through the cycle (TTC) PDs combined with other asset quality indicators such as default, forbearance and arrears in order to provide the Group with a mechanism for ranking and comparing credit risk associated with a range of customers. Masterscale categorises loans into a broad range of grades which can be summarised into the following categories: strong/satisfactory grades; criticised grades; and non-performing/default loans. The IFRS 9 PD modelling approach uses a combination of rating grades and scores obtained from these credit risk models along with key factors such as the current/recent arrears status or the current/recent forbearance status and macroeconomic factors to obtain the relevant IFRS 9 12 month and Lifetime PDs (i.e. point in time). Strong/satisfactory Accounts are considered strong/satisfactory if they have no current or recent credit distress and the probability of default is typically less than 6.95%, they are not in arrears and there are no indications that they are unlikely to repay. Strong (typically with PD less than 0.99%): Strong credit with no weakness evident. Satisfactory (typically with PD greater than or equal to 0.99% and less than 6.95%): Satisfactory credit with no weakness evident. Criticised Accounts of lower credit quality and considered as less than satisfactory are referred to as criticised and include the following: Criticised watch: The credit is exhibiting weakness in terms of credit quality and may need additional management attention; the credit may or may not be in arrears. Criticised recovery: Includes forborne cases that are classified as performing including those which have transitioned from non-performing forborne, but still require additional management attention to monitor for re-default and continuing improvement in terms of credit quality.

			Non-performing/Default The Group’s definition of default is aligned with the EBA ‘Guidelines on the application of the definition of default’ under Article 178 of Capital Requirements Regulation and ECB Banking Supervision Guidance to Banks on non-performing loans. The Group has aligned the definitions of ‘non-performing’, ‘classification of default’ and IFRS 9 Stage 3 ‘credit impaired’, with the exception of loans measured at fair value through profit and loss, and those loans which have been derecognised and newly originated in Stage 1 or POCI (purchased or originated credit impaired) which are no longer classified as credit impaired but continue to be classified as non-performing and in default. This alignment ensures consistency with the Group’s internal credit risk management and assessment practices. Loans are identified as non-performing or defaulted by a number of characteristics. The key criteria resulting in a classification of non-performing are: – Where the Group considers a borrower to be unlikely to pay their loans in full without realisation of collateral, regardless of the existence of any past-due amount; or – The borrower is 90 days or more past due on any material loan. Day count starts when any material amount of principal, interest or fee has not been paid by a borrower on the due date. The criteria for the definition of financial distress and forbearance are included in the Group’s Forbearance Policy. Criteria for identification of non-performing exposures and unlikeliness to pay are included in the Group’s Definition of Default and Credit Impairment Policy. Credit risk management consideration of Environmental, Social, and Governance (ESG) risks The Group continues to adapt its credit risk management processes and policies to capture ESG risks. In addition to a number of key initiatives introduced by the Group to date, throughout 2023, further sector specific rules and limitations were incorporated into credit policies within a defined climate-related and environmental risk appetite. The ESG Questionnaire continues to be used in credit applications for borrowers in high risk transition sectors where the new lending is over €/£300k. In 2023, work has continued on the ESG Questionnaire to further enhance and refine it, broadening the scope of coverage at both customer and sector level. In addition, ESG risk commentary is required in all credit applications for customers of Group's Capital Markets segment. The impact of climate risk on the management, escalating and reporting of credit risk was considered by the Group. There is currently no reasonable and supportable information that indicates a material impact of climate change on ECLs and the Group’s approach to individual counterparty risk assessment adequately captures climate risk where appropriate. The impact of climate risk will continue to be monitored in 2024 to ensure ECLs appropriately reflect latent risk from potentially emerging climate risks.
Point (a) and (d) of Article 435(1) CRR	(b)	When discussing their strategies and processes to manage credit risk and the policies for hedging and mitigating that risk in accordance with points (a) and (d) of Article 435(1) CRR, the criteria and approach used for defining the credit risk management policy and for setting credit risk limits.	Credit risk is the risk that the Group will incur losses as a result of a customer or counterparty being unable or unwilling to meet their contractual obligations and associated bank credit exposure in respect of loans or other financial transactions. Based on the annual risk identification and materiality assessment process, credit risk is grouped into the following three sub categories: I. Counterparty risk: The risk of losses arising as a result of the counterparty not meeting their contractual obligations in full and on time and the resulting credit default risk/risk of loss leading to a risk to capital; II. Concentration risk: The risk of excessive credit concentration including to an individual, counterparty, group of connected counterparties, industry sector, a geographic region, country, a type of collateral or a type of credit facility; and III. Country risk: The risk of having exposure to a country, arising from possible changes in the business environment that may adversely affect operating profits or the value of assets related to the country. Credit risk exposure derives from standard on-balance sheet products such as mortgages, loans, overdrafts and credit cards. However, credit risk also arises from other products and activities including, but not limited to: “off-balance sheet” guarantees and commitments; securities financing; investment securities; asset backed securities and partial failure of a trade in a settlement or payment system.

Group Risk Appetite Statement
The Group's Risk Appetite Statement ("RAS") defines the aggregate level and types of risks that the Group is willing to take, accept, or tolerate in pursuit of its business objectives and strategy as set by the Board. As part of the overall framework for risk governance, it forms a boundary condition to strategy and guides the Group in its risk-taking and related business activities. Credit risk appetite is set at Board level and is described, reported and monitored through a suite of qualitative and quantitative metrics. The credit risk metrics cover the three sub risks identified as part of the AIB Group material risk assessment process – counterparty risk, concentration risk and country risk, and include concentration limits on quantum of new lending, balance sheet exposure and credit quality. Risk appetite is stress tested to ensure limits are within the risk-taking capacity of the Group. The Group's risk appetite for credit risk is reviewed and approved at least annually.

Credit risk principles and policy
The Group implements and operates policies to govern the identification, assessment, approval, monitoring and reporting of credit risk. The Group Credit Risk Framework and Group Credit Risk Policy are overarching Board approved documents which set out the principles of how the Group identifies, assesses, approves, monitors and reports credit risk to ensure that robust credit risk management is in place. These documents contain the minimum standards and principles that are applied across the Group to provide a common, robust and consistent approach to the management of credit risk.

The Group Credit Risk Policy is supported by a suite of credit policies, standards and guidelines which define in greater detail the minimum standards and credit risk metrics to be applied for specific products, business lines, and market segments.

Credit Risk, as an independent risk management function, monitors key credit risk metrics and trends, including policy exceptions and breaches, reviews the overall quality of the loan book, challenges variances to planned outcomes and tracks portfolio performance against agreed credit risk indicators. This allows the Group, if required, to take early and proactive mitigating actions for any potential areas of concern.

Credit approval overview
The Group operates credit approval criteria which:
– Include a clear indication of the Group's target market(s), in line with Group and segment risk appetite statements;
– Require a thorough understanding and assessment of the borrower or counterparty, as well as the purpose and structure of credit, and the source of repayment; and
– Enforce compliance with minimum credit assessment and facility structuring standards.

Credit risk approval is undertaken by professionals operating within a defined delegated authority framework. However, for certain selected retail portfolios, scorecards and automated strategies (together referred to as 'score enabled decisions') are deployed to automate and to support credit decisions and credit management (e.g. score enabled auto-renewal of overdrafts).

The Board is the ultimate credit approval authority in the Group. The Board has delegated credit authority to various credit committees and to the Chief Credit Officer (''CCO''). The CCO is permitted to further delegate this credit authority to individuals within the Group on a risk appropriate basis. Credit limits are approved in accordance with the Group's written risk policies and guidelines.

All exposures above certain levels require approval by the Group Credit Committee ("GCC") and/or Board. Other exposures are approved according to a structure of tiered individual authorities which reflect credit competence, proven judgement and experience. Depending on the borrower/ connection, grade or weighted average facility grade and the level of exposure, limits are sanctioned by the relevant credit authority. Material lending proposals are referred to credit units for independent assessment/approval or formulation of a recommendation and subsequent adjudication by the applicable approval authority.

Credit risk organisation and structure
The Group's credit risk management structure operates through a hierarchy of lending authorities. All customer loan requests are subject to a credit assessment process. The role of the Credit Risk function is to provide direction, independent oversight of and challenge to credit risk-taking.

Credit risk mitigation

The perceived strength of a borrower's repayment capacity is the primary factor in granting a loan. However, the Group uses various approaches to help mitigate risks relating to individual credits, including transaction structure, collateral and guarantees. Collateral and/or guarantees are usually required as a secondary source of repayment in the event of a borrower's default. The main types of collateral for loans and advances to customers are described under the section on collateral. Credit policy and credit management standards are controlled and set centrally by the credit risk function.

Occasionally, credit derivatives are purchased to hedge credit risk. Current levels are modest and their use is subject to the normal credit approval process.

The Group enters into netting agreements for derivatives with certain counterparties, to ensure that in the event of default, all amounts outstanding with those counterparties will be settled on a net basis. Depending on the size of the potential exposure derivative transactions with wholesale counterparties are typically collateralised under a Credit Support Annex in conjunction with the International Swaps and Derivatives Association ("ISDA") Master Agreement.

The Group also has in place an Interbank Exposure Policy which establishes the maximum exposure for each counterparty bank, depending on credit grade rating. Each bank is assessed for the appropriate maximum exposure limit in line with the policy. Risk generating business units in each segment are required to have an approved bank and country limit prior to granting any credit facility, or approving any credit obligation or commitment which has the potential to create interbank or country exposure.

Collateral

Credit risk mitigation may include a requirement to obtain collateral as set out in the Group's lending policies. Where collateral and/or guarantees are required, they are usually taken as a secondary source of repayment in the event of a borrower's default. Guarantors typically include corporates, individuals, financial institutions and sovereigns. Their creditworthiness is assessed on an individual case- by-case basis. The Group maintains policies which detail the acceptability of specific classes of collateral.

The principal collateral types for loans and advances are:

- Charges over business assets such as premises, inventory and accounts receivable;
- Charges over other movable collateral assets such as plant & machinery, marine vessels etc;
- Mortgage/legal charge over residential and commercial real estate; and
- Charges over financial instruments such as debt securities and equities.

The nature and level of collateral required depends on a number of factors such as the type of the credit facility, the term of the credit facility and the amount of exposure. Collateral held as security for financial assets, other than for loans and advances, is determined by the nature of the instrument. Debt securities and treasury products are generally unsecured, with the exception of asset backed securities, which are secured by a portfolio of financial assets.

Collateral is not usually held against loans and advances to banks, including central banks, except where securities are held as part of reverse repurchase or securities borrowing transactions or where a collateral agreement has been entered into under a master netting agreement or where the bank purchases covered bonds as part of its liquidity portfolio.

For non-mortgage/non-property lending, where collateral is taken, it will typically include a charge over the business assets such as inventory and accounts receivable. In some cases, a charge over property collateral or a personal guarantee supported by a lien over personal assets may also be taken. Where cash flows arising from the realisation of collateral held are included in the expected credit loss assessments, in many cases management rely on valuations or business appraisals from independent external professionals.

Credit risk mitigation for regulatory capital requirements calculation

For non-retail foundation IRB exposures, supervisory LGDs are used for minimum regulatory capital requirement calculation purposes as is required under the CRR. These LGDs are either applied directly to obligors, or are reduced through the recognition of the risk-mitigating impact of qualifying collateral held. For the Retail mortgage IRB exposures, the LGD model incorporates collateral so there is no separate credit risk mitigation.

For counterparty credit risk, the Group uses eligible financial collateral for derivatives and securities financing transactions.

			Methodologies for valuing immovable property collateral Details on the valuation rule methodologies applied and processes used to assess the value of immovable property assets taken as collateral are described in the Group Property Valuation Policy and Property Valuation Guidance. Both documents are subject to an annual review. As property loans, including residential mortgages, represent a significant concentration within the Group's loans and advances to customer's portfolio, some key principles have been applied in respect of the valuation of property collateral held by the Group. The value of immovable property collateral is assessed at loan origination and at certain stages throughout the credit lifecycle in accordance with the Group Property Valuation Policy e.g. at annual review where required. In accordance with the Group Property Valuation Policy and Property Valuation Guidelines, the Group employs a number of methods to assist in reaching appropriate valuations for property collateral held: a. External valuation firms on the Group's Valuers Panel, are engaged by the Group to undertake valuations of immovable property collateral in accordance with the rules set out in the Group Property Valuation Policy. b. Independent professional internal valuations are completed in limited circumstances (e.g. agricultural land) using a desktop valuation approach by professional qualified internal valuers who are independent of the credit process in the second line of defence. The assets being valued by this means must have an independent professional external valuation completed within the past 3 years. c. Internal valuations are completed by first line of defence Case Managers pursuant to the rules in the Property Valuation Policy and in line with the Property Valuation Guidance, which provides appropriate valuation methodology guidance. These include the following valuation methodologies; i. Index valuation approach – used for residential property; ii. Comparable valuation approach – a basic level of valuation methodology used to value agricultural land or as a sense check for the valuation of residential, commercial or development land; iii. Commercial investment valuation approach – used for the valuation of commercial property using the Groups commercial investment yield matrices; iv. Residual valuation approach – used for the valuation of development land or land with development potential; and v. Profits valuation approach – used for the valuation of trading assets e.g., hotels, licensed premises, convenience stores etc. using the Groups stabilized earnings before interest, taxes, depreciation and amortization (EBITDA) matrices. Methodologies for valuing movable property collateral Details on the valuation rule methodologies applied and processes used to assess the value of movable property assets such as plant and machinery, marine vessels etc. taken as collateral are described in the Group Property Valuation Policy and Movable Property Valuation Guidance & Operational Procedures and are both reviewed annually. The value of movable property collateral is assessed at loan origination and at certain stages throughout the credit life cycle in accordance with the Group Property Valuation Policy e.g. at annual review where required. In accordance with the Group Property Valuation Policy and Movable Property Valuation Guidance & Operational Procedures, the Group employs a number of methods to assist in reaching appropriate valuations for movable property collateral held: a. External Valuation firms are engaged by the Group to undertake valuations of movable collateral and for marine vessel assets the firms must be on the Group's Valuers Panel, and in accordance with the rules set out in the Group Property Valuation Policy. b. Internal valuations are completed by first line of defence Case Managers pursuant to the rules in the Property Valuation Policy and in line with the Movable Property Valuation Guidance & Operational Procedures, which provides appropriate valuation methodology guidance for the different movable collateral types of moveable collateral.

Point (b) of Article 435(1) CRR	(c)	When informing on the structure and organisation of the risk management function in accordance with point (b) of Article 435(1) CRR, the structure and organisation of the credit risk management and control function.	The Group operates a 3LOD model for the management of credit risk. The roles and responsibilities supporting the effective identification, assessment, measurement, management, monitoring and reporting of credit risk across the 3LOD are outlined below. The First Line of Defence business units have primary responsibility for the identification, assessment, measurement, management, monitoring and reporting of credit risk, including oversight of third party service providers. First line of defence responsibilities also include the following: – Demonstrate and embed credit risk culture into the business unit through transparent communication, discussion of all credit risk information and link to underpinned root causes of issues (where applicable). – Identifying, assessing and managing credit risks arising in their respective business units, and ensuring Credit Exposure is assessed and Credit Exposures/Customers/Group of connected Customers are managed, in line with relevant credit policies, credit standards (where applicable) and relevant business and credit guidance and procedures. – Approving Credit Exposure under delegated business RCA discretion or recommending to the RCA for dual approval in line with relevant Credit Approval Authorities documents. This includes the recommendation of all Non-retail credit grades for dual approval. – Ensuring accurate recording of Customer data, and all key credit inputs (including credit grades, Lender identified Unlikely To Pay ("UTP") requirements and Forbearance identifiers), that support appropriate staging and identification of a Significant Increase in Credit Risk ("SICR") for all Credit Exposures. – Reporting business performance, inclusive of credit risk metrics and limits/tolerances, and ensuring that any credit risk breaches (e.g. RAS metric/Key Risk Indicators ("KRIs") breaches) are appropriately identified and escalated and root cause and required action plans determined. – Ensuring appropriate methodologies and practices to allow for the aggregation of credit risk exposures in business lines, portfolios, sub-portfolios, products, industries and geographical segments to support the identification of credit risk concentrations. – Monitoring asset quality and overall credit portfolio performance, including early warning indicators, at a business unit level, and taking appropriate actions to ensure proactive credit risk management. – Monitoring the value of Immovable and movable Property collateral for cases that are subject to Annual/Interim/Out of Course/Grade Reviews. – Maintaining adequate Management Information ("MI") systems to enable effective credit risk monitoring and reporting. – Having adequately designed control standards, operating procedures and first line control testing in place to demonstrate appropriate embedding of credit policies and to mitigate credit risk. – Implementing controls and procedures to monitor compliance with: 1) the requirements of credit policies and ensuring credit policy exceptions, credit standard deviations and breaches are appropriately identified, recorded, and escalated 2) the requirements of the CARA for approving credit risks and 3) the requirements of the automated credit strategies. – Providing adequate training, as required, to enable staff to fulfil their credit risk management duties effectively, including ongoing training and embedding of credit policies, credit standards (where applicable) and supporting relevant business and credit guidance and procedures.

The Second Line of Defence is an independent Risk function, under the direction of the CRO that monitors, controls and supports risk-taking activities across the Group, and provides advice and guidance in relation to risk, including independent oversight and reporting on the Group's risk profile. Third party service providers may also assist with operational and arrears type management in the support of credit management activities. Credit Risk is a key function within Risk, led by the CCO, responsible for the undertaking of these 2LOD responsibilities with regard to the identification, assessment, measurement, management, monitoring and reporting of credit risk. These key responsibilities across the various Credit Risk teams are as follows:

Credit Policy

- Developing and maintaining, on behalf of the CCO, the Credit Risk Policy Architecture in line with the Group's Risk Appetite and regulatory requirements.
- Completing, in conjunction with Compliance, credit policy regulatory gap analyses and, as required, providing guidance to the 1LOD on regulatory requirements underpinning credit policy.
- Ensuring credit policies are supported by appropriate Implementation & Communications Plans ("ICPs") prior to go-live.
- Providing guidance and support to the CCO and CRO, and relevant Credit Risk/Risk governance fora, on credit risk policy matters.
- Providing sign-off, on behalf of the CCO, on new/revised credit products in line with the Group Product and Proposition Risk Policy.
- Providing advice and guidance, as required, to support the implementation of the Credit Risk Policy Architecture. This includes the development of relevant credit policy training materials to support the implementation and embedding of credit policies by the 1LOD.
- Providing a 2LOD review and challenge of 1LOD Related party and Top 30 exposure reporting.

Credit Units

- Ensuring credit decisions incorporate detailed credit assessment and robust 2LOD challenge, where required.
- Approving Credit Exposure under their delegated Credit RCA discretion in line with the relevant Credit Approval Authorities document ("CARA").
- Ensuring independent review and dual approval of all Non-retail credit grades.
- Ensuring credit decisions are consistent with policy rules and credit standards (where applicable) through credit approval under their own delegated credit authority and participation in credit committee fora.
- Embedding credit policies, credit standards (where applicable) and relevant credit guidance and procedures within the relevant Credit Units.
- Providing advice and guidance, as required, to support the implementation of the Credit Risk Policy Architecture, the Credit Approval and Review Authorities document ("CARA") and the automated credit strategies (where relevant).

Credit Risk Portfolio Monitoring ("CRPM")

- Designing and setting credit risk metrics for the Group Risk Appetite Statement, including overarching qualitative statements and quantitative credit risk limits, watch triggers and KRIs.
- Performing oversight of the credit risk portfolio ensuring independent 'top down' portfolio monitoring.
- Reviewing and challenging 1LOD MI and insights in respect of the credit risk portfolio, supported by independent review of data and key credit risk RAS metrics.
- Reviewing, monitoring and reporting on asset quality;
- Reviewing and challenging relevant Credit Risk inputs to the financial plan and Internal Capital Adequacy Assessment Process ("ICAAP").
- Review and challenge of the appropriate methodologies and practices to allow for the aggregation of credit risk exposures to support the identification of credit risk concentrations.
- Reviewing and challenging the automated credit strategies (where relevant).

Credit Risk Expected Credit Loss (ECL) Team:

- Reviewing and challenging the ECL outcomes on at least a bi-annual basis by submitting a 2LOD risk opinion to the ExCo. ECL GCC and to BAC where appropriate.
- Producing the qualitative Credit Risk inputs into the Group's Interim and Annual Financial Report, and Pillar 3 reporting and reviewing and challenging the 1LOD quantitative Credit Risk disclosure inputs.
- Reviewing and challenging the qualitative inputs which are included in the annual subsidiary disclosures. In addition, the ECL team submit semi-annual 2LOD review of subsidiary outcomes to the respective subsidiary boards and provide quarterly updates as part of the subsidiary CRO reporting process in conjunction with CRPM.

Group Valuations Oversight ("GVO") is a centralised 2LOD team in Risk Operations & Delivery, which includes qualified Chartered Surveyors and Royal Institution of Chartered Surveyors ("RICS") Registered Valuers, responsible for the independent oversight of Group Property collateral including but not limited to;

- Providing oversight, governance, and performance management of the ROI and UK Residential and Commercial Property Valuers Panels, including management of the composition of the Group Valuers Panels and monitoring Panel Valuer concentration levels.
- Reviewing and maintaining all Group documentation to support the valuation instruction process of Panel Valuers.
- Performing Internal Independent Desk-top Valuations (for ROI Agri Land) or Revaluations, where appropriate, as part of the credit process.
- Performing 2LOD independent quality assurance including back testing, in line with agreed procedures, on a representative sample basis, of all Internal Property Valuations (in collaboration with Group Credit Review), Internal Independent Desk-top Valuations (for ROI Agri Land) and External Independent Valuations of Immovable Property.
- Providing professional property valuation advice and guidance, as required, to all stakeholders in the Group involved in Immovable Property valuation activity.
- Monitoring the ROI & UK Residential and Commercial Property markets on an ongoing basis and ensuring the outputs of this monitoring are appropriately communicated to all relevant stakeholders.
- Performing Residential and Commercial Property Valuation Portfolios Monitoring and identifying any Residential and Commercial Property collateral, through the portfolio monitoring that requires Revaluation, and engaging with 1LOD on the outputs of this portfolio monitoring.
- Reviewing & maintaining, including governance through GCC as required, the following:
    - the Group Property Valuation Guidelines;
    - the ROI and UK Commercial Property investment yields and the Specialised Asset Investment yields/EBITDA multiples for Commercial Property for collateral monitoring and revaluation purposes;
    - the Residential and Commercial Property Valuation Portfolio Monitoring Guidelines;
    - the ROI CSO and UK Nationwide Residential Property Indices for Residential Property collateral monitoring and revaluation purposes; and
    - Valuation Review Document to support the 1LOD critical review of external valuations.
- Providing oversight, governance, and performance management of the ROI and UK Movable Property Valuer Panels, including management of the composition of the Group Valuers Panels and monitoring Panel Valuer concentration levels.

Second Line Assurance is a key activity within Risk, and the following areas have specific responsibilities for the provision of this independent assurance and operate in line with the Group Assurance Model ("GAM").

Group Credit Review: Group Credit Review reports directly to the CRO with responsibilities in relation to credit risk that include:

- Providing reasonable and independent assurance on the quality of credit decisioning, the management of credit risk and the control environment on a risk prioritised basis.
- Providing constructive, informed challenge to 1LOD and 2LOD business and credit management areas based on the findings of the review work undertaken.
- Reporting outputs on assurance activity to Senior Management and periodically to the GRC, BAC and, when required, to the BRC.
- Reviewing, monitoring and reporting on the credit risk control environment including credit policy exceptions, credit standard deviations (versus agreed limits/tolerances) and credit policy breaches.

Group Risk Assurance (“GRA”): GRA reports to the Group Chief Compliance Officer within Risk, and to the CRO. GRA responsibilities, elements of which may be related to the management of credit risk, include:

- Providing objective assessment, assurance and reporting on adequacy of design and operating effectiveness of the Bank’s risk management activities, internal controls, processes and procedures in place to manage the material risks of the Bank, via a BRC annually approved risk-based assurance plan;
- Providing independent review and objective assurance on the quality and effectiveness of the first line of defence assurance providers.
- Co-ordinating with Group Credit Review to support the provision of assurance activities which avoids duplication of effort in execution of these responsibilities.

Compliance: Compliance reports to the Group Chief Compliance Officer within Risk, and to the CRO. Compliance responsibilities include:

- Provision of Compliance Advisory activities for regulations within scope of the Regulatory Compliance Universe, whilst relying on Specialist Functions in Risk & Finance
- Provision of quarterly Group Horizon outlining emerging regulatory requirements and communication of upstream regulatory requirements.
- Participate in engagement between 1LOD and 2LOD on regulation relevant to credit risk policy and automated credit strategies.
- Review the credit policy regulatory universe and advise on details of any additional ROI, UK & US regulations that may have impact on Frameworks and Policies which need to be considered as part of the regulatory gap analysis.
- Review and challenge the interpretation of credit risk regulation as outlined in reg. gap analysis and confirm satisfaction as to the completeness of the regulatory gap analysis.
- Provide confirmation email, where requested/required ahead of HAA governance or annual review sign off, outlining the review work completed, the oversight process and provision of confirmation of overall satisfaction.

Enterprise Risk and Strategy (“ERS”) is responsible for the management, reporting, control and oversight of model risk, including the validation of credit risk models. The detailed roles and responsibilities for Model Risk are documented in the Group Model Risk Management Policy and the Group IRB Model Risk Policy.

Third Line of Defence ("3LOD")
Group Internal Audit’s (“GIA’s”) primary responsibility is to AIB Group’s (“the Group”) Board of Directors through BAC. GIA helps them to carry out their corporate governance responsibilities by providing an independent view on the key risks facing the Group, and the adequacy and effectiveness of governance, risk management and the internal control environment in managing these risks. GIA provide independent assurance on the management of credit risk and the control environment on a risk prioritised basis over a three-year cycle which can include:

- The assessment by the first line of defence of credit applications,
- The role of the 2LOD in the review and challenge of the credit applications,
- The credit management process through the credit lifecycle in both the first and second line of defence.

All activities undertaken within, and on behalf of the Group, are within the scope of GIA. This includes the activities of subsidiaries and the risk and control functions (including Group Risk and Compliance functions) and first and second lines of defence assurance activities established by the Group. GIA can also execute a right to audit an outsourced third party service provider on a risk assessed basis.

Point (b) of Article 435(1) CRR	(d)	When informing on the authority, status and other arrangements for the risk management function in accordance with point (b) of Article 435(1) CRR, the relationships between credit risk management, risk control, compliance and internal audit functions.	As outlined under section (c).

27: Table EU CRB - Additional disclosure related to the credit quality of assets

As per Article 442, points (a) and (b) the table below provides additional qualitative and quantitative information:

<table>
<tr><th>Legal basis</th><th>Row number</th><th colspan="2">Qualitative information</th></tr>
<tr><td>Article 442 (a) and (b) CRR</td><td>a</td><td>The scope and definitions of ‘past-due’ and ‘impaired’ exposures used for accounting purposes and the differences, if any, between the definitions of past due and default for accounting and regulatory purposes as specified by the EBA Guidelines on the application of the definition of default in accordance with Article 178 CRR.</td><td>The Group's definition of default is aligned with the EBA ‘Guidelines on the application of the definition of default’ under Article 178 of Capital Requirements Regulation and ECB Banking Supervision Guidance to Banks on Non-performing loans.

The Group has aligned the definitions of ‘non-performing’, ‘classification of default’ and IFRS 9 Stage 3 ‘credit impaired’, with the exception of loans measured at fair value through profit or loss, and those loans which have been derecognised and newly originated in Stage 1 or POCI (purchased or originated credit impaired) which are no longer classified as credit impaired but continue to be classified as non-performing and in default. This alignment ensures consistency with the Group’s internal credit risk management and assessment practices.

Loans are identified as non-performing or defaulted by a number of characteristics. The key criteria resulting in a classification of non-performing are:

– Where the Group considers a borrower to be unlikely to pay their loans in full without realisation of collateral, regardless of the existence of any past-due amount; or

– The borrower is 90 days or more past due on any material loan. Day count starts when any material amount of principal, interest or fee has not been paid by a borrower on the due date.

The criteria for the definition of financial distress and forbearance are included in the Group's Forbearance Policy. Criteria for identification and treatment of non-performing exposures and unlikeliness to pay are included in the Group’s Definition of Default and Credit Impairment Policy.

Further details on the Group's non-performing loans are outlined under template 30: EU CR2: Changes in the stock of non-performing loans and advances and related net accumulated recoveries.</td></tr>
<tr><td>Article 442 (a) and (b) CRR</td><td>b</td><td>The extent of past-due exposures (more than 90 days) that are not considered to be impaired and the reasons for this.</td><td>In line with the Group's definition of default which is aligned to the EBA ‘Guidelines on the application of the definition of default’ under Article 178 of Capital Requirements Regulation and ECB Banking Supervision Guidance to Banks on Non-performing loans, all exposures 90 DPD are deemed impaired.</td></tr>
</table>

Article 442 (a) and (b) CRR	c	Description of methods used for determining general and specific credit risk adjustments.	The Group, in estimating its ECL allowance does so in line with the expected credit loss impairment model as set out by the International Financial Reporting Standard 9 Financial Instruments ("the standard"). This model requires a timely recognition of ECL across the Group. The standard does not prescribe specific approaches to be used in estimating ECL allowances, but stresses that the approach must reflect the following: – An unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes; – Underlying models should be point in time and forward looking – recognising economic conditions; – The ECL must reflect the time value of money; – A lifetime ECL is calculated for financial assets in Stages 2 and 3 and Purchased or Originated Credit Impaired ("POCI"); and – The ECL calculation must incorporate 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 standard defines credit loss as the difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate ("EIR") or an approximation thereof (see 'Measurement' section below). ECLs are defined in the standard as the weighted average of credit losses across multiple macroeconomic scenarios, with weights assigned based on the probability of each scenario occurring and are an estimate of credit losses over the life of a financial instrument. The ECL model applies to financial instruments measured at amortised cost or at fair value through other comprehensive income. In addition, the ECL approach applies to lease receivables, loan commitments and financial guarantee contracts that are not measured at fair value through profit or loss. A key principle of the ECL model is to reflect any relative deterioration or improvement in the credit quality of financial instruments occurring (e.g. change in the risk of a default). The ECL amount recognised as a loss allowance or provision depends on the extent of credit deterioration since initial recognition together with the impact on credit risk parameters. Bases of Measurement Under the standard, there are two measurement bases: – 12-month ECL (Stage 1), which applies to all financial instruments from initial recognition as long as there has been no significant increase in credit risk; and – Lifetime ECL (Stages 2 and 3 and POCI), which applies when a significant increase in credit risk has been identified on an account (Stage 2), an account has been identified as being credit-impaired (Stage 3) or when an account meets the POCI criteria. Staging Financial assets are allocated to stages dependent on credit quality relative to when assets were originated. A financial asset, including financial assets acquired by the Group, can only originate in either Stage 1 or POCI.

Credit risk at origination
Credit risk at origination ("CRAO") is a key input into the staging allocation process. The origination date of an account is determined by the date on which the Group became irrevocably committed to the contractual obligation and the account was first graded on an appropriate model.

For undrawn credit facilities, the Group uses the date of origination as the date when it becomes party to the irrevocably contractual arrangements or irrevocable commitment. For overdrafts which have both drawn and undrawn components, the date of origination is the same for both.

The Group uses best available information for facilities which originated prior to a credit risk rating model or scorecard being in place.

For accounts that originated prior to 1 January 2018, a neutral view of the macroeconomic outlook at the time is used, i.e. where macroeconomic variables are used in the Lifetime PD models, long-run averages are used instead of historical forecasts.

Stage 1 characteristics
Obligations are classified Stage 1 at origination or at acquisition by the Group, unless POCI, with a 12 month ECL being recognised. These obligations remain in Stage 1 unless there has been a significant increase in credit risk.

Accounts can also return to Stage 1 if they no longer meet either the Stage 2 or Stage 3 criteria, subject to satisfaction of the appropriate probation periods, in line with regulatory requirements.

Stage 2 characteristics
Obligations where there has been a ‘significant increase in credit risk’ (“SICR”) since initial recognition but do not have objective evidence of credit impairment are classified as Stage 2. For these assets, lifetime ECLs are recognised.

The Group assesses at each reporting date whether a significant increase in credit risk has occurred on its financial obligations since their initial recognition. This assessment is performed on individual obligations rather than at a portfolio level. If the increase is considered significant, the obligation will be allocated to Stage 2 and a lifetime expected credit loss will apply to the obligation. If the change is not considered significant, a 12 month expected credit loss will continue to apply and the obligation will remain in Stage 1.

SICR assessment
The Group’s SICR assessment is determined based on both quantitative and qualitative measures:

Quantitative measure: This measure reflects an arithmetic assessment of the change in credit risk arising from changes in the probability of default. The Group compares each obligation’s annualised average probability weighted residual origination lifetime probability of default (“LTPD”) (see ‘Credit risk at origination’) to its current estimated annualised average probability weighted residual LTPD at the reporting date. If the difference between these two LTPDs meets the quantitative definition of SICR, the Group transfers the financial obligation into Stage 2. Increases in LTPD may be due to credit deterioration of the individual obligation or due to macroeconomic factors or a combination of both. The Group has determined that an account had met the quantitative measure if the average residual LTPD at the reporting date was at least double the average residual LTPD at origination, and the difference between the LTPDs was at least 50bps or 85bps in the case of residential mortgages. The appropriateness of this threshold is kept under review by the Group.

Qualitative measure: This measure reflects the assessment of the change in credit risk based on the Group's credit management and the individual characteristics of the financial asset. This is not model driven and seeks to capture any change in credit quality that may not be already captured by the quantitative criteria. The qualitative assessment reflects pro-active credit management including monitoring of account activity on an individual or portfolio level, knowledge of client behaviour, and cognisance of industry and economic trends.

The criteria for this Qualitative trigger include, for example:

- A downgrade to watch grade of the borrower's/facility's credit grade reflecting the increased credit management focus on these accounts; and/or
- Forbearance has been provided and the account is within the probationary period.
- Lender assessed SICR triggers: For non-retail portfolios, a suite of lender assessed triggers are in place to ensure appropriate and timely identification of increased credit risk, which when occur, trigger a SICR event.

The criteria for this lender assessed trigger include, for example:

- A post distressed restructure payment default occurs where the borrower is neither in default nor forborne;
- A material adverse event has occurred for the borrower which may impact the borrower's ability to repay such as: adverse publicity which raises concerns over the viability of a business; loss of key personnel (CEO/CFO/COO) which raises concerns over the strategy/viability of the business or significant negative macroeconomic events (including but not limited to economic or market volatility, changes in legislation and technological threats to an industry, changes in access to markets) where the financial impact to the borrower is deemed material.

Backstop indicators: The Group has adopted the rebuttable presumption within IFRS 9 that loans greater than 30 days past due represent a significant increase in credit risk.

Where SICR criteria are no longer a trigger, the account can exit Stage 2 and return to Stage 1.

Stage 3 characteristics
Defaulted loans (with the exception of newly originated loans that are in Stage 1 or POCI) are classed as credit impaired and allocated to Stage 3. Where default criteria are no longer met, the borrower exits Stage 3 subject to probation period, in line with regulatory requirements. The key criteria resulting in a classification of default are:

- Where the Group considers a borrower to be unlikely to pay their loans in full without realisation of collateral, regardless of the existence of any past-due amount; or
- The borrower is 90 days or more past due on any material loan (day count starts when any material amount of principal, interest or fee has not been paid by a borrower at the date it was due).

Identification of non-performing exposures and unlikeliness to pay are included in the Group's Definition of Default and Credit Impairment Policy.

Purchased or originated credit impaired (POCI)
POCIs are assets originated credit impaired and have a discount to the contractual value when measured at fair value. The Group uses an appropriate discount rate for measuring ECL in the case of POCIs which is the credit-adjusted effective interest rate. This rate is used to discount the expected cash flows of such assets to fair value on initial recognition.

POCI obligations remain outside of the normal stage allocation process for the lifetime of the obligation. The ECL for POCI obligations is always measured at an amount equal to lifetime expected credit losses. The amount recognised as a loss allowance for these assets is the cumulative change in lifetime expected credit losses since the initial recognition of the assets rather than the total amount of lifetime expected credit losses.

Measurement of expected credit loss
The measurement of ECL is estimated through one of the following approaches:
i) Standard approach: This approach is used for the majority of exposures where each ECL input parameter (Probability of Default - PD, Loss Given Default - LGD, Exposure at Default - EAD, and Prepayments - PP) is developed in line with standard modelling methodology. The Group's IFRS 9 models have been developed and approved in line with the Group's Model Risk Management Framework.

ii) Simplified approach: For portfolios not on the standard approach, the Group has followed a simplified approach. This approach consists of applying portfolio level ECL averages, drawn from similar portfolios, where it is not possible to estimate individual parameters. These generally relate to portfolios where specific IFRS 9 models have not been developed due to immateriality, low volumes or where there are no underlying grading models. As granular PDs are not available for these portfolios, a non-standard approach to staging is required with reliance on the qualitative criteria (along with the 30 days past due back-stop).

iii) Discounted cash-flows ("DCFs"): Assets are grouped together and modelled based on asset classification and sector with the exception of those Stage 3 assets where a DCF is used. DCFs are used as an input to the ECL calculation for Stage 3 credit impaired exposures where gross credit exposure is ≥ € 1 m (Republic of Ireland) or ≥ £ 500,000 (UK). Multiple DCFs are captured where gross credit exposure is ≥ € 5 m (Republic of Ireland) or ≥ £ 5 m (UK) or cases in scope for the Group Leveraged Lending Policy, to reflect the case specific impacts of up and downside scenarios for these higher value exposures.

Collateral valuations and the estimated time to realisation of collateral is a key component of the DCF model. The Group incorporates forward looking information in the assessment of individual borrowers through the credit assessment process. Where a single DCF is utilised this assessment produces a base case ECL. This is then adjusted to incorporate the impact of multiple scenarios on the base ECL, by using a proportional uplift obtained from ECL modelled sensitivities in the same/similar portfolio. Where a range of scenarios are captured through multiple DCF's these are probability weighted to produce the final ECL. An adjustment is made for cases with very low final ECL to ensure a minimum level of ECL is maintained, this is derived through reference to ECL model outputs.

iv) Management judgement: Where the estimate of ECL does not adequately capture all available forward looking information about the range of possible outcomes, or where there is a significant degree of uncertainty, management judgement may be considered appropriate for an adjustment to ECL. The management adjustment must consider all relevant and supportable information, including but not limited to, historical data analysis, predictive modelling and management experience. The methodology to incorporate the adjustment should consider the degree of any relevant over collateralisation (headroom) and should not result in a zero overall ECL unless there is sufficient headroom to support this.

Effective interest rate
The ECL must incorporate the time value of money discounted to the reporting date using the effective interest rate ("EIR") determined at initial recognition or an approximation thereof.

- The Group uses an approximation approach based on the account level interest rate when calculating ECL which is applied to both drawn and undrawn commitments.
- This approach is subject to an annual assessment that all approximations remain appropriate and do not result in a material misstatement of the ECL.
- The Group has tested the appropriateness of using current interest rates as an approximation for the discount rates required for measuring ECLs. This testing determined that using the current interest rates as the discount rates is an appropriate approximation.

Policy elections and simplifications
Low credit risk exemption
The Group utilises practical expedients, as allowed by IFRS 9, for the stage allocation of particular financial instruments which are deemed 'low credit risk'. This practical expedient permits the Group to assume, without more detailed analysis, that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have 'low credit risk' at the reporting date. The Group allocates such assets to Stage 1.

Under IFRS 9, the credit risk on a financial instrument is considered low if:

- the financial instrument has a low risk of default;
- the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic business conditions in the longer term may, (but will not necessarily) reduce the ability of the borrower to fulfil its contractual cash flow obligations.

This low credit risk exemption is applied to particular assets within the debt securities investment portfolio and for loans and advances to banks, specifically, assets which have an internal grade equivalent to an external investment grade rating (BBB-) or higher.

The Group applies a quantitative backstop trigger of tripling of probability of default subject to a minimum threshold movement of 30bps to determine whether assets subject to the low credit risk exemption should be allocated to Stage 2. Additionally, if any of such assets are on a watch list based on agreed criteria, they are allocated to Stage 2.

Short term cash
The Group's IFRS 9 Impairment Policy does not require calculation of an ECL for short term cash at central banks and other banks which have a low risk of default with a very low risk profile. The calculation of the ECL at each reporting date would be immaterial given these exposures' short term nature and their daily management.

Lease receivables and trade receivables
For lease receivables, the Group has elected to use its standard approach for both stage allocation and the ECL calculation and has elected to use an expedient (simplified approach) for trade receivables.

IFRS 9 ECL Credit risk models
The IFRS 9 ECL models provide the risk parameters which are the inputs into the model driven estimate of ECL which used across all Stage 1 and Stage 2 assets plus all non-DCF Stage 3 exposures on the standard approach to ECL.

IFRS 9 Portfolio Delineation
The IFRS 9 models are delineated into retail and non-retail portfolios. The retail IFRS 9 portfolios provide exposure level risk parameter estimates which take into account borrower level characteristics and metrics where appropriate, whilst the non-retail portfolios provide metrics which are either borrower or connection level estimates.

Probability of default
Probability of default (“PD”) is the likelihood that an account or borrower defaults over an observation period, given that they are not currently in default, for each year of the expected contractual lifetime of the exposure. The PD is a point in time estimate which is reflective of the current and expected economic conditions.

In order to capture the appropriate risk dynamics across the lifetime of the exposure the development process considers:

- Macroeconomic effects captured through factors such as unemployment rate and GDP;
- Cross-sectional risk discriminators in particular the internal rating model outputs plus other factors such as forbearance and days past due; and
- Seasoning factors such as product type, delinquency and forbearance status.

Loss given default
Loss given default (“LGD”) is a current assessment of the amount that will not be recovered in the event of default, taking account of future conditions. It can be thought of as the difference between the amount owed to the Group (i.e. the exposure) and the net present value of future cash flows less any relevant costs expected to be incurred in the recovery process. If an account returns to performing from default (excluding any loss making concession) or if the discounted post-default recoveries are equal to or greater than the exposure, the realised loss is zero.

The LGD modelling approach depends on whether the facility has underlying security and, if so, the nature of that security. The following sets out the general approaches to the portfolios:

– Retail portfolios

For unsecured loans, a cash flow curve, which estimates the cumulative cash received following default until the loan is written-off or returns to performing, is used to estimate the future recovery amount. This is discounted at the effective interest rate and compared to the current outstanding balance. Any shortfall between the recovery amount and the outstanding balance is the LGD used to estimate ECL. Where appropriate, this may then be adjusted to reflect economic conditions.

For secured loans the following may be considered:

- The value of underlying collateral is estimated at the forecasted time of disposal (taking into account forecasted market price growth/falls and haircuts on market values that are expected at the date of sale plus associated costs) in order to calculate the future recovery amount;
- The potential for the exposure to be deleveraged through a portfolio sale taking into account the costs associated with same; and
- Paths for returning to the performing portfolios such as forbearance and self-cure.

– Non-retail portfolios

For unsecured loans, characteristics such as borrower sector and nature of collateral linked to affiliated accounts under the same customer group are used to determine future losses based on historical experience of discounted recoveries.
For secured loans, the value of the underlying property collateral is estimated at the reporting date. This is used to estimate the ECL based on historical experience of discounted recoveries.

Exposure at default
Exposure at default (“EAD”) is defined as the exposure amount that will be owed by a customer at the time of default. This will comprise changes in the exposure amount between the reporting date and the date that the customer defaults. This may be due to repayments, interest and fees charged and additional drawdowns by the customer.

			Prepayments For term credit products, prepayment occurs where a customer fully prepays an account prior to the end of its contractual term. For revolving credit products, 'prepayment' is defined as the cessation of use and withdrawal of the facility provided that the account was not in default prior to closure. Prepayment is used in the lifetime ECL calculation for Stage 2 loans to account for the proportion of the facilities/customers that prepay each year. Determining the period over which to measure ECL Both the origination date and the expected maturity of a facility must be determined for ECL purposes. The origination date is used to measure credit risk at origination. The expected maturity is used for assets in Stage 2, where the ECL must be estimated over the remaining life of the facility. The expected maturity approach is: – Term credit products: the contractual maturity date, with exposure and survival probability adjusted to reflect behaviour i.e. amortisation and prepayment; – Revolving credit products: the period may extend beyond the contractual period over which the Group is exposed to credit risk, e.g. overdrafts and credit cards. The Group's approach is to use a modelled behavioural life estimate for these obligations for ECL calculation purposes. Forward looking indicators in the models For ECL calculations reliant on models in the standard and simplified approaches, forward looking indicators are incorporated into the models through the use of macroeconomic variables. These have been identified statistically as the key macroeconomic variables that drive the parameter being assessed (e.g. PD or LGD). The final model structure incorporates these as inputs with the 12 month and lifetime calculations utilising the macroeconomic forecasts for each scenario. In circumstances where there is a risk that the modelled output fails to capture the appropriate response to changes in the macroeconomic environment such as inflation and interest rate changes, these risks are captured through the use of post model adjustments.
Article 442 (a) and (b) CRR	d	The institution's own definition of a restructured exposure used for the implementation of point (d) of Article 178(3) CRR specified by the EBA Guidelines on default in accordance with Article 178 CRR when different from the definition of forborne exposure defined in Annex V to Commission Implementing Regulation (EU) 680/2014.	The definition of restructured exposures is aligned to the definition of forborne exposures.

28: Template EU CR1 - Performing and non-performing exposures and related provisions

As per Article 442, points (c) and (e) the template below presents gross carrying amount (including accrued interest) of performing and non-performing exposures and the related accumulated impairment, provisions, accumulated change in fair value due to credit risk, accumulated partial write-off, and collateral and financial guarantees received, according to the scope of regulatory consolidation.

The main movements between June to December 2023 are as follows:

- 'Cash balances at central banks and other demand deposits' has increased by € 2.0 bn this is primarily driven by an increase in customer accounts and deposits by banks.
- Loans and advances performing exposures has increased by € 2.7 bn. This is primarily driven by the acquisition of loans from Ulster Bank and new lending exceeding redemptions, partially offset by securities financing.
- The increase in off-balance sheet is largely due to underlying business activity, including the acquisition from Ulster Bank.

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3			
005	Cash balances at central banks and other demand deposits	37,770	37,766	4	—	—	—	—	—	—	—	—	—	—	—	—
010	Loans and advances[1]	72,714	64,909	7,695	1,985	—	1,928	(890)	(255)	(635)	(631)	—	(634)	(187)	53,038	1,158
020	*Central banks*	260	260	—	—	—	—	—	—	—	—	—	—	—	—	—
030	*General governments*	80	80	—	—	—	—	—	—	—	—	—	—	—	—	—
040	*Credit institutions*	5,937	5,937	—	—	—	—	(1)	(1)	—	—	—	—	—	5,194	—
050	*Other financial corporations*	2,439	2,206	233	27	—	27	(33)	(8)	(25)	(26)	—	(26)	—	1,605	1
060	*Non-financial corporations*	24,914	20,375	4,496	1,014	—	1,002	(676)	(196)	(480)	(305)	—	(309)	(41)	11,423	577
070	*Of which SMEs*	9,375	6,521	2,854	797	—	785	(373)	(100)	(272)	(228)	—	(231)	(26)	5,519	466
080	*Households*	39,084	36,051	2,966	945	—	900	(180)	(50)	(129)	(300)	—	(299)	(146)	34,815	581
090	Debt securities	17,156	17,146	10	—	—	—	(5)	(3)	(1)	—	—	—	—	2,903	—
100	*Central banks*	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
110	*General governments*	7,141	7,141	—	—	—	—	(1)	(1)	—	—	—	—	—	264	—
120	*Credit institutions*	6,686	6,686	—	—	—	—	(1)	(1)	—	—	—	—	—	244	—
130	*Other financial corporations*	2,561	2,561	—	—	—	—	—	—	—	—	—	—	—	2,395	—
140	*Non-financial corporations*	768	758	10	—	—	—	(2)	(1)	(1)	—	—	—	—	—	—
150	Off-balance-sheet exposures	16,899	15,711	1,188	94	—	86	45	14	31	15	—	14		—	—
160	*Central banks*	—	—	—	—	—	—	—	—	—	—	—	—		—	—
170	*General governments*	366	365	—	—	—	—	—	—	—	—	—	—		—	—
180	*Credit institutions*	213	212	1	—	—	—	—	—	—	—	—	—		—	—
190	*Other financial corporations*	409	405	4	4	—	4	—	—	—	—	—	—		—	—
200	*Non-financial corporations*	10,961	10,030	930	64	—	57	35	11	24	12	—	11		—	—
210	*Households*	4,952	4,699	253	26	—	25	9	3	7	3	—	3		—	—
220	***Total***	***144,539***	***135,532***	***8,896***	***2,080***	***—***	***2,015***	***(940)***	***(272)***	***(667)***	***(646)***	***—***	***(648)***	***(187)***	***55,942***	***1,158***

[1] Loans and advances includes amortised loans (including Purchased or Originated Credit Impaired (POCI)) and Fair Value Through the P&L (FVTPL) loans. The 'of which' staging columns do not include FVTPL or POCI values as these are not subject to IFRS9 staging.

29: Template EU CR1-A - Maturity of exposures

As per Article 442 point (g) of the template below provides a breakdown of gross carrying amount by residual contractual maturities net of related accumulated impairment, provisions, accumulated change in fair value due to credit risk.

The main movements between June to December 2023 are Loans and advances maturity bands which reflects net new business and the acquisition of loans from Ulster Bank.

		a	b	c	d	e	f
		Net exposure value					
		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	2,050	9,345	20,462	41,321	—	73,179
2	Debt securities	—	1,070	6,531	9,550	—	17,151
3	***Total***	***2,050***	***10,415***	***26,993***	***50,871***	—	***90,330***

30: Template EU CR2 - Changes in the stock of non-performing loans and advances

As per point (f) of Article 442 the template below presents movements of gross carrying amounts (including accrued interest) of non-performing loans and advances (NPL) between December 2022 to December 2023. The non-performing values in this template are in accordance with Article 178 Default of an obligor.

The inflows on NPLs is primarily due to reclassifications from performing. The outflows on NPLs is mainly due to loan repayments and disposals.

		a
		Gross carrying amount
010	**Initial stock of non-performing loans and advances**	**2,175**
020	Inflows to non-performing portfolios	1,414
030	Outflows from non-performing portfolios	(1,603)
040	Outflows due to write-offs	(125)
050	Outflow due to other situations	(1,478)
060	**Final stock of non-performing loans and advances**	**1,985**

31: Template EU CQ1 - Credit quality of forborne exposures

As per Article 442 point (c) the template below presents the gross carrying amount (including accrued interest) of forborne exposures and the related accumulated impairment, provisions, accumulated change in fair value due to credit risk, and collateral and financial guarantees received, according to the scope of regulatory consolidation.

Performing forborne loans & non-performing forborne loans decreased between June to December 2023 by € 0.4 bn and € 0.2 bn, respectively.

		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
				Of which defaulted	Of which impaired				
005	Cash balances at central banks and other demand deposits	—	—	—	—	—	—	—	—
010	Loans and advances	781	983	983	981	(122)	(317)	1,109	608
020	*Central banks*	—	—	—	—	—	—	—	—
030	*General governments*	—	—	—	—	—	—	—	—
040	*Credit institutions*	—	—	—	—	—	—	—	—
050	*Other financial corporations*	11	16	16	16	(1)	(15)	10	—
060	*Non-financial corporations*	457	458	458	458	(109)	(135)	503	287
070	*Households*	313	509	509	508	(12)	(166)	596	321
080	Debt Securities	—	—	—	—	—	—	—	—
090	Loan commitments given	56	15	15	15	3	—	—	—
100	***Total***	***837***	***998***	***998***	***997***	***(125)***	***(317)***	***1,109***	***608***

32: Template EU CQ3 - Credit quality of performing and non-performing exposures by past due days

As per Article 442 point (d) the template below presents the gross carrying amount/nominal amount (including accrued interest) of performing and non-performing exposures according to the scope of regulatory consolidation. For the on-balance sheet exposures, the template shows the breakdown by past-due band.

The gross non-performing loan ('NPL') ratio at 31 December 2023 was 2.66% decreased from 3.16% at December 2022. This ratio is calculated, in accordance with Regulation (EU) 2021/637, as the ratio of the gross value of non-performing loans and advances to the gross value of total loans and advances.

The main movements between December 2022 and December 2023 are as follows:

- Loans and advances gross carrying amount increased during the year by € 6.0 bn driven by the acquisition of loans from Ulster Bank, new lending exceeding redemptions and higher lending related to securities financing.
- Increase in Households of € 4.7 bn is primarily driven by the acquisition of loans from Ulster Bank.
- Off-balance sheet exposures increased in the period by € 1.1 bn primarily due to the acquisition of the Ulster Bank corporate and commercial exposures and increased business activity.

		a	b	c	d	e	f	g	h	i	j	k	l
		Gross carrying amount/nominal amount											
		Performing exposures			Non-performing exposures								
			Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted
005	Cash balances at central banks and other demand deposits	37,770	37,770	—	—	—	—	—	—	—	—	—	—
010	Loans and advances	72,714	72,637	77	1,985	1,209	129	299	146	127	15	61	1,985
020	*Central banks*	260	260	—	—	—	—	—	—	—	—	—	—
030	*General governments*	80	80	—	—	—	—	—	—	—	—	—	—
040	*Credit institutions*	5,937	5,937	—	—	—	—	—	—	—	—	—	—
050	*Other financial corporations*	2,439	2,439	—	27	26	—	—	—	—	—	—	27
060	*Non-financial corporations*	24,914	24,906	8	1,014	730	11	191	53	11	4	14	1,014
070	*Of which SMEs*	9,375	9,367	8	797	542	10	181	46	9	3	6	797
080	*Households*	39,084	39,015	69	945	452	118	108	93	116	11	47	945
090	Debt securities	17,156	17,156	—	—	—	—	—	—	—	—	—	—
100	*Central banks*	—	—	—	—	—	—	—	—	—	—	—	—
110	*General governments*	7,141	7,141	—	—	—	—	—	—	—	—	—	—
120	*Credit institutions*	6,686	6,686	—	—	—	—	—	—	—	—	—	—
130	*Other financial corporations*	2,561	2,561	—	—	—	—	—	—	—	—	—	—
140	*Non-financial corporations*	768	768	—	—	—	—	—	—	—	—	—	—
150	Off-balance-sheet exposures	16,899			94								94
160	*Central banks*	—			—								—
170	*General governments*	366			—								—
180	*Credit institutions*	213			—								—
190	*Other financial corporations*	409			4								4
200	*Non-financial corporations*	10,961			64								64
210	*Households*	4,952			26								26
220	***Total***	***144,539***	***127,563***	***77***	***2,080***	***1,209***	***129***	***299***	***146***	***127***	***15***	***61***	***2,080***

33: Template EU CQ4 - Quality of non-performing exposures by geography

As per Article 442, points (c) and (e) the template below presents gross carrying amount (includes accrued interest) of performing and non-performing exposures and the related accumulated impairment, provisions and accumulated change in fair value due to credit risk, according to the scope of regulatory consolidation.

The on-balance sheet exposures is a total of debt securities and loans and advances only. This balance excludes cash balances at central banks and other demand deposits. Individual countries disclosed based on combined on and off-balance sheet exposures reflect the top 10 country exposures and represent greater than 95% of total exposure.

The main movement between June and December 2023 is as follows:

- The increase is largely due to the acquisition of loans from Ulster Bank and new lending exceeding redemptions.

		a	b	c	d	e	f	g
		Gross carrying/nominal amount				Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing *		Of which subject to impairment *			
				Of which defaulted				
010	***On-balance-sheet exposures***	***91,855***		***1,985***		***(1,526)***		—
020	*Ireland*	59,780		1,485		(1,087)		—
030	*United Kingdom*	12,826		309		(226)		—
040	*France*	4,967		—		(11)		—
050	*United States*	3,309		8		(57)		—
060	*Canada*	1,879		—		(4)		—
061	*Spain*	1,816		—		(5)		—
062	*Germany*	697		2		(4)		—
063	*Luxembourg*	768		156		(93)		—
064	*Netherlands*	752		—		(13)		—
065	*Australia*	704		2		(1)		—
070	*Other countries*[1]	4,356		24		(24)		—
080	***Off-balance-sheet exposures***	***16,994***		***94***			***60***	
090	*Ireland*	12,970		79			51	
100	*United Kingdom*	3,167		15			6	
110	*France*	209		—			—	
120	*United States*	186		—			1	
130	*Canada*	7		—			—	
131	*Spain*	13		—			—	
132	*Germany*	117		—			—	
133	*Luxembourg*	43		—			—	
134	*Netherlands*	35		—			—	
135	*Australia*	3		—			—	
140	*Other countries*[2]	244		—			1	
150	***Total***	***108,849***		***2,080***		***(1,526)***	***60***	**—**

* In line with the requirements for large institutions with an NPL ratio (in accordance with Regulation (EU) 2021/637) lower than 5%, columns "Of which non-performing" and "of which subject to impairment" are not required to be disclosed.

[1] Other countries comprise exposures with Algeria, Andorra, Aruba, Austria, Azerbaijan, Bahamas, Bahrain, Bangladesh, Barbados, Belgium, Bermuda, Brazil, British Virgin Islands, Bulgaria, Cayman Islands, Chile, China, Colombia, Congo, Costa Rica, Croatia, Cyprus, Czech Republic, Denmark, Egypt, Estonia, Finland, Gambia, Greece, Guam, Guernsey, Guinea, Holy See (Vatican City State), Hong Kong, Hungary, India, Isle Of Man, Israel, Italy, Jamaica, Japan, Jersey, Jordan, Kenya, Kuwait, Latvia, Lebanon, Liberia, Liechtenstein, Lithuania, Malawi, Malaysia, Malta, Marshall Islands, Mexico, Monaco, Montserrat, New Zealand, Nicaragua, Norway, Oman, Other Countries (exposures with Supranational organisations), Pakistan, Panama, Paraguay, Philippines, Poland, Portugal, Province Of China Taiwan, Puerto Rico, Qatar, Republic Of Korea, Romania, Russian Federation, Saint Vincent And The Grenadine, Saudi Arabia, Singapore, Slovakia, Slovenia, South Africa, Sri Lanka, Sweden, Switzerland, Province Of China Taiwan, Thailand, Turkey, Uganda, Ukraine, United Arab Emirates, United Republic Of Tanzania, Vietnam, Yemen, Zimbabwe.

[2] Other countries comprise exposures with Andorra, Austria, Azerbaijan, Bahamas, Bahrain, Bangladesh, Barbados, Belgium, Bermuda, Bosnia And Herzegovina, Brazil, British Indian Ocean Territory, British Virgin Islands, Bulgaria, Cayman Islands, Chile, China, Colombia, Costa Rica, Croatia, Cyprus, Czech Republic, Denmark, Egypt, Estonia, Ethiopia, Finland, Georgia, Ghana, Greece, Guinea, Hong Kong, Hungary, India, Isle Of Man, Israel, Italy, Japan, Jersey, Jordan, Kenya, Kuwait, Latvia, Lebanon, Liberia, Liechtenstein, Lithuania, Malawi, Malaysia, Malta, Mauritius, Mayotte, Mexico, Monaco, Montserrat, Morocco, Nepal, New Zealand, Nicaragua, Norway, Oman, Pakistan, Paraguay, Philippines, Poland, Portugal, Province Of China Taiwan , Qatar, Republic Of Korea, Réunion, Romania, Russian Federation, Saint Vincent And The Grenadine, Saudi Arabia, Seychelles, Singapore, Slovakia, Slovenia, South Africa, Sri Lanka, Sweden, Switzerland, Thailand, Turkey, Uganda, Ukraine, United Arab Emirates, Zambia, Zimbabwe.

34: Template EU CQ5 - Credit quality of loans and advances to non-financial corporations by industry

As per Article 442, points (c) and (e) the template below presents gross carrying amount (including accrued interest) of loans and advances to non-financial corporations by industry and the related accumulated impairment and accumulated change in fair value due to credit risk, according to the scope of regulatory consolidation.

The main movement between June to December 2023 is as follows:

- Total NFCs loans are broadly flat, with a reduction in Manufacturing and Accommodation and food service activities, offset by higher Electricity, gas, steam and air conditioning supply, and Real estate activities.

		a	b	c	d	e	f
		Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing *		Of which loans and advances subject to impairment *		
				Of which defaulted			
010	Agriculture, forestry and fishing	727		51		(33)	—
020	Mining and quarrying	35		1		(1)	—
030	Manufacturing	2,445		31		(60)	—
040	Electricity, gas, steam and air conditioning supply	3,248		—		(22)	—
050	Water supply	250		21		(16)	—
060	Construction	1,251		71		(87)	—
070	Wholesale and retail trade	1,698		52		(52)	—
080	Transport and storage	1,561		38		(27)	—
090	Accommodation and food service activities	2,140		146		(146)	—
100	Information and communication	1,379		14		(24)	—
110	Financial and insurance activities	—		—		—	—
120	Real estate activities	7,289		518		(388)	—
130	Professional, scientific and technical activities	706		9		(19)	—
140	Administrative and support service activities	449		14		(11)	—
150	Public administration and defence, compulsory social security	—		—		—	—
160	Education	188		5		(6)	—
170	Human health services and social work activities	1,548		29		(70)	—
180	Arts, entertainment and recreation	356		5		(6)	—
190	Other services	659		8		(14)	—
200	***Total***	***25,928***		***1,014***		***(981)***	**—**

* In line with the requirements for large institutions with an NPL ratio (in accordance with Regulation (EU) 2021/637) lower than 5%, columns "Of which non-performing" and "Of which loans and advances subject to impairment" are not required to be disclosed.

35: Template EU CQ7 - Collateral obtained by taking possession and execution processes

As per Article 442 point (c) the template below presents information on the instruments that were cancelled in exchange for the collateral obtained by taking possession and on the value of the collateral obtained by taking possession.

The movement between June to December 2023 reflects disposals and sales.

		a	b
		Collateral obtained by taking possession	
		Value at initial recognition	Accumulated negative changes
010	Property, plant and equipment (PP&E)	—	—
020	Other than PP&E	2	—
030	*Residential immovable property*	2	—
040	*Commercial Immovable property*	—	—
050	*Movable property (auto, shipping, etc.)*	—	—
060	*Equity and debt instruments*	—	—
070	*Other collateral*	—	—
080	***Total***	***2***	***—***

Chapter 9. Disclosure of the use of credit risk mitigation techniques

36: Table EU CRC - Qualitative disclosure requirements related to CRM techniques

As per Article 453, points (a) to (e), table EU CRC provides qualitative information on the mitigation of credit risk.

Legal basis	Row number	Qualitative information	
Article 453(a)	(a)	A description of the core features of the policies and processes for on- and off-balance sheet netting and an indication of the extent to which institutions make use of balance sheet netting;	Risk mitigation techniques, as set out in credit policies, are used in the management of credit portfolios. Financial assets and financial liabilities are offset and the net amount reported on the statement of financial position if, and only if, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. AIB mitigates counterparty credit risk arising from derivative and repurchase exposures through the use of market standard netting agreements and collateral in the case of repurchase agreements (for example, International Swaps and Derivatives Association ("ISDA") master agreements and Global Master Repurchase Agreements ("GMRA")). Where supported by legal analysis on enforceability, AIB exposure to the counterparty is netted against amounts the counterparty owes AIB in accordance with relevant regulatory and internal policies.

Article 453(b)	(b)	The core features of policies and processes for eligible collateral evaluation and management;	Methodologies for valuing immovable property collateral Details on the valuation rule methodologies applied and processes used to assess the value of immovable property assets taken as collateral are described in the Group Property Valuation Policy and Property Valuation Guidance. Both documents are subject to an annual review. As property loans, including residential mortgages, represent a significant concentration within the Group's loans and advances to customer's portfolio, some key principles have been applied in respect of the valuation of property collateral held by the Group. The value of immovable property collateral is assessed at loan origination and at certain stages throughout the credit lifecycle in accordance with the Group Property Valuation Policy e.g. at annual review where required. In accordance with the Group Property Valuation Policy and Property Valuation Guidelines, the Group employs a number of methods to assist in reaching appropriate valuations for property collateral held: a. External valuation firms on the Group's Valuers Panel, are engaged by the Group to undertake valuations of immovable property collateral in accordance with the rules set out in the Group Property Valuation Policy. b. Independent professional internal valuations are completed in limited circumstances (e.g. agricultural land) using a desktop valuation approach by professional qualified internal valuers who are independent of the credit process in the second line of defence. The assets being valued by this means must have an independent professional external valuation completed within the past 3 years. c. Internal valuations are completed by first line of defence Case Managers pursuant to the rules in the Property Valuation Policy and in line with the Property Valuation Guidance, which provides appropriate valuation methodology guidance. These include the following valuation methodologies; i. Index valuation approach – used for residential property; ii. Comparable valuation approach – a basic level of valuation methodology used to value agricultural land or as a sense check for the valuation of residential, commercial or development land; iii. Commercial investment valuation approach – used for the valuation of commercial property using the Groups commercial investment yield matrices; iv. Residual valuation approach – used for the valuation of development land or land with development potential; and v. Profits valuation approach – used for the valuation of trading assets e.g., hotels, licensed premises, convenience stores etc. using the Groups stabilized earnings before interest, taxes, depreciation and amortization (EBITDA) matrices. Methodologies for valuing movable property collateral Details on the valuation rule methodologies applied and processes used to assess the value of movable property assets such as plant and machinery, marine vessels etc. taken as collateral are described in the Group Property Valuation Policy and Movable Property Valuation Guidance & Operational Procedures and are both reviewed annually. The value of movable property collateral is assessed at loan origination and at certain stages throughout the credit life cycle in accordance with the Group Property Valuation Policy e.g. at annual review where required. In accordance with the Group Property Valuation Policy and Movable Property Valuation Guidance & Operational Procedures, the Group employs a number of methods to assist in reaching appropriate valuations for movable property collateral held: a. External Valuation firms are engaged by the Group to undertake valuations of movable collateral and for marine vessel assets the firms must be on the Group's Valuers Panel, and in accordance with the rules set out in the Group Property Valuation Policy. b. Internal valuations are completed by first line of defence Case Managers pursuant to the rules in the Property Valuation Policy and in line with the Movable Property Valuation Guidance & Operational Procedures, which provides appropriate valuation methodology guidance for the different movable collateral types of moveable collateral.

Article 453(c)	(c)	A description of the main types of collateral taken by the institution to mitigate credit risk;	Credit risk mitigation may include a requirement to obtain collateral as set out in the Group's lending policies. Where collateral and/or guarantees are required, they are usually taken as a secondary source of repayment in the event of a borrower's default. Guarantors typically include corporates, individuals, financial institutions and sovereigns. Their creditworthiness is assessed on an individual case- by-case basis. The Group maintains policies which detail the acceptability of specific classes of collateral. The principal collateral types for loans and advances are: –Charges over business assets such as premises, inventory and accounts receivable; –Charges over other movable collateral assets such as plant & machinery, marine vessels etc; –Mortgage/legal charge over residential and commercial real estate; and –Charges over financial instruments such as debt securities and equities. The nature and level of collateral required depends on a number of factors such as the type of the credit facility, the term of the credit facility and the amount of exposure. Collateral held as security for financial assets, other than for loans and advances, is determined by the nature of the instrument. Debt securities and treasury products are generally unsecured, with the exception of asset backed securities, which are secured by a portfolio of financial assets. Collateral is not usually held against loans and advances to banks, including central banks, except where securities are held as part of reverse repurchase or securities borrowing transactions or where a collateral agreement has been entered into under a master netting agreement or where the bank purchases covered bonds as part of its liquidity portfolio. For non-mortgage/non-property lending, where collateral is taken, it will typically include a charge over the business assets such as inventory and accounts receivables. In some cases, a charge over property collateral or a personal guarantee supported by a lien over personal assets may also be taken. Where cash flows arising from the realisation of collateral held are included in the expected credit loss assessments, in many cases management rely on valuations or business appraisals from independent external professionals.
Article 453(d)	(d)	For guarantees and credit derivatives used as credit protection, the main types of guarantor and credit derivative counterparty and their creditworthiness used for the purposes of reducing capital requirements, excluding those used as part of synthetic securitisation structures;	The perceived strength of a borrower's repayment capacity is the primary factor in granting a loan. The Group uses various approaches to help mitigate risks relating to individual credits, including transaction structure, collateral and guarantees. Collateral and/or guarantees are usually required as a secondary source of repayment in the event of a borrower's default. At a portfolio level, credit risk is assessed in relation to the degree of name, sector and geographic concentration. Changes in concentrations are tracked on a regular basis across the Group's loan portfolio. Where potential risk concentrations are identified, the risk capital implications are assessed and, where appropriate, risk mitigation options (e.g. disposals, securitisations, hedging strategies) are considered. The main types of collateral for loans and advances to customers are described under point (c) above. Credit policy and credit management standards are controlled and set centrally by the credit risk function. As per EU CR3 nil exposures are secured by credit derivatives at 31 December 2023.
Article 453(e)	(e)	Information about market or credit risk concentrations within the credit mitigation taken;	See point (d) above.

37: Template EU CR3 - CRM techniques overview: Disclosure of the use of credit risk mitigation techniques

As per Article 453 point (f) this template includes all collateral, financial guarantees and credit derivatives used as credit risk mitigants for all secured exposures, irrespective of whether the standardised approach or the IRB approach is used for RWEA calculation. Any secured exposures by collateral or financial guarantees (eligible or not eligible as CRM techniques under Part Three, Title II, Chapter 4 of the CRR) have been disclosed.

The main movements between June to December 2023 are as follows:

- Loans and advances unsecured carrying amount has increased by € 1.5 bn, this is primarily driven by an increase in 'Cash balances at central banks and other demand deposits'.
- Loans and advances secured carrying amount has increased by € 3.1 bn, this is driven by the acquisition of the Ulster Bank tracker (and linked) mortgage portfolio.

		Unsecured carrying amount	**Secured carrying amount**			
				Of which **secured by collateral**	Of which **secured by financial guarantees**	
						Of which **secured by credit derivatives**
		a	b	c	d	e
1	Loans and advances	56,752	54,197	53,647	550	—
2	Debt securities	14,248	2,903	2,659	244	
3	Total	71,000	57,100	56,306	794	—
4	*Of which non-performing exposures*	196	1,158	1,116	42	—
EU-5	*Of which defaulted*	196	1,158			

Chapter 10. Disclosure of the use of the standardised approach

38: Table EU CRD - Qualitative disclosure requirements related to standardised approach

As per Article 444, points (a) to (d), the table below outlines AIB's use of external credit ratings under the standardised approach for credit risk.

Legal basis	Row number	Qualitative information	
Article 444 (a) CRR	(a)	Names of the external credit assessment institutions (ECAIs) and export credit agencies (ECAs) nominated by the institution, and the reasons for any changes over the disclosure period;	Under CRD, institutions are permitted to determine the risk weight of an exposure with reference to the credit assessments of ECAIs. AIB uses the following ECAIs to assess the credit risk of certain exposures under the standardised approach: - Standard & Poor's Rating Services ("S&P") - Fitch Ratings ("Fitch") - Moody's Investors Service ("Moody's") - Dominion Bond Rating Service ("DBRS")
Article 444 (b) CRR	(b)	The exposure classes for which each ECAI or ECA is used;	ECAIs are used for the calculation of RWEA for standardised institutions balances with external banks.
Article 444 (c) CRR	(c)	A description of the process used to transfer the issuer and issue credit ratings onto comparable assets items not included in the trading book;	Not applicable there is no transfer of issuer and issue credit ratings onto comparale assets.
Article 444 (d) CRR	(d)	The association of the external rating of each nominated ECAI or ECA (as referred to in row (a)) with the risk weights that correspond with the credit quality steps as set out in Chapter 2 of Title II of Part Three CRR (except where the institution complies with the standard association published by the EBA).	AIB uses a combination of the credit weightings assigned by the ECAIs and mapping guidelines issued by the Central Bank of Ireland to map the exposures to the appropriate credit quality assessment step. These guidelines are identical to those issued by the European Banking Authority ("EBA"). The ratings applied to the credit quality assessment steps are outlined in the table below. Where there are no available credit assessments to map to a credit quality assessment step, the Group assigns risk weights to these exposures in accordance with the CRD requirements for unrated exposures.

Credit Quality Step	**S&P/Fitch/DBRS**	**Moody's**
Credit quality assessment step 1	AAA to AA	Aaa to Aa3
Credit quality assessment step 2	A+ to A-	A1 to A3
Credit quality assessment step 3	BBB+ to BBB-	Baa1 to Baa3
Credit quality assessment step 4	BB+ to BB-	Ba1 to Ba3
Credit quality assessment step 5	B+ to B-	B1 to B3
Credit quality assessment step 6	CCC+ and below	Caa1 and below

39: Template EU CR4 - Standardised approach - Credit risk exposure and CRM effects

As per Article 453, points (g), (h) and (i) and Article 444 point (e), the template below shows credit risk exposures net of specific credit risk adjustments under the standardised approach both before and after credit risk mitigation (CRM) and credit conversion factors (CCF) and the associated RWAs and RWAs density, split by exposure class. The template excludes counterparty credit risk and securitisation exposures.

The RWA density of 35.08% decreased by 1.97% mainly due to increase in central banks exposures.

CRM measures reflect a number of government issued guarantee schemes that result in exposures after the use of CRM moving from corporate, retail, high risk and exposures in default to central governments or central banks.

	Exposure classes	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWAs density (%)
		a	b	c	d	e	f
1	Central governments or central banks	37,854	—	38,181	—	349	0.91 %
2	Regional government or local authorities	5	270	5	0	1	20.00 %
3	Public sector entities	—	—	—	—	—	—
4	Multilateral development banks	—	—	113	—	—	—
5	International organisations	—	—	—	—	—	—
6	Institutions	25	—	25	—	5	20.00 %
7	Corporates	6,217	3,709	6,140	941	6,585	93.00 %
8	Retail	4,992	4,253	4,723	72	3,338	69.60 %
9	Secured by mortgages on immovable property	22,296	1,491	22,296	553	11,996	52.50 %
10	Exposures in default	1,042	57	1,007	8	1,111	109.46 %
11	Exposures associated with particularly high risk	1,031	567	1,017	251	1,902	150.00 %
12	Covered bonds	—	—	—	—	—	—
13	Institutions and corporates with a short-term credit assessment	—	—	—	—	—	—
14	Collective investment undertakings	—	—	—	—	—	—
15	Equity	393	—	393	—	804	204.91 %
16	Other items	2,159	—	2,159	—	1,227	56.86 %
17	**TOTAL**	**76,011**	**10,347**	**76,056**	**1,825**	**27,318**	**35.08 %**

40: Template EU CR5 - Standardised approach

As per Article 444 point (e) the template below analyses exposures at default (EAD) under the standardised approach by risk weight, split by exposure class. All amounts presented are post CRM and CCF and net of specific credit risk adjustments but exclude counterparty credit risk and securitisation exposures.

There was no material change in the application of risk weights across the exposure classes.

	Exposure classes	**Risk weight**															**Total**	**Of which unrated**
		0%	**2%**	**4%**	**10%**	**20%**	**35%**	**50%**	**70%**	**75%**	**100%**	**150%**	**250%**	**370%**	**1250%**	**Others**		
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
1	Central governments or central banks	38,041	—	—	—	—	—	—	—	—	—	—	139	—	—	—	38,181	—
2	Regional government or local authorities	—	—	—	—	5	—	—	—	—	—	—	—	—	—	—	5	5
3	Public sector entities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4	Multilateral development banks	113	—	—	—	—	—	—	—	—	—	—	—	—	—	—	113	113
5	International organisations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6	Institutions	—	—	—	—	25	—	—	—	—	—	—	—	—	—	—	25	25
7	Corporates	—	—	—	—	—	—	—	—	—	7,081	—	—	—	—	—	7,081	7,081
8	Retail exposures	—	—	—	—	—	—	—	—	4,795	—	—	—	—	—	—	4,795	4,795
9	Exposures secured by mortgages on immovable property	—	—	—	—	—	16,475	—	—	—	6,373	—	—	—	—	—	22,848	22,848
10	Exposures in default	—	—	—	—	—	—	—	—	—	823	192	—	—	—	—	1,015	1,015
11	Exposures associated with particularly high risk	—	—	—	—	—	—	—	—	—	—	1,268	—	—	—	—	1,268	1,268
12	Covered bonds	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Exposures to institutions and corporates with a short-term credit assessment	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
14	Units or shares in collective investment undertakings	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
15	Equity exposures	—	—	—	—	—	—	—	—	—	118	—	275	—	—	—	393	393
16	Other items	837	—	—	—	116	—	—	—	—	1,204	—	—	—	—	1	2,159	2,159
17	**TOTAL**	**38,992**	**—**	**—**	**—**	**146**	**16,475**	**—**	**—**	**4,795**	**15,598**	**1,460**	**414**	**—**	**—**	**1**	**77,882**	**39,701**

Chapter 11. Disclosure of use of the IRB approach to credit risk

41: Table EU CRE - Qualitative disclosure requirements related to IRB approach

As per Article 452 the table below outlines AIB’s use of the IRB Approach to credit risk.

Legal basis	Row number	Qualitative information	
Article 452 (a) CRR	(a)	The competent authority's permission of the approach or approved transition	The Group is approved by the Central Bank of Ireland and European Central bank to use the internal ratings based (IRB) approach for a number of portfolios. Portfolios approved for IRB use are detailed in more detail in row (e) below. All other credit risk related exposure is covered under the Standardised approach (see table EU CR6-A for full breakdown of exposures using the standardised approach).
Article 452 (c) CRR	(b)	(c) The control mechanisms for rating systems at the different stages of model development, controls and changes, which shall include information on: (i) the relationship between the risk management function and the internal audit function; (ii) the rating system review; (iii) procedure to ensure the independence of the function in charge of reviewing the models from the functions responsible for the development of the models; (iv) the procedure to ensure the accountability of the functions in charge of developing and reviewing the models	AIB has a Group Model Risk Management Framework and underpinning Model Risk Policies which include rules across the Model Risk lifecycle which align to regulatory requirements. AIB operates a 3 Lines of Defence (LOD) model in which Model Development is classified as a first line of defence (1LOD) activity with Model Validation sitting in the second line of defence (2LOD) and Group Internal Audit sitting in the third line of defence (3LOD). The Head of Model Validation reports directly to the Chief Risk Officer with the Head of IRB Development reporting to the Head of Group Risk Analytics. Regarding the rating system review, the Policies describe minimum rules & criteria that model development and validation must follow. The IRB Model Validation Standard sets out the tests and thresholds required for IRB models. The Group Model Risk Management Policy clarifies that the head of validation signs off on the model validation report and presents the validation information to committee for information to inform a decision on model use. AIB operates under a Model Risk lifecycle which covers: initiation, data, development, validation, implementation, use and monitoring. There are governance steps and controls at every stage of the lifecycle. For example, a model initiation must be approved by the Highest Approval Authority prior to commencing model build. For model approval the key control is Model Validation independently assessing a model to ensure it is fit for purpose. Each role holder across the model lifecycle is accountable for ensuring adherence to the Group Model Risk Management Framework. There must be a representative from model development and validation present at committees when the models are for approval ensuring accountability of the role holder.
Article 452 (d) CRR	(c)	The role of the functions involved in the development, approval and subsequent changes of the credit risk models;	Model Development in conjunction with the Model Operator are responsible for bringing a model that is fit for business use for approval. This model is then reviewed independently by Model Validation who assess the model. These are the three key role holders for IRB models. The outcome of the validation review plays a key role in advising committee members on its approval for use. Material changes to IRB models must be validated and reported to the highest approval authority for approval. Clear rules for IRB model changes are in place, via the Group IRB Model Risk Policy, with a quarterly submission to the regulator to notify of any changes to the IRB model suite. Any Material change to an IRB model must be approved by the highest approval authority which is Group Risk Committee (GRC). This committee has received delegated authority from the Management Body to approve IRB models.
Article 452 (e) CRR	(d)	The scope and main content of the reporting related to credit risk models;	IRB Models are subject to annual Periodic Validation as well as quarterly Model Monitoring. Outputs from these activities are communicated through the model risk governance committees. The reporting typically covers: Overall Model Performance, Stability, Model Overrides, and Calibration.

Article 452 (f) CRR	(e)	A description of the internal ratings process by exposure class, including the number of key models used with respect to each portfolio and a brief discussion of the main differences between the models within the same portfolio, covering: (i) the definitions, methods and data for estimation and validation of PD, which shall include information on how PDs are estimated for low default portfolios, whether there are regulatory floors and the drivers for differences observed between PD and actual default rates at least for the last three periods; (ii) where applicable, the definitions, methods and data for estimation and validation of LGD, such as methods to calculate downturn LGD, how LGDs are estimated for low default portfolio and the time lapse between the default event and the closure of the exposure; (iii) where applicable, the definitions, methods and data for estimation and validation of credit conversion factors, including assumptions employed in the derivation of those variables.	AIB has approval to operate IRB models covering the following portfolios: 1) Mortgages (Advanced) – PDx2, LGD & EAD 2) Commercial SME (Foundation) - PD 3) Corporate (Foundation) & Project Finance (Foundation) - PDx2 4) Banks (Foundation) and Sovereign (Foundation) - PDx2 AIB has approval for Permanent Partial Use (PPU) for a number of portfolios which can largely be categorised under the below areas: 1.Exposure to Irish Sovereign 2.Retail Portfolios including Overdrafts and Personal Loans 3.Non-Retail Portfolios including (1) Corporate exposures not within the scope of the IRB Corporate PD model and (2) RoI Land and Development 4. UK Portfolio 5. Not for profit. These portfolios are subject to Standardised capital treatment. As part of the Phase 2 IRB Rollout plan a number of portfolios above are expected to transition to IRB including: EBS Mortgages, Investment Property, Retail Portfolios referenced above and UK Portfolio, noting that the Phase 1 Rollout plan covers live models which will take precedence over the Phase 2 complement. An IRB rating system encompasses all of the methods, processes, controls, data collection and IT systems that support the assessment of credit risk, and assignment of exposures to rating grades, in addition to the PD, EAD and LGD models. Probability of default (PD) is the probability of default of an obligor (customer) (Non Retail) or exposure (Retail) over a one year period. The models in the Retail/Commercial portfolios are historically high default areas and as such have a common core methodology. These models are built using logistic regression scorecards for risk differentiation with the output calibrated to a long run average default rates. The models use behaviour on AIB accounts (Retail) and Financial/Expert Judgment (Non-Retail) data. The non-Retail portfolios are by nature low default portfolios and as such typically follow a common methodology (this tends to be mainly driven by expert judgement and statistical techniques including logistical regression) noting that each model is unique as assessed on its own merits. Where external rating agency grades are available (primarily Bank & Sovereign) these are used in both the estimation and validation of estimates. A regulatory 125% Risk Weight floor is currently in place for the Syndicated and International Finance portfolio (part of the Corporate IRB Model). For the Corporate Portfolio there are 2 PD models: one Corporate model covering the majority of exposure and one specialised lending model which is Project Finance (Project Finance deals include, but are not limited to, Public Private Partnerships (schools, hospitals and prisons), toll roads, power plants and pipelines). Loss given default (LGD) is the ratio of the loss on an exposure due to the default of a counterparty to the amount outstanding at default. A workout approach for LGD models is the Group’s preferred approach. AIB currently has permission to use LGD models only for the performing AIB RoI Mortgage portfolio. Downturn adjustments in this model are applied through adjustments to house price index. AIB does not have IRB LGD models for Low Default Portfolios. Exposure at default (EAD) is the amount outstanding to a counterparty at the time of default. Credit conversion factor (CCF) is the ratio of the currently undrawn amount of a commitment that could be drawn and that would therefore be outstanding at default to the currently undrawn amount of the commitment (being the higher of the advised and unadvised limit). The only CCF model currently approved is the Pipeline Mortgage model; this is primarily based on the length of time that the facility has been committed but remains undrawn. All models will use the latest available internal AIB definition of default at the time of model build. Material changes in the definition of default since the build (more than three periods ago) of the models is the key reason for deviation between PD and Observed Default Rate (ODR); scalars are in place pending the development / approval of new models where there is an underestimation of the relevant risk parameters. Scalars are in place for the Corporate, Project Finance, Bank, SME Main PD, Mortgage PD Application, Mortgage PD Ongoing and Mortgage LGD models. The Model Validation Team review the adequacy of any scalars on an semi-annual basis. Model Validation perform an annual periodic validation on IRB models (PD, LGD & EAD) which includes a review of: model performance, model use, and data quality checks. For new models or for material changes to existing models an initial validation takes place. The initial validation includes a review of: model design, documentation, representativeness, data inputs, performance testing, and model use. The approach to validation of each of these portfolios is specified in the IRB Model Validation Standard which ensures that each regulatory requirement for model validation testing is met.

42: Template EU CR6 - IRB approach - Credit risk exposures by exposure class and PD range

As per Article 452, point (g)(i)-(v) the template below presents the key parameters used for the calculation of capital requirements for credit risk exposures, under the IRB approach, split by PD range. The template includes exposures rated under Foundation IRB and Advanced IRB. All exposures are presented both pre and post CRM and CCF. The template excludes counterparty credit risk, securitisations, equity and non-credit obligation exposures. Gross exposures are presented before specific credit risk adjustments. Throughout this section 'Density of risk weighted exposure amount' represents the 'average risk weighted exposure amount post CCF and post CRM'. 'Number of obligors' corresponds to the number of individual PDs in each band. The Group has not used credit derivatives as a credit risk mitigant for exposures rated under the IRB approach.

The total IRB portfolio increased between June to December 2023 predominantly due to the following:
• Corporate exposures increase of € 0.7 bn driven by new lending exceeding redemptions including acquisition of loans from Ulster Bank.
• Retail exposures increase of € 0.2 bn driven by new business exceeding redemptions.
• Central government and central banks exposures increased by € 0.3 bn.

A-IRB	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
	a	b	c	d	e	f	g	h	i	j	k	l	m
Total - with own estimates													
Retail - Secured by immovable property non-SME													
	0.00 to <0.15	3,752	449	56.34 %	4,005	0.07 %	31,931	28.10 %		251	6.27 %	1	(2)
	0.00 to <0.10	3,752	449	56.34 %	4,005	0.07 %	31,931	28.10 %		251	6.27 %	1	(2)
	0.10 to <0.15	—	—	—	—	—	—	—		—	—	—	—
	0.15 to <0.25	8,595	127	59.85 %	8,671	0.19 %	54,087	28.87 %		1,229	14.18 %	5	(4)
	0.25 to <0.50	386	120	56.33 %	454	0.39 %	4,064	32.53 %		124	27.23 %	1	—
	0.50 to <0.75	1,595	1	98.94 %	1,596	0.53 %	9,710	28.60 %		475	29.80 %	2	(3)
	0.75 to <2.50	3,308	19	89.54 %	3,325	1.78 %	22,146	28.24 %		2,141	64.41 %	17	(11)
	0.75 to <1.75	1,554	11	82.49 %	1,563	1.08 %	10,650	28.12 %		744	47.64 %	5	(3)
	1.75 to <2.5	1,754	8	99.46 %	1,762	2.39 %	11,496	28.34 %		1,397	79.28 %	12	(8)
	2.50 to <10.00	650	5	88.20 %	654	6.06 %	4,798	29.44 %		883	135.04 %	12	(9)
	2.5 to <5	83	1	69.38 %	84	3.69 %	853	33.03 %		99	118.97 %	1	—
	5 to <10	567	4	95.00 %	571	6.40 %	3,945	28.92 %		784	137.40 %	11	(8)
	10.00 to <100.00	305	1	99.07 %	306	21.68 %	2,201	29.02 %		622	203.11 %	19	(10)
	10 to <20	220	1	99.25 %	221	16.96 %	1,595	28.83 %		441	199.82 %	11	(7)
	20 to <30	56	0	98.06 %	56	26.31 %	403	29.25 %		123	219.29 %	4	(2)
	30.00 to <100.00	29	0	99.68 %	29	48.73 %	203	29.95 %		57	196.90 %	4	(1)
	100.00 (Default)	249	2	99.75 %	251	100.00 %	2,283	38.71 %		533	212.11 %	110	(84)
Subtotal (exposure class)		18,839	724	58.31 %	19,261	2.31 %	131,220	28.82 %		6,259	32.50 %	166	(124)
Total (all exposures classes)		**18,839**	**724**	**58.31 %**	**19,261**	**2.31 %**	**131,220**	**28.82 %**		**6,259**	**32.50 %**	**166**	**(124)**

F-IRB	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
	a	b	c	d	e	f	g	h	i	j	k	l	m
Central governments and central banks without own estimates													
	0.00 to <0.15	7,907	—	— %	7,907	0.01 %	40	45.00 %	2.5	480	6.07 %	0	(1)
	0.00 to <0.10	7,907	—	— %	7,907	0.01 %	40	45.00 %	2.5	480	6.07 %	0	(1)
	0.10 to <0.15	—	—	— %	—	—	—	— %	—	—	— %	—	—
	0.15 to <0.25	—	—	— %	—	— %	—	— %	—	—	— %	—	—
	0.25 to <0.50	—	—	— %	—	— %	—	— %	—	—	— %	—	—
	0.50 to <0.75	—	—	— %	—	— %	—	— %	—	—	— %	—	—
	0.75 to <2.50	—	—	— %	—	— %	—	— %	—	—	— %	—	—
	0.75 to <1.75	—	—	— %	—	— %	—	— %	—	—	— %	—	—
	1.75 to <2.5	—	—	— %	—	— %	—	— %	—	—	— %	—	—
	2.50 to <10.00	—	—	— %	—	— %	—	— %	—	—	— %	—	—
	2.5 to <5	—	—	— %	—	— %	—	— %	—	—	— %	—	—
	5 to <10	—	—	— %	—	— %	—	— %	—	—	— %	—	—
	10.00 to <100.00	—	—	— %	—	— %	—	— %	—	—	— %	—	—
	10 to <20	—	—	— %	—	— %	—	— %	—	—	— %	—	—
	20 to <30	—	—	— %	—	— %	—	— %	—	—	— %	—	—
	30.00 to <100.00	—	—	— %	—	— %	—	— %	—	—	— %	—	—
	100.00 (Default)	—	—	— %	—	— %	—	— %	—	—	— %	—	—
Subtotal (exposure class)		7,907	—	— %	7,907	0.01 %	40	45.00 %	2.5	480	6.07 %	0	(1)
Institutions without own estimates													
	0.00 to <0.15	6,168	82	— %	6,168	0.09 %	129	22.89 %	2.5	1,330	21.56 %	1	(1)
	0.00 to <0.10	2,833	19	— %	2,833	0.04 %	34	16.70 %	2.5	294	10.38 %	0	0
	0.10 to <0.15	3,335	63	— %	3,335	0.12 %	95	28.15 %	2.5	1,036	31.05 %	1	(1)
	0.15 to <0.25	—	—	— %	—	— %	—	— %	—	—	— %	—	—
	0.25 to <0.50	314	13	— %	314	0.35 %	24	38.34 %	2.5	236	75.17 %	0	0
	0.50 to <0.75	—	—	— %	—	— %	—	— %	—	—	— %	—	—
	0.75 to <2.50	3	—	— %	3	0.99 %	4	45.00 %	2.5	5	136.84 %	0	—
	0.75 to <1.75	3	—	— %	3	0.99 %	4	45.00 %	2.5	5	136.84 %	0	—
	1.75 to <2.5	—	—	— %	—	— %	—	— %	—	—	— %	—	—
	2.50 to <10.00	0	—	— %	—	4.38 %	1	45.00 %	2.5	0	167.10 %	0	—

	2.5 to <5	0	—	— %	—	4.38 %	1	45.00 %	2.5	0	167.10 %	0	—
	5 to <10	—	—	— %	—	— %	—	— %	—	—	— %	—	—
	10.00 to <100.00	0	—	— %	—	11.12 %	1	45.00 %	2.5	0	271.83 %	0	—
	10 to <20	0	—	— %	—	11.12 %	1	45.00 %	2.5	0	271.83 %	0	—
	20 to <30	—	—	— %	—	— %	—	— %	—	—	— %	—	—
	30.00 to <100.00	—	—	— %	—	— %	—	— %	—	—	— %	—	—
	100.00 (Default)	—	—	— %	—	— %	—	— %	—	—	— %	—	—
Subtotal (exposure class)		6,485	95	— %	6,485	0.10 %	159	23.65 %	2.5	1,570	24.21 %	2	(1)
Corporates - SME without own estimates													
	0.00 to <0.15	15	32	— %	15	0.10 %	5	45.00 %	2.5	6	44.33 %	0	0
	0.00 to <0.10	—	32	— %	—	— %	2	— %	—	—	— %	—	0
	0.10 to <0.15	15	—	— %	15	0.10 %	3	45.00 %	2.5	6	44.33 %	0	0
	0.15 to <0.25	0	1	75.00 %	1	0.18 %	2	45.00 %	2.5	0	54.05 %	0	0
	0.25 to <0.50	53	73	— %	53	0.32 %	19	45.00 %	2.5	42	80.11 %	0	0
	0.50 to <0.75	25	11	68.95 %	32	0.58 %	11	45.00 %	2.5	35	108.18 %	0	0
	0.75 to <2.50	1,140	481	41.03 %	1,338	1.28 %	1,527	44.92 %	2.5	1,412	105.57 %	20	(20)
	0.75 to <1.75	801	375	42.73 %	961	0.99 %	883	44.88 %	2.5	991	103.04 %	11	(13)
	1.75 to <2.5	339	106	35.03 %	376	2.02 %	644	45.00 %	2.5	421	112.03 %	9	(7)
	2.50 to <10.00	575	95	28.06 %	601	4.38 %	998	44.30 %	2.5	831	138.15 %	31	(40)
	2.5 to <5	354	61	32.19 %	374	3.27 %	562	43.87 %	2.5	460	122.96 %	14	(23)
	5 to <10	221	34	20.54 %	228	6.21 %	436	45.00 %	2.5	371	163.11 %	17	(16)
	10.00 to <100.00	15	3	35.22 %	16	15.42 %	36	45.00 %	2.5	36	227.18 %	3	(2)
	10 to <20	12	3	36.08 %	13	13.75 %	28	45.00 %	2.5	29	219.06 %	2	(2)
	20 to <30	2	0	27.01 %	2	22.20 %	6	45.00 %	2.5	6	257.00 %	1	0
	30.00 to <100.00	0	0	20.00 %	0	36.87 %	2	45.00 %	2.5	1	360.30 %	0	0
	100.00 (Default)	127	14	25.58 %	131	100.00 %	219	45.00 %	2.5	—	— %	59	(48)
Subtotal (exposure class)		1,950	709	33.34 %	2,186	8.09 %	2,817	44.76 %	2.5	2,363	108.10 %	113	(110)
Corporates - Specialised Lending without own estimates													
	0.00 to <0.15	22	4	75.00 %	25	0.10 %	2	45.00 %	2.5	7	26.92 %	0	0
	0.00 to <0.10	—	—	— %	—	— %	—	— %	—	—	— %	—	—
	0.10 to <0.15	22	4	1	25	0.10 %	2	45.00 %	2.5	7	26.92 %	0	0
	0.15 to <0.25	286	65	79.47 %	337	0.20 %	11	46.50 %	2.5	147	43.63 %	0	(1)
	0.25 to <0.50	1,054	325	73.57 %	1,293	0.34 %	38	50.95 %	2.5	920	71.16 %	2	(3)
	0.50 to <0.75	392	359	74.58 %	659	0.58 %	25	48.94 %	2.5	566	85.88 %	2	(1)
	0.75 to <2.50	317	79	72.09 %	374	0.84 %	9	45.00 %	2.5	326	87.23 %	2	(1)
	0.75 to <1.75	317	79	72.09 %	374	0.84 %	9	45.00 %	2.5	326	87.23 %	2	(1)
	1.75 to <2.5	—	—	— %	—	— %	—	— %	—	—	— %	—	—
	2.50 to <10.00	26	—	— %	26	2.75 %	1	75.00 %	2.5	71	266.93 %	1	—
	2.5 to <5	26	—	— %	26	2.75 %	1	75.00 %	2.5	71	266.93 %	1	—
	5 to <10	—	—	— %	—	— %	—	— %	—	—	— %	—	—
	10.00 to <100.00	28	46	77.97 %	64	50.00 %	3	45.00 %	2.5	124	193.63 %	16	(4)
	10 to <20	—	—	— %	—	— %	—	— %	—	—	— %	—	—
	20 to <30	—	—	— %	—	— %	—	— %	—	—	— %	—	—
	30.00 to <100.00	28	46	77.97 %	64	50.00 %	3	45.00 %	2.5	124	193.63 %	16	(4)
	100.00 (Default)	—	—	— %	—	— %	—	— %	—	—	— %	—	—
Subtotal (exposure class)		2,125	878	74.52 %	2,779	1.61 %	89	49.17 %	2.5	2,161	77.76 %	23	(11)
Corporates - Other without own estimates													
	0.00 to <0.15	1,707	1,284	61.16 %	2,492	0.07 %	126	44.53 %	2.5	1,369	54.93 %	1	(7)
	0.00 to <0.10	703	728	61.86 %	1,153	0.04 %	50	44.53 %	2.5	407	35.30 %	0	(2)
	0.10 to <0.15	1,004	556	1	1,339	0.10 %	76	44.52 %	2.5	962	1	1	(5)
	0.15 to <0.25	1,181	675	64.08 %	1,613	0.18 %	58	44.09 %	2.5	1,253	77.68 %	2	(12)
	0.25 to <0.50	2,339	1,083	58.54 %	2,973	0.32 %	196	44.81 %	2.5	2,761	92.86 %	5	(17)
	0.50 to <0.75	1,421	197	69.90 %	1,559	0.58 %	115	44.10 %	2.5	1,748	112.17 %	5	(22)
	0.75 to <2.50	2,030	913	62.03 %	2,596	1.25 %	244	43.66 %	2.5	3,485	134.27 %	27	(116)
	0.75 to <1.75	1,452	788	61.63 %	1,937	1.03 %	190	44.66 %	2.5	2,536	130.89 %	17	(85)
	1.75 to <2.5	578	125	64.49 %	658	1.91 %	54	40.70 %	2.5	950	144.24 %	9	(30)
	2.50 to <10.00	179	32	47.40 %	194	4.00 %	106	42.59 %	2.5	302	155.64 %	7	(27)
	2.5 to <5	142	25	53.08 %	155	3.33 %	38	42.16 %	2.5	226	145.71 %	4	(19)
	5 to <10	37	8	29.61 %	39	6.63 %	68	44.28 %	2.5	76	194.90 %	3	(9)
	10.00 to <100.00	3	12	73.87 %	12	19.61 %	7	45.00 %	2.5	41	344.91 %	1	0
	10 to <20	2	12	73.87 %	12	19.17 %	6	45.00 %	2.5	40	344.39 %	1	0
	20 to <30	—	0	— %	—	— %	—	— %	—	—	— %	—	—
	30.00 to <100.00	0	0	75.00 %	0	35.84 %	1	45.00 %	2.5	1	364.16 %	0	0
	100.00 (Default)	77	2	16.65 %	78	100.00 %	43	45.00 %	2.5	—	— %	35	(52)
Subtotal (exposure class)		8,935	4,199	61.46 %	11,516	1.25 %	895	44.25 %	2.5	10,960	95.17 %	82	(253)
Total (all exposures classes)		**27,402**	**5,881**	**59.03 %**	**30,873**	**1.21 %**	**4,000**	**40.60 %**	**2.5**	**17,534**	**56.79 %**	**221**	**(376)**

43: Template EU CR6-A - Scope of the use of IRB and SA approaches

As per Article 452, point (b) the template below presents for each exposure class referred to in Article 147, the percentage of the total exposure value subject to the standardised approach (SA) and to the IRB approach, as well as the part of each exposure class subject to a roll-out plan. The template discloses the exposure value of IRB exposures in accordance with Article 166 CRR and, in order to provide an exposure measure valid for both SA exposures and IRB exposures, the aggregate exposure value of IRB and SA exposures uses the leverage ratio exposure methodology. Under the leverage ratio methodology, the IRB Exposure is reduced due to deduction of IRB provisions and application of leverage ratio credit conversion factors.

Note that a revised IRB roll-out plan was approved by the AIB Board and submitted to the ECB in December 2022. Reporting on the basis of the revised roll-out plan will take effect once approved by the ECB.

		Exposure value as defined in Article 166 CRR for exposures subject to IRB approach	Total exposure value for exposures subject to the Standardised approach and to the IRB approach	Percentage of total exposure value subject to permanent partial use of SA (%)	Percentage of total exposure value subject to IRB approach (%)	Percentage of total exposure value subject to a roll-out plan (%)
		a	b	c	d	e
1	Central governments or central banks	7,601	45,454	83.28%	16.72%	—
1.1	*Of which Regional governments or local authorities*		684	—	100.00%	—
1.2	*Of which Public sector entities*		521	—	100.00%	—
2	Institutions	6,732	6,797	0.44%	99.17%	0.39%
3	Corporates	16,481	31,267	7.45%	48.15%	44.40%
3.1	*Of which Corporates - Specialised lending, excluding slotting approach*		2,569	—	100.00%	—
3.2	*Of which Corporates - Specialised lending under slotting approach*		—	—	—	—
4	Retail	19,261	40,199	0.00%	46.94%	53.06%
4.1	*of which Retail – Secured by real estate SMEs*		50	0.00%	—	100.00%
4.2	*of which Retail – Secured by real estate non-SMEs*		34,585	0.00%	54.56%	45.44%
4.3	*of which Retail – Qualifying revolving*		1,566	0.01%	—	99.98%
4.4	*of which Retail – Other SMEs*		1,628	0.02%	—	99.97%
4.5	*of which Retail – Other non-SMEs*		2,369	0.00%	—	100.00%
5	Equity	—	768	100.00%	—	—
6	Other non-credit obligation assets	8	2,166	99.55%	0.35%	0.10%
7	**Total**	**50,083**	**126,651**	**34.06%**	**38.12%**	**27.82%**

44: Template EU CR7 - IRB approach - Effect on the RWEAs of credit derivatives used as CRM techniques

As per Article 453 point (j) the template below illustrates the effect of credit derivatives on the IRB approach capital requirements calculations. The template excludes securitisation exposures, counterparty credit risk and Non-credit obligation assets.

The Group has not used credit derivatives as a credit risk mitigant for exposures rated under the IRB approach.

		Pre-credit derivatives risk weighted exposure amount	Actual risk weighted exposure amount
		a	**b**
1	**Exposures under F-IRB**	**17,534**	**17,534**
2	Central governments and central banks	480	480
3	Institutions	1,570	1,570
4	Corporates	15,484	15,484
4.1	*of which Corporates - SMEs*	2,363	2,363
4.2	*of which Corporates - Specialised lending*	2,161	2,161
5	**Exposures under A-IRB**	**6,259**	**6,259**
6	Central governments and central banks	—	—
7	Institutions	—	—
8	Corporates	—	—
8.1	*of which Corporates - SMEs*	—	—
8.2	*of which Corporates - Specialised lending*	—	—
9	Retail	6,259	6,259
9.1	*of which Retail – SMEs - Secured by immovable property collateral*	—	—
9.2	*of which Retail – non-SMEs - Secured by immovable property collateral*	6,259	6,259
9.3	*of which Retail – Qualifying revolving*	—	—
9.4	*of which Retail – SMEs - Other*	—	—
9.5	*of which Retail – Non-SMEs- Other*	—	—
10	**TOTAL (including F-IRB exposures and A-IRB exposures)**	**23,793**	**23,793**

45: Template EU CR7-A - IRB approach - Disclosure of the extent of the use of CRM techniques

As per Article 453 point (g), this template discloses more granular information on the type of CRM techniques that the AIB Group applies.

A-IRB		Total exposures	Credit risk Mitigation techniques												Credit risk Mitigation methods in the calculation of RWEAs	
			Funded credit Protection (FCP)										Unfunded credit Protection (UFCP)			
			Part of exposures covered by **Financial Collaterals (%)**	Part of exposures covered by **Other eligible collaterals (%)**	Part of exposures covered by **Immovable property Collaterals (%)**	Part of exposures covered by **Receivables (%)**	Part of exposures covered by **Other physical collateral (%)**	Part of exposures covered by **Other funded credit protection (%)**	Part of exposures covered by **Cash on deposit (%)**	Part of exposures covered by **Life insurance policies (%)**	Part of exposures covered by Instruments held by **a third party (%)**	Part of exposures covered by **Guarantees (%)**	Part of exposures covered by **Credit Derivatives (%)**	**RWEA without substitution effects** (reduction effects only)	**RWEA with substitution effects** (both reduction and substitution effects)
		a	b	c	d	e	f	g	h	i	j	k	l	m	n
1	Central governments and central banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—
2	Institutions	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3	Corporates	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3.1	*Of which Corporates – SMEs*	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3.2	*Of which Corporates – Specialised lending*	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3.3	*Of which Corporates – Other*	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4	Retail	19,261	—	100.64 %	100.64 %	—	—	—	—	—	—	—	—	6,259	6,259
4.1	*Of which Retail – Immovable property SMEs*	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4.2	*Of which Retail – Immovable property non-SMEs*	19,261	—	100.64 %	100.64 %	—	—	—	—	—	—	—	—	6,259	6,259
4.3	*Of which Retail – Qualifying revolving*	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4.4	*Of which Retail – Other SMEs*	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4.5	*Of which Retail – Other non-SMEs*	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5	Total	19,261	—	100.64 %	100.64 %	—	—	—	—	—	—	—	—	6,259	6,259

F-IRB		Total exposures	Credit risk Mitigation techniques												Credit risk Mitigation methods in the calculation of RWEAs	
			Funded credit Protection (FCP)										Unfunded credit Protection (UFCP)			
			Part of exposures covered by **Financial Collaterals (%)**	Part of exposures covered by **Other eligible collaterals (%)**	Part of exposures covered by **Immovable property Collaterals (%)**	Part of exposures covered by **Receivables (%)**	Part of exposures covered by **Other physical collateral (%)**	Part of exposures covered by **Other funded credit protection (%)**	Part of exposures covered by **Cash on deposit (%)**	Part of exposures covered by **Life insurance policies (%)**	Part of exposures covered by Instruments held by **a third party (%)**	Part of exposures covered by **Guarantees (%)**	Part of exposures covered by **Credit Derivatives (%)**	**RWEA without substitution effects** (reduction effects only)	**RWEA with substitution effects** (both reduction and substitution effects)
		a	b	c	d	e	f	g	h	i	j	k	l	m	n
1	Central governments and central banks	7,907	—	—	—	—	—		—	—	—	—	—	464	480
2	Institutions	6,485	—	—	—	—	—		—	—	—	3.77 %	—	1,584	1,570
3	Corporates	16,481	—	7.54 %	7.54 %	—	—		—	—	—	0.65 %	—	15,486	15,484
3.1	*Of which Corporates – SMEs*	2,186	—	2.58 %	2.58 %	—	—		—	—	—	4.43 %	—	2,365	2,363
3.2	*Of which Corporates – Specialised lending*	2,779	—	—	—	—	—		—	—	—	—	—	2,161	2,161
3.3	*Of which Corporates – Other*	11,516	—	10.30 %	10.30 %	—	—		—	—	—	0.09 %	—	10,960	10,960
4	Total	30,873	—	4.02 %	4.02 %	—	—		—	—	—	1.14 %	—	17,534	17,534

46: Template EU CR8 - RWEA flow statements of credit risk exposures under the IRB approach

As per Article 438 point (h) the template below analyses the movements in risk weighted exposure amounts under the IRB approach within the period. This template excludes counterparty credit risk of € 0.8 bn (September 23: € 0.7 bn).

Main movements between September to December 2023 are as follows:
- Asset size increase driven primarily by new business outpacing redemptions.
- Asset quality impact during the quarter was mainly driven by grade migration within the retail and the corporate portfolios.
- Foreign exchange movement is down due to weakening EUR against USD.

Note the material movement in June 2023 for model updates related to the IRB mortgage model.

		Risk weighted exposure amount			
		a	b	c	d
		31/12/2023	30/09/2023	30/06/2023	31/03/2023
1	**Risk weighted exposure amount as at the end of the previous reporting period**	**23,576**	**23,246**	**21,975**	**21,660**
2	Asset size (+/-)	441	130	(24)	454
3	Asset quality (+/-)	(92)	137	(108)	(95)
4	Model updates (+/-)	—	—	1,346	—
5	Methodology and policy (+/-)	—	—	—	—
6	Acquisitions and disposals (+/-)	—	—	—	—
7	Foreign exchange movements (+/-)	(129)	64	57	(44)
8	Other (+/-)	—	—	—	—
9	**Risk weighted exposure amount as at the end of the reporting period**	**23,797**	**23,576**	**23,246**	**21,975**

47: Template EU CR9 - IRB approach - Back-testing of PD per exposure class (fixed PD scale)

As per Article 452(h) of the CRR, the template below provides back-testing data to validate the reliability of PD calculations.
The A-IRB exposures are rated by two PD models, an application mortgage model for first 3 months on books and an ongoing mortgage model for the remaining term. For these models, as they are retail, the back-testing is shown at facility level as the calibration is at facility level. For the other non-retail models, the back-testing is shown at an obligor level. The Central Government exposures are rated on a single Sovereign model and the Institutions are also rated on a single Bank model. For Corporates - SME, 90% of the exposures are rated on SME model and 10% on general Corporate model and for Corporates - Other, 90% of exposures are rated on general Corporate model and 10% are rated on SME model. For Corporates - Specialised Lending all exposures are rated on the Project Finance model. This template covers the €65.8b of RWEA rated by the IRB models. The average historical annual default rate is calculated using 5 years of non-overlapping data. With respect to short term contracts, these are not a feature of the 'Retail secured by immovable property' asset class. For the other asset classes, short-term contracts are most prevalent in the Corporate portfolio where 7% of contracts are short-term and in the 'Institutions' portfolio where 8% of contracts are short-term.

A-IRB

Exposure class	PD range	Number of obligors at the end of the previous year		Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
			of which: number of obligors which defaulted in the year				
a	b	c	d	e	f	g	h
Retail - Secured by immovable property	0.00 to <0.15	32,853	31	0.09 %	0.07 %	0.07 %	0.18 %
	0.00 to <0.10	32,853	31	0.09 %	0.07 %	0.07 %	0.18 %
	0.10 to <0.15						
	0.15 to <0.25	59,192	85	0.14 %	0.19 %	0.19 %	0.20 %
	0.25 to <0.50	5,807	19	0.33 %	0.39 %	0.39 %	0.23 %
	0.50 to <0.75	10,203	41	0.40 %	0.53 %	0.53 %	0.28 %
	0.75 to <2.50	26,056	172	0.66 %	1.75 %	1.77 %	0.67 %
	0.75 to <1.75	12,256	52	0.42 %	1.07 %	1.07 %	0.71 %
	1.75 to <2.50	13,800	120	0.87 %	2.37 %	2.38 %	0.61 %
	2.50 to <10.00	6,141	157	2.56 %	6.03 %	6.10 %	3.32 %
	2.50 to <5.00	1,189	15	1.26 %	3.70 %	3.70 %	4.13 %
	5.00 to <10.00	4,952	142	2.87 %	6.52 %	6.53 %	2.97 %
	10.00 to <100.00	2,813	425	15.11 %	21.61 %	21.67 %	10.89 %
	10.00 to <20.00	2,041	253	12.40 %	16.89 %	16.90 %	8.17 %
	20.00 to <30.00	464	93	20.04 %	26.26 %	26.27 %	14.47 %
	30.00 to <100.00	308	79	25.65 %	47.90 %	48.73 %	18.55 %
	100.00 (Default)	2,510					

F-IRB

Exposure class	PD range	Number of obligors at the end of the previous year		Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
			of which: number of obligors which defaulted in the year				
a	b	c	d	e	f	g	h

Central governments and central banks	0.00 to <0.15	37	0	0.00 %	0.01 %	0.02 %	0.00 %
	0.00 to <0.10	37	0	0.00 %	0.01 %	0.02 %	0.00 %
	0.10 to <0.15						
	0.15 to <0.25						
	0.25 to <0.50						
	0.50 to <0.75						
	0.75 to <2.50						
	0.75 to <1.75						
	1.75 to <2.50						
	2.50 to <10.00						
	2.50 to <5.00						
	5.00 to <10.00						
	10.00 to <100.00						
	10.00 to <20.00						
	20.00 to <30.00						
	30.00 to <100.00						
	100.00 (Default)						

Exposure class	**PD range**	**Number of obligors at the end of the previous year**		**Observed average default rate (%)**	**Exposures weighted average PD (%)**	**Average PD (%)**	**Average historical annual default rate (%)**
			of which: number of obligors which defaulted in the year				
a	b	c	d	e	f	g	h
Institutions	0.00 to <0.15	126	0	0.00 %	0.10 %	0.10 %	0.00 %
	0.00 to <0.10	34	0	0.00 %	0.04 %	0.04 %	0.00 %
	0.10 to <0.15	92	0	0.00 %	0.12 %	0.12 %	0.00 %
	0.15 to <0.25						
	0.25 to <0.50	28	0	0.00 %	0.35 %	0.35 %	0.00 %
	0.50 to <0.75						
	0.75 to <2.50	7	0	0.00 %	0.99 %	0.99 %	0.00 %
	0.75 to <1.75	7	0	0.00 %	0.99 %	0.99 %	0.00 %
	1.75 to <2.50						
	2.50 to <10.00	1	0	0.00 %	4.38 %	4.38 %	0.00 %
	2.50 to <5.00	1	0	0.00 %	4.38 %	4.38 %	0.00 %
	5.00 to <10.00						
	10.00 to <100.00	1	0	0.00 %	11.12 %	11.12 %	0.00 %
	10.00 to <20.00	1	0	0.00 %	11.12 %	11.12 %	0.00 %
	20.00 to <30.00						
	30.00 to <100.00						
	100.00 (Default)						

Exposure class	**PD range**	**Number of obligors at the end of the previous year**		**Observed average default rate (%)**	**Exposures weighted average PD (%)**	**Average PD (%)**	**Average historical annual default rate (%)**
			of which: number of obligors which defaulted in the year				
a	b	c	d	e	f	g	h

Corporates - SME	0.00 to <0.15	9	0	0.00 %	0.07 %	0.10 %	4.00 %
	0.00 to <0.10	2	0	0.00 %	0.03 %	0.03 %	0.00 %
	0.10 to <0.15	7	0	0.00 %	0.10 %	0.10 %	5.56 %
	0.15 to <0.25	1	0	0.00 %	0.18 %	0.18 %	0.00 %
	0.25 to <0.50	20	0	0.00 %	0.32 %	0.32 %	0.00 %
	0.50 to <0.75	11	0	0.00 %	0.58 %	0.58 %	0.00 %
	0.75 to <2.50	1,474	22	1.49 %	1.47 %	1.33 %	1.65 %
	0.75 to <1.75	874	9	1.03 %	1.07 %	1.00 %	1.25 %
	1.75 to <2.50	600	13	2.17 %	2.02 %	2.02 %	2.18 %
	2.50 to <10.00	1,075	44	4.09 %	4.46 %	4.38 %	6.16 %
	2.50 to <5.00	588	15	2.55 %	3.27 %	3.27 %	3.21 %
	5.00 to <10.00	488	29	5.94 %	6.00 %	6.19 %	9.31 %
	10.00 to <100.00	42	10	23.81 %	17.12 %	15.16 %	26.84 %
	10.00 to <20.00	33	7	21.21 %	13.75 %	13.75 %	22.44 %
	20.00 to <30.00	4	1	25.00 %	22.20 %	22.20 %	34.04 %
	30.00 to <100.00	5	2	40.00 %	49.05 %	36.21 %	36.71 %
	100.00 (Default)	296					

Exposure class	**PD range**	**Number of obligors at the end of the previous year**		**Observed average default rate (%)**	**Exposures weighted average PD (%)**	**Average PD (%)**	**Average historical annual default rate (%)**
			of which: number of obligors which defaulted in the year				
a	b	c	d	e	f	g	h
Corporates - Specialised Lending	0.00 to <0.15	3	0	0.00 %	0.10 %	0.10 %	0.00 %
	0.00 to <0.10						
	0.10 to <0.15	3	0	0.00 %	0.10 %	0.10 %	0.00 %
	0.15 to <0.25	10	0	0.00 %	0.20 %	0.20 %	0.00 %
	0.25 to <0.50	33	0	0.00 %	0.34 %	0.34 %	0.00 %
	0.50 to <0.75	17	0	0.00 %	0.58 %	0.57 %	0.00 %
	0.75 to <2.50	7	0	0.00 %	0.88 %	0.84 %	0.00 %
	0.75 to <1.75	7	0	0.00 %	0.88 %	0.84 %	0.00 %
	1.75 to <2.50						
	2.50 to <10.00						
	2.50 to <5.00						
	5.00 to <10.00						
	10.00 to <100.00	2	0	0.00 %	17.64 %	30.00 %	20.00 %
	10.00 to <20.00	1	0	0.00 %	10.00 %	10.00 %	20.00 %
	20.00 to <30.00						
	30.00 to <100.00	1	0	0.00 %	50.00 %	50.00 %	0.00 %
	100.00 (Default)	1					

Exposure class	**PD range**	**Number of obligors at the end of the previous year**		**Observed average default rate (%)**	**Exposures weighted average PD (%)**	**Average PD (%)**	**Average historical annual default rate (%)**
			of which: number of obligors which defaulted in the year				
a	b	c	d	e	f	g	h

Corporates - Other	0.00 to <0.15	122	0	0.00 %	0.08 %	0.07 %	0.00 %
	0.00 to <0.10	47	0	0.00 %	0.04 %	0.04 %	0.00 %
	0.10 to <0.15	76	0	0.00 %	0.10 %	0.10 %	0.00 %
	0.15 to <0.25	53	0	0.00 %	0.18 %	0.18 %	0.68 %
	0.25 to <0.50	178	2	1.12 %	0.32 %	0.32 %	0.82 %
	0.50 to <0.75	134	1	0.75 %	0.58 %	0.58 %	1.55 %
	0.75 to <2.50	242	1	0.41 %	1.23 %	1.25 %	2.00 %
	0.75 to <1.75	170	1	0.59 %	1.02 %	1.06 %	1.10 %
	1.75 to <2.50	72	0	0.00 %	1.98 %	1.93 %	4.51 %
	2.50 to <10.00	64	0	0.00 %	4.92 %	4.17 %	4.35 %
	2.50 to <5.00	41	0	0.00 %	3.29 %	3.32 %	1.57 %
	5.00 to <10.00	23	0	0.00 %	5.83 %	7.07 %	7.00 %
	10.00 to <100.00	8	1	12.50 %	20.91 %	21.07 %	10.17 %
	10.00 to <20.00	6	0	0.00 %	18.42 %	19.30 %	2.86 %
	20.00 to <30.00						
	30.00 to <100.00	2	1	50.00 %	35.84 %	35.84 %	22.73 %
	100.00 (Default)	63					

48: Template EU CR9.1 - IRB approach - Back-testing of PD per exposure class (only for PD estimates according to point (f) of Article 180(1) CRR)

As per Article 452(h) of the CRR the table below provides back testing data to validate the reliability of PD calculations. These tables are completed for all portfolios where there is a mapping to External ratings as per CRR Article 180(1)(f).
The historical average observed default rate is calculated using 5 years of non-overlapping data.

F-IRB

Exposure class	PD range	External rating equivalent			Number of obligors at the end of the previous year		Observed average default rate (%)	Average PD (%)	Average historical annual default rate (%)
						of which: number of obligors which defaulted in the year			
a	b	c			d	e	f	g	h
		S&P	Fitch	Moody's					
Central governments and central banks	0.00% to 0.03%	AAA to AA-	AAA to AA-	Aaa to Aa3	26	0	0.000 %	0.004 %	0.000 %
	0.03% to 0.08%	A+ to A-	A+ to A-	A1 to A3	10	0	0.000 %	0.036 %	0.000 %
	0.08% to 0.30%	BBB+ BBB-	BBB+ BBB-	Baa1 to Baa3	1	0	0.000 %	0.098 %	0.000 %

Exposure class	PD range	External rating equivalent			Number of obligors at the end of the previous year		Observed average default rate (%)	Average PD (%)	Average historical annual default rate (%)
						of which: number of obligors which defaulted in the year			
a	b	c			d	e	f	g	h
		S&P	Fitch	Moody's					
Institutions	0.00% to 0.05%	AAA to AA-	AAA to AA-	Aaa to Aa3	34	0	0.00 %	0.04 %	0.00 %
	0.05% to 0.20%	A+ to A-	A+ to A-	A1 to A3	92	0	0.00 %	0.12 %	0.00 %
	0.20% to 0.70%	BBB+ to BBB-	BBB+ to BBB-	Baa1 to Baa3	28	0	0.00 %	0.35 %	0.00 %
	0.70% to 2.00%	BB+ to BB-	BB+ to BB-	Ba1 to Ba3	9	0	0.00 %	0.99 %	0.00 %

Chapter 12. Disclosure of exposures to counterparty credit risk

49: Table EU CCRA - Qualitative disclosure related to CCR

As per Article 439 the table below provides information on the Group's counterparty credit risk management.

Legal basis	Row Number	Qualitative information	
Article 439 (a)	(a)	Description of the methodology used to assign internal capital and credit limits for counterparty credit exposures, including the methods to assign those limits to exposures to central counterparties	The Group is predominantly exposed to counterparty credit exposure through its portfolio of derivatives and repurchase agreements ('repos'). Derivatives: The credit risk on derivative contracts is the risk that the Group's counterparty in the contract defaults prior to maturity at a time when AIB has a claim on the counterparty under the contract. AIB would then have to replace the contract at the current market rate, which may result in a loss. The credit exposure on derivatives is managed in the same way as other types of credit exposure. The Group applies the same credit control and risk management policies as relate to counterparty credit approval, limit setting and monitoring procedures. Counterparty credit exposure ("CCE") consists partly of current replacement cost (or mark-to-market) of the contracts and partly of potential future exposure. The potential future exposure component is an estimation which reflects possible changes in market values during the remaining life of the individual contract. The CCE for an individual counterparty will take into account the existence of valid bilateral netting or collateral agreements, where these are in place. The Group applies the mark-to-market method for calculating the Pillar 1 capital for derivatives. Pre-settlement CCE limits must be approved in advance of any transactions being entered into by the appropriate credit approval authority. This forms part of the normal credit management and review process. Settlement and maturity limits must conform to general credit policy requirements. Limits on the maximum residual maturity of derivative activities are governed by individual counterparty maturity constraints. Those sanctioning CCE limits must be satisfied that they sufficiently understand the risks involved in the proposed transactions. It is Group practice, where possible and relevant, that all appropriate documentation, such as facility letters or international swaps and derivatives association ("ISDA") agreements be put in place before any limits are made available for use. For repos, reverse repos, collateral swaps and securities lending transactions, CCE is measured as the sum of current replacement cost plus an additional amount to reflect potential future losses that might be incurred due to adverse market movements that can occur in the time taken to replace a position. This additional amount is calculated by using an add-on-factor (AOF) approach. AOFs increase as the 'riskiness' of the underlying collateral increases. AOFs are derived by applying conservative overlays to the volatility-adjustments specified in article 224 of CRR IV. Pre-settlement CCE limits for derivative transactions are established by reference to the specific transaction's add-on-factors equivalent. Credit Support Annexes ("CSAs") are taken into consideration when setting the internal credit risk utilisation for derivative counterparties. CSAs and netting are also recognised as credit risk mitigation for reducing the exposure at default on derivatives. Regulatory netting is currently recognised for 12 bank counterparties. GMRAs/PSAs and netting are not recognised as credit risk mitigation for repo transactions in the pillar 1 regulatory capital calculations. The Group has established the capacity to clear derivatives in line with European Markets Infrastructure Regulation ("EMIR") requirements for central counterparty clearing. Clearing of certain derivative transactions is now mandatory for AIB under Article 4 of EMIR (clearing obligation). The clearing obligation requires AIB to clear certain derivatives with an authorised central clearing party (termed a 'CCP'; AIB uses LCH SwapClear, Eurex, LCH (SA) for CDS) which is completed through a 'Clearing Broker'; AIB's clearing brokers are HSBC France , BNP and Barclays Bank Ireland. Cleared derivatives eliminate exposure to bilateral counterparties, replacing these counterparties with the CCP. Repurchase agreements: AIB Group is active in repurchase transactions in capital market instruments. This is achieved through repo/reverse repo products (together called repurchase transactions). Repurchase transactions are undertaken on both a bilateral and tri-party basis. Where appropriate netting documentation is in place, both sets of products also become legally equivalent from a credit mitigation perspective. The Group only engages in such transactions once the appropriate documentation has been executed. The transactions are executed by authorised personnel in the treasury function. An independent middle office function in the finance department has responsibility for managing the margining of the Group's bilateral repo/reverse repo activities. Margining has been predominantly cash-based although the documentation in general allows for securities to be used as collateral. Tri-party margining is managed through Euroclear, JP Morgan Luxembourg S.A. and Bank of New York SA/NV Tri-party and custodian agents. The associated credit risk is managed in the same way as other types of credit exposure. Exposures are calculated to take account of historical price volatility reflecting the maturity of both the collateral and repurchase transaction. The exposures are aggregated with all other exposures to the counterparty.

			In addition to the normal credit control and risk management policies relating to counterparty credit approval, limit setting and monitoring procedures, the following credit criteria receive additional focus for repurchase transactions: • Acceptable collateral; • Acceptable counterparties; • Appropriate nominal exposure limits by counterparty; • Appropriate risk weighted exposure limits by counterparty; and • Haircut amounts (where appropriate). AIB applies the financial collateral comprehensive method for the purposes of calculating Pillar 1 capital for counterparty credit exposure for repurchase type transactions.
Article 439 (b)	(b)	Description of policies related to guarantees and other credit risk mitigants, such as the policies for securing collateral and establishing credit reserves	It is Group practice, where possible and relevant, that ISDA Master Agreements are put in place to cover derivatives business on a counterparty specific basis. It is also Group practice in relation to wholesale market counterparts to supplement ISDA documentation with a CSA to accommodate the reduction of net exposure on an agreed basis, and in line with market practice, by way of transferring a margin amount, typically cash (as opposed to securities). AIB employs robust procedures and processes to control the residual risk that may arise when taking financial collateral, including strategy, consideration of the underlying credit and collateral management/valuation process. In addition, the Group has established standards to ensure legal certainty exists and the degree of correlation between the credit quality of the obligor and the collateral value must be considered and mitigated.
Article 439 (c)	(c)	Description of policies with respect to Wrong-Way risk as defined in Article 291 of the CRR	AIB's measurement of counterparty credit risk exposure against limits for foreign exchange, interest rate, inflation and equity derivatives does not include a consideration for wrong way risk. Wrong way risk is unlikely to be a feature of such transactions. AIB's measurement of counterparty credit exposure against limits for reverse repurchase agreements and for collateral swaps requires that consideration be given to the correlation between collateral value and the counterparty default probability when determining the add on factor.
Article 439 (d)	(d)	Any other risk management objectives and relevant policies related to CCR	As above, see Article 439 (b).
Article 439 (e)	(e)	The amount of collateral the institution would have to provide if its credit rating was downgraded	A downgrade in the Group's credit rating could have the effect of triggering a CSA to come into effect for a cohort of ISDAs with corporate clients which contractually have this feature should the Group be downgraded below a contractually specified level. However, due to the small number of ISDAs with this feature, this is not deemed a significant risk for the Group. In addition, a downgrade in the Group's credit rating could lead to an increase in the haircuts that would be demanded by counterparties in repurchase transactions. This would lead to an increase in the quantum of securities being pledged by the Group as collateral. The mark-to-market on these trades at 29 December 2023 was approximately €32m.

50: Template EU CCR1 - Analysis of CCR exposure by approach

As per Article 439, points (f), (g), (k) and (m) the template below sets out the methods used to calculate CCR regulatory requirements and the resultant RWEAs. Article 439(m) is an annual requirement on disclosure of the size of on and off-balance sheet derivatives. As at 31 December 2023 this was € 4.3 bn.

Decrease in RWEA between June to December 2023 is mainly due to a decrease in replacement cost for derivatives and a decrease in SFT ("Securities Financing Transaction") RWEA.

		a	b	c	d	e	f	g	h
		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
EU1	EU - Original Exposure Method (for derivatives)	—	—		1.4	—	—	—	—
EU2	EU - Simplified SA-CCR (for derivatives)	—	—		1.4	—	—	—	—
1	SA-CCR (for derivatives)	139	163		1.4	673	423	416	319
2	IMM (for derivatives and SFTs)			—	—	—	—	—	—
2a	*Of which securities financing transactions netting sets*			—		—	—	—	—
2b	*Of which derivatives and long settlement transactions netting sets*			—		—	—	—	—
2c	*Of which from contractual cross-product netting sets*			—		—	—	—	—
3	Financial collateral simple method (for SFTs)					—	—	—	—
4	Financial collateral comprehensive method (for SFTs)					15,259	15,398	15,398	642
5	VaR for SFTs					—	—	—	—
6	**Total**					**15,932**	**15,821**	**15,814**	**961**

51: Template EU CCR2 - Transactions subject to own funds requirements for CVA risk

As per Article 439 point (h) the template below presents the CVA charge broken down by approach.

Decrease in RWEA between June to December 2023 primarily due to decreased exposure at default.

		a	b
		Exposure value	RWEA
1	Total transactions subject to the Advanced method[1]		
2	(i) VaR component (including the 3× multiplier)[1]		
3	(ii) stressed VaR component (including the 3× multiplier)[1]		
4	Transactions subject to the Standardised method	170	65
EU-4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)[1]		
5	**Total transactions subject to own funds requirements for CVA risk**	170	65

[1]AIB does not use Advanced method or Alternative approach

52: Template EU CCR3 - Standardised approach - CCR exposures by regulatory exposure class and risk weights

As per Article 439 point (l), which refers to point (e) of Article 444, the template below presents a breakdown of CCR by exposure class and risk weight. The main movements between June to December 2023 are as follows:
• A decreasing volume of activity with Qualifying Central Counterparty (QCCPs).
• An increase in activity with corporates.

	Exposure classes	Risk weight											
		a	b	c	d	e	f	g	h	i	j	k	l
		0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	Total exposure value
1	Central governments or central banks	—	—	—	—	—	—	—	—	—	—	—	—
2	Regional government or local authorities	—	—	—	—	—	—	—	—	—	—	—	—
3	Public sector entities	—	—	—	—	—	—	—	—	—	—	—	—
4	Multilateral development banks	—	—	—	—	—	—	—	—	—	—	—	—
5	International organisations	—	—	—	—	—	—	—	—	—	—	—	—
6	Institutions	—	2,190	—	—	—	—	—	—	—	—	—	2,190
7	Corporates	—	—	—	—	—	—	—	—	187	—	—	187
8	Retail	—	—	—	—	—	—	—	—	—	—	—	—
9	Institutions and corporates with a short-term credit assessment	—	—	—	—	—	—	—	—	—	—	—	—
10	Other items	—	—	—	—	—	—	—	—	—	—	—	—
11	**Total exposure value**	**—**	**2,190**	**—**	**—**	**—**	**—**	**—**	**—**	**187**	**—**	**—**	**2,376**

53: Template EU CCR4 - IRB approach - CCR exposures by exposure class and PD scale

As per Article 439 point (l), which refers to point (g) of Article 452, the template below presents a detailed view of counterparty credit risk positions subject to the IRB approach by exposure class and PD scale.

Movements between June to December 2023 are as follows:

- Decreases in exposure values of SFTs partially offset by increases in exposure values of derivatives.
- Decreases in RWEAs of SFTs partially offset by increases in RWEAs of derivatives.

		a	b	c	d	e	f	g
	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amount
Central governments and central banks (F-IRB)								
1	0.00 to <0.15	—	—	—	—	—	—	—
2	0.15 to <0.25	—	—	—	—	—	—	—
3	0.25 to <0.50	—	—	—	—	—	—	—
4	0.50 to <0.75	—	—	—	—	—	—	—
5	0.75 to <2.50	—	—	—	—	—	—	—
6	2.50 to <10.00	—	—	—	—	—	—	—
7	10.00 to <100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
	Sub-total (Central governments and central banks)	—	—	—	—	—	—	—

		a	b	c	d	e	f	g
	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amount
Institutions (F-IRB)								
1	0.00 to <0.15	15,530	0.12 %	55	7.15 %	1.00	706	4.54 %
2	0.15 to <0.25	—	—	—	—	—	—	—
3	0.25 to <0.50	31	0.35 %	6	45.00 %	3.00	22	72.24 %
4	0.50 to <0.75	—	—	—	—	—	—	—
5	0.75 to <2.50	—	—	—	—	—	—	—
6	2.50 to <10.00	—	—	—	—	—	—	—
7	10.00 to <100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
	Sub-total (Institutions (F-IRB))	15,561	0.12 %	61	7.23 %	1.00	728	4.68 %

		a	b	c	d	e	f	g
	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amount
Corporates (F-IRB) SME								
1	0.00 to <0.15	—	—	—	—	—	—	—
2	0.15 to <0.25	—	—	—	—	—	—	—
3	0.25 to <0.50	0	0.32 %	3	45.00 %	3.00	0	84.19 %
4	0.50 to <0.75	0	0.58 %	1	45.00 %	3.00	0	110.82 %
5	0.75 to <2.50	0	1.04 %	1	45.00 %	3.00	0	139.51 %
6	2.50 to <10.00	0	3.35 %	3	45.00 %	3.00	0	197.36 %
7	10.00 to <100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
	Sub-total (Corporates (F-IRB) SME)	1	0.99 %	8	45.00 %	3.00	1	121.15 %

		a	b	c	d	e	f	g
	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amount
Corporates (F-IRB) Specialised Lending								
1	0.00 to <0.15	0	0.10 %	1	45.00 %	3.00	0	37.88 %
2	0.15 to <0.25	1	0.20 %	1	45.00 %	3.00	0	56.07 %
3	0.25 to <0.50	19	0.32 %	18	45.00 %	3.00	12	66.55 %
4	0.50 to <0.75	11	0.60 %	8	45.00 %	2.00	10	93.39 %
5	0.75 to <2.50	1	0.84 %	3	45.00 %	3.00	1	96.74 %
6	2.50 to <10.00	—	—	—	—	—	—	—
7	10.00 to <100.00	0	50.00 %	2	45.00 %	3.00	1	258.45 %
8	100.00 (Default)	—	—	—	—	—	—	—
	Sub-total (Corporates (F-IRB) Specialised Lending)	32	0.93 %	33	45.00 %	2.00	26	78.86 %

	PD scale	a Exposure value	b Exposure weighted average PD (%)	c Number of obligors	d Exposure weighted average LGD (%)	e Exposure weighted average maturity (years)	f RWEA	g Density of risk weighted exposure amount
Corporates (F-IRB) Other								
1	0.00 to <0.15	12	0.04 %	17	45.00 %	3.00	3	25.57 %
2	0.15 to <0.25	7	0.18 %	9	45.00 %	3.00	4	61.81 %
3	0.25 to <0.50	10	0.32 %	17	45.00 %	3.00	8	84.18 %
4	0.50 to <0.75	4	0.58 %	4	45.00 %	3.00	4	110.82 %
5	0.75 to <2.50	0	1.04 %	1	45.00 %	3.00	0	139.51 %
6	2.50 to <10.00	—	—	—	—	—	—	—
7	10.00 to <100.00	0	62.27 %	1	45.00 %	3.00	0	265.57 %
8	100.00 (Default)	—	—	—	—	—	—	—
	Sub-total (Corporates (F-IRB) Other)	33	0.23 %	49	45.00 %	3.00	20	60.33 %

	PD scale	a Exposure value	b Exposure weighted average PD (%)	c Number of obligors	d Exposure weighted average LGD (%)	e Exposure weighted average maturity (years)	f RWEA	g Density of risk weighted exposure amount
Retail (A-IRB)								
1	0.00 to <0.15	—	—	—	—	—	—	—
2	0.15 to <0.25	—	—	—	—	—	—	—
3	0.25 to <0.50	—	—	—	—	—	—	—
4	0.50 to <0.75	—	—	—	—	—	—	—
5	0.75 to <2.50	—	—	—	—	—	—	—
6	2.50 to <10.00	—	—	—	—	—	—	—
7	10.00 to <100.00	—	—	—	—	—	—	—
8	100.00 (Default)	—	—	—	—	—	—	—
	Sub-total (Retail (A-IRB))	—	—	—	—	—	—	—
	Total (all CCR relevant exposure classes)	**15,627**	**0.12 %**	**151**	**7.39 %**	**1.00**	**774**	**4.96 %**

54: Template EU CCR5 - Composition of collateral for CCR exposures

As per Article 439 point (e) the template below provides a breakdown of all types of collateral posted or received to support or reduce CCR exposures related to derivative transactions and to SFTs, including transactions cleared through CCP ("Central Counterparty").

Changes in collateral between June to December 2023 is mainly due to changes in derivative market values and movements in SFT collateral values.

		a	b	c	d	e	f	g	h
		Collateral used in derivative transactions				Collateral used in SFTs			
	Collateral type	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
		Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
1	Cash – domestic currency	702	19	40	39	—	—	—	—
2	Cash – other currencies	130	—	100	0	—	—	—	—
3	Domestic sovereign debt	—	—	—	—	—	362	—	867
4	Other sovereign debt	—	—	—	—	—	57	—	2,059
5	Government agency debt	—	—	—	—	—	628	—	—
6	Corporate bonds	—	—	—	—	—	4,439	—	1,838
7	Equity securities	—	—	—	—	—	2,812	—	—
8	Other collateral	—	—	—	—	—	—	—	—
9	**Total**	**831**	**19**	**140**	**39**	**—**	**8,298**	**—**	**4,764**

55: Template EU CCR6 - Credit derivatives exposures

As per Article 439 point (j) the template below sets out the AIB's exposure to credit derivative transactions analysed between derivatives bought or sold.

		a	b
		Protection bought	Protection sold
Notionals			
1	Single-name credit default swaps	—	—
2	Index credit default swaps	83	—
3	Total return swaps	—	—
4	Credit options	—	—
5	Other credit derivatives	—	—
6	**Total notionals**	83	—
Fair values			
7	Positive fair value (asset)	—	—
8	Negative fair value (liability)	(3)	—

56: Template EU CCR8 - Exposures to CCPs

As per Article 439 point (i) the template below sets out the Group’s exposure to Qualifying Central Counterparty (QCCP).

Decrease in RWEAs between June to December 2023 primarily due to lower replacement cost values with QCCPs.

		a	b
		Exposure value	RWEA
1	**Exposures to QCCPs (total)**		**44**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	2,190	44
3	(i) OTC derivatives	2,190	44
4	(ii) Exchange-traded derivatives	—	—
5	(iii) SFTs	—	—
6	(iv) Netting sets where cross-product netting has been approved	—	—
7	Segregated initial margin	—	
8	Non-segregated initial margin	—	—
9	Prefunded default fund contributions	—	—
10	Unfunded default fund contributions	—	—
11	**Exposures to non-QCCPs (total)**		—
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	—	—
13	(i) OTC derivatives	—	—
14	(ii) Exchange-traded derivatives	—	—
15	(iii) SFTs	—	—
16	(iv) Netting sets where cross-product netting has been approved	—	—
17	Segregated initial margin	—	—
18	Non-segregated initial margin	—	—
19	Prefunded default fund contributions	—	—
20	Unfunded default fund contributions	—	—

Chapter 13. Disclosure of exposures to securitisation positions

57: Table EU SECA - Qualitative disclosure requirements related to securitisation exposures

As per Article 449, points (a) to (i) see table below:

Legal basis	Row number	Qualitative information	
Article 449(a) CRR	(a)	Description of securitisation and re-securitisation activities; including institutions' risk management and investment objectives in connection with those activities, their role in securitisation and re-securitisation transactions whether they use the Simple Transparent and Standardised (STS) securitisation framework and the extent to which they use securitisation transactions to transfer the credit risk of the securitised exposures to third parties with, where applicable, a separate description of their synthetic securitisation risk transfer policy	The Group is an originator of securitisations (retained) and an investor in securitisations. The Group is not currently a sponsor of any securitisation positions. All investment securitisation positions are recorded in the Group plc's banking book, and are measured at fair value through Other Comprehensive Income (OCI) or Amortised Cost under the 'Investment Securities' classification in the financial statements. Risk Management: In accordance with its credit risk policy, the Group invests in traditional securitisations. There is a specific Securitisation policy which outlines and governs the risk appetite of the bank from an investor perspective, and is aligned to Article 5 of the Regulation (EU) No 2017/ 2402. Re-securitisations, synthetic investments by way of Credit Default Swaps (CDS) and bespoke and bi-lateral securitisations are not permitted under the policy. Purchase of sub investment grade assets is not permitted under policy. Origination and management of ABS securitisation investments can only be conducted by specified areas of AIB, which have the relevant skills and experience to manage the portfolio. Origination of ABS investments are approved by credit committees in line with the bank's policies and approval frameworks. Depending on asset class, credit assessment includes an assessment of structure and structural protections, cashflow assessment under base and stress cases, performance of underlying assets over time, regulatory environment in the specific jurisdictions (if applicable), assessment of track record of key parties to the transaction etc. From a monitoring perspective, credit assessments are undertaken regularly and approved by the independent risk function on at least an annual basis in line with the Group's credit policies. The Group's Investment objectives in relation securitisations are as follows: As an investor, the Group invests directly in transactions that offer an appropriate risk-adjusted return opportunity and for liquidity purposes, and is an investor in the following: * Senior tranches of traditional securitisations issued by US Government related financial institutions and by residential mortgage backed issuers in Europe, some of these investments qualify as STS securitisations. * Investment grade rated Collateralised Loan Obligations ("CLOs"), Commercial Mortgage Backed Securities ("CMBS") and residential mortgage backed securities ("RMBS") transactions. None of these investments currently qualify as STS securitisations. As an originator, the Group uses securitisations to support its funding activities. The Group sold loans and advances to customers, mainly mortgages, to securitisation special purpose entities ("SSPEs"), which, in turn, issued notes or deposits to external investors. The notes or deposits issued by the SSPEs are on terms which resulted in the Group retaining the majority of ownership risks and rewards and therefore, the loans continue to be recognised on the Group's statement of financial position with all the notes being eliminated on consolidation. See point d for full list of SSPEs. In December 2013, the Group agreed with the Trustee of the AIB UK Defined Benefit Pension Scheme ("the UK scheme") a restructure of the funding of the deficit in the UK scheme. The Group established a pension funding partnership, AIB PFP Scottish Limited Partnership ("SLP") under which a portfolio of loans was transferred to the SLP from another Group entity, AIB UK Loan Management Limited ("UKLM") for the purpose of ring-fencing the repayments on these loans and providing security in respect of future pension payments to the UK scheme. On the basis that there was sufficient cash in the SLP to provide the required security in respect of future payment obligations, all the ring-fenced loans were transferred from the SLP back to UKLM during 2023. The Group does not currently use securitisation transactions to transfer the credit risk of exposures to third parties via synthetic securitisation risk transfer transactions or otherwise.

Article 449(b) CRR	(b)	The type of risk that institutions are exposed to in their securitisation and re-securitisation activities by level of seniority of the relevant securitisation positions, providing a distinction between STS and non-STS positions and: i) risk retained in own-originated transactions; ii) risk incurred in relation to transactions originated by third parties	The Group is exposed to the following risks in respect of its securitisation activities: (i) Risk retained in own-originated transactions: typically residential mortgage portfolios originated from the Group's operations, with primary risk being credit risk attached to the underlying asset pool. Liquidity Risk may apply where insufficient funds are received by the SSPE to service payments to the noteholders as they fall due. The underlying asset pools may also be exposed to non-trading interest rate risk and foreign exchange risk. (ii) Risk incurred, where the Group acts as in investor in transactions originated by third-parties, is primarily the credit risk associated with the underlying asset portfolios. Credit risk is mitigated by the structural features of the securitisations, the levels of credit enhancement for AIB's investments and the fact that the Group does not invest in securitisation notes rated below investment grade. Liquidity risk and market risk are typically fully mitigated by structural features and hedging within the SSPE. The Group adopts the same approach for risk assessment of STS and non-STS transactions, and for senior and non-senior securitisation tranches. All securitisation investments, both senior and non-senior, are subject to initial and on-going due diligence in accordance with Article 5 of Regulation (EU) 2017/2402 and AIB's Credit Risk Policy. Such risks are identified, managed and monitored in line with the Group's risk management framework.
Article 449(c) CRR	(c)	Institutions' approaches to calculating the risk-weighted exposure amounts that they apply to their securitisation activities, including the types of securitisation positions to which each approach applies with a distinction between STS and non-STS positions	Effective 1 January 2020, all securitisation positions moved onto the new securitisation framework introduced through amendments to the CRR (Regulation (EU) 2017/2401). The Group applies the hierarchy as set out therein, applying the standardised approach (SEC-SA) for senior securitisation positions and the external ratings based approach (SEC-ERBA) for non-senior positions. The Group does not apply the Internal ratings based approach (SEC-IRBA) to any of its securitisation positions. SEC-SA is the standardised approach, which uses the standardised credit risk treatment of the underlying exposures as the main input into the formula. SEC-ERBA is the external ratings based approach using the listed credit rating agencies, plus additional data requirements. Lower risk weights apply to positions which qualify as STS securitisations. As at 31 Dec 2023, the Group's traditional STS securitisation positions are risk weighted using the SEC-SA approach in accordance with Article 261 of Regulation (EU) No 575/2013 as amended by Regulation (EU) No 2017/ 2401. The Group's traditional non-STS securitisation positions are risk weighted using the SEC-SA and SEC-ERBA approaches in accordance with Articles 261 and 263 of Regulation (EU) No 575/2013 as amended by Regulation (EU) No 2017/ 2401.

Article 449(d) CRR	(d)	A list of SSPEs falling into any of the following categories, with a description of their types of exposures to those SSPEs, including derivatives contracts: (i) SSPEs which acquire exposures originated by the institutions; (ii) SSPEs sponsored by the institutions; (iii) SSPEs and other legal entities for which the institutions provide securitisation-related services, such as advisory, asset servicing or management services; (iv) SSPEs included in the institutions' regulatory scope of consolidation	(i) In its role as an originator the Group has the following SSPE's: a) Burlington Mortgages No. 1 d.a.c. - a residential mortgage loan portfolio comprising loans from 2 of its subsidiaries, EBS d.a.c. and Haven Mortgages Limited. In order to fund the acquired mortgages, Burlington issued twelve classes of notes to EBS d.a.c. and Haven in the same proportion as the mortgages securitised. These notes are retained by AIB Group. b) Burlington Mortgage No. 2 d.a.c – a residential mortgage loan portfolio comprising loans from 2 of its subsidiaries, EBS d.a.c. and Haven Mortgages Limited. In order to fund the acquired mortgages, Burlington issued seven classes of notes to EBS d.a.c. and Haven in the same proportion as the mortgages securitised. These notes are retained by AIB Group. c) AIB Group (UK) p.l.c. Pension Scheme interest in the AIB PFP Scottish Limited Partnership. In December 2013, the Group agreed with the Trustee of the AIB UK Defined Benefit Pension Scheme ("the UK scheme") a restructure of the funding of the deficit in the UK scheme. The Group established a pension funding partnership, AIB PFP Scottish Limited Partnership ("SLP") under which a portfolio of loans was transferred to the SLP from another Group entity, AIB UK Loan Management Limited ("UKLM") for the purpose of ring-fencing the repayments on these loans and providing security in respect of future pension payments to the UK scheme. On the basis that there was sufficient cash in the SLP to provide the required security in respect of future payment obligations, all the ring-fenced loans were transferred from the SLP back to UKLM during 2023. (ii) There are no SSPEs sponsored by the Group at this time. (iii) The Group provides securitisation related services to the third party entity Beara Finance d.a.c. These comprise of mortgage servicing and cash management services related to portfolio of residential mortgage loans held by Beara and the related Profit Participation Note issued by Beara. (iv) Burlington Mortgages No. 1 d.a.c. and Burlington Mortgage No. 2 d.a.c are the two SSPEs included in AIB Groups regulatory scope of consolidation.
Article 449(e) CRR	(e)	A list of any legal entities in relation to which the institutions have disclosed that they have provided support in accordance with Chapter 5 of Title II of Part Three CRR	There are no contractual arrangements that could require the Group or its subsidiaries to provide financial support to the consolidated structured entities. During the year, neither the Group nor any of its subsidiaries provided financial support to a consolidated structured entity and there is no current intention to provide financial support.
Article 449(f) CRR	(f)	A list of legal entities affiliated with the institutions and that invest in securitisations originated by the institutions or in securitisation positions issued by SSPEs sponsored by the institutions	(i) In its role as an originator the Group has the following SSPEs: a) Burlington Mortgages No. 1 d.a.c. - Notes are issued to EBS d.a.c. and Haven Mortgages Limited ; b) Burlington Mortgages No. 2 d.a.c. - Notes are issued to EBS d.a.c. and Haven Mortgages Limited. (ii) The Group is not currently a sponsor of securitisation positions.

Article 449(g) CRR	(g)	A summary of their accounting policies for securitisation activity, including where relevant a distinction between securitisation and re-securitisation positions	Retained Securitisations: From an accounting perspective, the treatment of SSPEs is assessed in accordance with IFRS 10 Consolidated Financial Statements which establishes the principles for when the Group is deemed to control another entity and therefore required to consolidate it through the Group's financial statements. In accordance with the Group's accounting policy 'Basis of Consolidation', the Group consolidates SSPEs when the substance of the relationship between the Group and the SPE indicates that SPE is controlled by the entity and meets the criteria set out in IFRS 10. The Group derecognises a financial asset when the contractual rights to the cash flows from the assets expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the assets are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the assets. On derecognition of a financial asset, the difference between the carrying amount of the asset and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in Other Comprehensive Income "OCI" is recognised in profit or loss. Relevant costs incurred with the disposal of a financial asset are deducted in computing the gain or loss on disposal. The recognition, initial measurement and associated business models of financial assets are assessed in accordance with the Group's published accounting policy 'Financial assets' and 'Derecognition'. Securitisations which are fair valued are in accordance with the Group's published accounting policy 'Determination of fair value of financial instruments'. This outlines that positions should be valued through direct pricing, as opposed to marking to model, if a reliable and directly observable price for the financial instrument in question is available. The Group did not utilise synthetic securitisation positions during 2023. The Group did not have any re-securitisation positions during 2023 At 31 December 2023, no assets were categorised as awaiting securitisation. The Group does not use credit hedging or unfunded credit protection to mitigate the risks of retained securitisation exposures. Investments into third-party Securitisations: are accounted for under IFRS 9 as either (i) hold-to-collect and measured at amortised cost or (ii) hold-to-collect and sell and measured at fair value through Other Comprehensive Income. SPPI testing is applied at the point of origination for all new securitisation investments.
Article 449(h) CRR	(h)	The names of the ECAIs used for securitisations and the types of exposure for which each agency is used	The Group utilises the ratings services of several ECAIs, noting that under AIB's Credit Policy for ABS Investments, all securitisation investments made by AIB must have an external credit rating from at least one of the following ECAIs: Standard & Poor's, Moody's, Fitch Ratings or DBRS. External ratings are used to determine RWEA for securitisations where the SEC-ERBA approach is deemed to apply. The Notes in Burlington No.1 d.a.c and Burlington No. 2 d.a.c (retained securitisations) are rated by Moody's and DBRS.
Article 449(i) CRR	(i)	Where applicable, a description of the Internal Assessment Approach as set out in Chapter 5 of Title II of Part Three CRR including the structure of the internal assessment process and the relation between internal assessment and external ratings of the relevant ECAI disclosed in accordance with point (h), the control mechanisms for the internal assessment process including discussion of independence, accountability, and internal assessment process review, the exposure types to which the internal assessment process is applied and the stress factors used for determining credit enhancement levels	AIB does not hold any securitisation positions wherein it applies the Internal Assessment approach as set out in Chapter 5 of Title II of Part Three CRR.

58: Template EU SEC1 - Securitisation exposures in the non-trading book

As per Article 449 point (j) the template shows AIB as an investor, non-trading book carrying amount of securitisation exposures broken down by type as at 31 December 2023.

The Group does not have asset-backed commercial paper ("ABCP") programmes within their traditional securitisations. Securitisation remained relatively static at € 2.3 bn.
There were no sales of securitisations during the period.

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
		Traditional				Synthetic		Sub-total	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total
		STS		Non-STS					STS	Non-STS			STS	Non-STS		
			of which SRT		of which SRT		of which SRT									
1	**Total exposures**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**93**	**2,302**	**—**	**2,395**
2	Retail (total)	—	—	—	—	—	—	—	—	—	—	—	93	362	—	455
3	residential mortgage	—	—	—	—	—	—	—	—	—	—	—	93	362	—	455
4	credit card	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5	other retail exposures	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6	re-securitisation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
7	Wholesale (total)	—	—	—	—	—	—	—	—	—	—	—	—	1,940	—	1,940
8	loans to corporates	—	—	—	—	—	—	—	—	—	—	—	—	1,904	—	1,904
9	commercial mortgage	—	—	—	—	—	—	—	—	—	—	—	—	36	—	36
10	lease and receivables	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
11	other wholesale	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
12	re-securitisation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

59: Template EU SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor

As per Article 449 point (k)(ii) this template shows AIB non-trading book aggregate amount of securitisation positions, where AIB act as investor and the associated risk-weighted assets and capital requirements by regulatory approaches as at 31 December 2023.

AIB applies the standardised approach and external ratings based approach to determining its securitisation RWEAs in accordance with Regulation (EU) 2017/2401.

Securitisation RWEAs remained relatively static between June to December 2023.
There was no increase in RWEA as a result of credit under-performance in the securitisation portfolio.
There were no sales of securitisations during the period.

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	EU-p	EU-q
		Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
		≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW
1	**Total exposures**	**1,833**	**18**	**111**	**433**	**—**	**—**	**544**	**1,851**	**—**	**—**	**665**	**274**	**—**	**—**	**53**	**22**	**—**
2	Traditional securitisation	1,833	18	111	433	—	—	544	1,851	—	—	665	274	—	—	53	22	—
3	Securitisation	1,833	18	111	433	—	—	544	1,851	—	—	665	274	—	—	53	22	—
4	Retail underlying	455	—	—	—	—	—	—	455	—	—	—	64	—	—	—	5	—
5	Of which STS	93	—	—	—	—	—	—	93	—	—	—	9	—	—	—	1	—
6	Wholesale	1,378	18	111	433	—	—	544	1,396	—	—	665	210	—	—	53	17	—
7	Of which STS	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
8	Re-securitisation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	Synthetic securitisation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
10	Securitisation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
11	Retail underlying	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
12	Wholesale	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Re-securitisation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

Chapter 14. Disclosure of the use of standardised approach for market risk

60: Table EU MRA - Qualitative disclosure requirements related to market risk

As per Article 435(1) the table below provides information on the Group's market risk management.

a	Points (a) and (d) of Article 435 (1) CRR A description of the institution's strategies and processes to manage market risk, including: - An explanation of management's strategic objectives in undertaking trading activities, as well as the processes implemented to identify, measure, monitor and control the institution's market risks - A description of their policies for hedging and mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges	Market risk is managed against a range of Board approved limits which cover market risk in the trading book, interest rate risk in the banking book and credit spread risk in the banking book. The Board approved limits are supplemented by a range of ALCo approved limits. Market risk is identified and assessed using portfolio sensitivities, Value at Risk ("VaR") and stress testing. Interest rate gaps and sensitivities to various risk factors are measured and reported on a daily basis. In terms of the VaR metric, the Group calculates a daily historical simulation VaR to a 95% confidence level, using a one day holding period and based on one year of historic data. In addition to VaR, Capital at Risk ("CaR") is also measured to a one year (1) time horizon, a 99% confidence level and a longer set of data. Nominal, sensitivity and 'stop loss' limits are also used. Market risk is taken on by the bank as a consequence of the bank facilitating its customer requirements for derivatives and to a lesser extent in pursuit of a return. As stated in the bank's Risk Appetite Statement (RAS), the bank does not have an appetite for large proprietary market risk positions in the Trading Book, and has a low appetite for income volatility instead targeting steady, sustainable earnings. Market risk strategy is aligned to the RAS. When a financial instrument is designated as a hedge, the Group formally documents the relationship between the hedging instrument and hedged item as well as its risk management objectives and its strategy for undertaking the various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of the hedged items. A Structural Interest rate Hedging Programme is used by AIB to ensure a stable Net Interest Income on the Bank's free funds. The 1st Line make proposals to ALCo on how this interest rate management strategy should be effected, outlining the expected net interest income impacts. The 2nd Line provide an accompanying review and challenge to ALCo.
b	Point (b) of Article 435 (1) CRR A description of the structure and organisation of the market risk management function, including a description of the market risk governance structure established to implement the strategies and processes of the institution discussed in row (a) above, and that describes the relationships and the communication mechanisms between the different parties involved in market risk management.	The Group implements a strong risk management approach to protect its customers and mitigate risks. The Group achieve this through identifying the Principal Risks and Uncertainties, including the key Emerging Risk Drivers, which could adversely impact its customers, business, stakeholders and the delivery of the Group's strategic objectives. The Group operates a three lines of defence model for risk management. For market risk the first line comprises the Finance and Treasury functions who report to the CFO. The Group's Finance function is responsible for the identification, measurement and reporting of the Group's aggregate market risk profile. The Group's Treasury function is responsible for the management of the majority of market risk in the Bank, with a small amount of market risk existing in the Goodbody Stockbrokers subsidiary. The first line documents an annual Market Risk Strategy and Appetite statement as part of the annual financial planning cycle which ensures market risk aligns with the Group's strategic business plan. The Financial Risk function, reporting to the CRO, is responsible for the development of the market risk measurement methodologies. It provides review and challenge risk oversight and proposes and maintains the Market Risk Management Framework and Policies as the basis of the Group's control architecture for market risk activities, including the annual agreement of market risk limits (subject to the Board approved Risk Appetite Statement). All subsidiaries within the Group which are exposed to market risk must align to the Market Risk Management Framework. The third line of defence comprises Group Internal Audit which provides third line assurance on market risk. The Group has implemented a strong risk management approach to identifying, assessing and managing risks. To support this approach, a number of frameworks and policies approved by the Board (or Board delegation) are in place which set out the key principles, roles and responsibilities and governance arrangements through which the Group's material risks are managed and mitigated. These frameworks and policies are subject to annual review by the respective risk owners. The monthly Chief Risk Officer ("CRO") Report provides qualitative and quantitative information on the management of the material risks to which the Group is exposed. The core aspects of the Group's risk management framework including Risk strategy and culture, Risk identification and assessment, Risk measurement and management, Risk monitoring, escalating and reporting are set out in the Annual Financial Report 2023. The Group undertakes semi-annual stress testing on all the Group's exposures including loans and receivables, the investment securities book, equity investments and other exposures related to our Treasury business and the macroeconomic scenarios used for planning and internal stress testing purposes are reviewed by the Asset and Liability Committee (ALCo) and by the Board Risk Committee. An important part of the Group's Risk Management Framework is the setting of the Group Risk Appetite Statement ("RAS"). The RAS is a blend of qualitative statements and quantitative limits and triggers linked to the Group's strategic objectives. The overarching qualitative statements for the RAS are reflected in the Annual Financial Report 2023. The Group's risk profile is measured against its risk appetite and during 2023 the Group RAS was reported to the Group Risk Committee and Board Risk Committee.

c	Point (c) of Article 435 (1) CRR Scope and nature of risk reporting and measurement systems	The Group assumes market risk as a result of its banking and trading book activities. The main components of market risk are: • Credit spread risk is the exposure of the Group's financial position to adverse movements in the credit spreads of bonds held in the hold-to-collect-and-sell ("HTCS") securities portfolio. Credit spreads are defined as the difference between bond yields and interest rate swap rates of equivalent maturity. The HTCS bond portfolio is the principal source of credit spread risk. The Group also monitors the credit spread risk in its hold-to-collect ("HTC") bond portfolio; • Interest rate risk in the banking book ("IRRBB") is the current or prospective risk to both the earnings and capital of the Group as a result of adverse movements in interest rates. Changes in interest rates impact the underlying value of the Group's assets, liabilities and off-balance sheet instruments and, hence, its economic value (or capital position). Similarly, interest rate changes will impact the Group's net interest income (NII) through interest-sensitive income and expense effects; and • The Group also assumes market risk through its trading book activities which relate to all positions in financial instruments (principally derivatives) that are held with trading intent or in order to hedge positions held with trading intent. Risks associated with valuation adjustments such as credit value adjustment ("CVA") and funding value adjustment ("FVA") are managed by the trading unit in the Group's Treasury function. Market risk is identified and assessed using portfolio sensitivities, Value at Risk ("VaR") and stress testing. Interest rate gaps and sensitivities to various risk factors are measured and reported on a daily basis. In terms of the VaR metric, the Group calculates a daily historical simulation VaR to a 95% confidence level, using a one day holding period and based on one year of historic data. In addition to VaR, Capital at Risk ("CaR") is also measured to a one year(1) time horizon, a 99% confidence level and a longer set of data. Market risk is managed against a range of Board approved VaR limits which cover market risk in the trading book, interest rate risk in the banking book and credit spread risk in the banking book. The Board approved limits are supplemented by a range of ALCo approved limits which include VaR limits, nominal and sensitivity limits and 'stop loss' limits. On a daily basis front office and risk functions receive a range of valuation, sensitivity and market risk measurement reports, while ALCo receives a monthly market risk commentary and summary risk profile. Market risk exposures are reported to the Group Risk Committee ("GRC") and Board Risk Committee ("BRC") on a monthly basis through the CRO Report.

61: Template EU MR1 - Market risk under the standardised approach

As per Article 445, this template shows the RWEAs for standardised market risk split between outright products, options and securitisation. This template includes exposures subject to the standardised approach only.

The movement in market risk RWEA between June to December 2023 is driven by an increase in credit default swaps which resulted in an increase in specific risk of € 1 m RWEA, an increase in interest rate risk which resulted in a € 11 m increase in RWEA and a decrease in equity risk of € 8 m RWEA. There was no contribution from foreign exchange risk as the ratio between the total open net positions and total own funds was below the 2% regulatory driven threshold.

		a
		RWEAs
	Outright products	
1	Interest rate risk (general and specific)	320
2	Equity risk (general and specific)	20
3	Foreign exchange risk	—
4	Commodity risk[1]	
	Options	
5	Simplified approach[2]	
6	Delta-plus approach	2
7	Scenario approach[3]	
8	Securitisation (specific risk)[4]	
9	**Total**	**342**

[1] AIB does not have commodity risk.

[2] AIB does not have approval for the simplified approach.

[3] AIB does not use the scenario approach.

[4] AIB does not have trading securitisation instruments or correlation trading portfolios.

Chapter 15. Disclosure of operational risk

62: Table EU ORA - Qualitative information on operational risk

As per Articles 435(1) points (a), (b), (c) and (d), Article 446 and Article 454 see the table below:

Legal basis	Row	Qualitative information	
Points (a), (b), (c) and (d) of Article 435(1) CRR	(a)	Disclosure of the risk management objectives and policies	Strategies & Processes Article 435(1) (a) Operational Risk is the risk arising from inadequate or failed internal processes, people and systems, or from external events. This includes legal risk – the potential for loss arising from the uncertainty of legal proceedings and potential legal proceedings, but excludes strategic and reputational risk. Operational Risk is identified and assessed by the Group's material risk assessment which is a top down process and it also identifies the sub risks i.e. information security (including cyber risk), change risk, physical safety and property risk, continuity and operational resilience risk, product and proposition risk, third party risk, IT risk, data risk, legal risk and people risk. The risk and control assessment is the Group's core bottom-up process for the identification and assessment of operational risk across the Group. There is an Operational Risk Framework in place which sets out the principles, supporting policies, roles and responsibilities, governance arrangements and processes for operational risk management across AIB. Each sub risk has a supporting policy in place to outline the minimum control standards and core policy rules that must be adhered to. The material operational sub risks are owned and actively monitored under the Operational Risk Framework (and underlying Policies) to ensure material operational risks are managed effectively within the parameters set out in the Group Risk Appetite Statement (Group RAS). The Operational Risk Framework and Policies set out the process for risk and control assessments, identification of the key non-financial risks arising from key business processes and activities and the process for the escalation of the relevant RAS metric limit and watch-trigger breaches. Structure & organisation of risk management for Operational Risk Article 435(1) (b) The Group Head of Operational Risk reports directly to the Chief Risk Officer and has primary responsibility for the Operational Risk Function. The operational risk objectives which support delivery of AIB's overall strategic objectives are: - Formulate AIB's Risk Appetite for Operational Risk and ensure that AIB's operational risk profile and business and financial plans are consistent with it; - Promote a strong risk culture throughout the organisation; - Establish and maintain the operational risk management architecture of AIB, ensuring that AIB has robust processes in place to identify, assess, monitor, manage and report its key operational risks and risk drivers, where relevant; - Ensure AIB has a strong risk governance and internal control environment in place; - Ensure through its risk assessment techniques that AIB has sufficient resilience to withstand a range of adverse scenarios; - Support improvements in operational and strategic decisions throughout AIB; and, - Foster an environment of continuous improvement and learning from mistakes. Risk Measurements & Control Article 435(1) (c) The Risk and Control Assessment (RCA) process is in place across the Group to support management's evaluation of the key operational risks facing the Group and associated mitigating controls. The identified operational risks and mitigating controls are reviewed and signed off every six months by management up to and including ExCo level to confirm that the controls recorded are appropriate and operating effectively. The review of the RCA takes into account Operational Risk Events which occurred during the relevant period and any testing which took place on key controls. Self-assessment of risks is completed at business unit level and is recorded on SHIELD which is the Group's governance, risk and compliance system. Each business area is primarily responsible for managing its own risks. The Operational Risk Framework has supporting policies specific to each key operational sub risks to ensure an effective and consistent approach to operational risk management across the Group. Additionally sub risks are measured through a series of metrics which track performance over the previous 12 months e.g. operational risk losses, RCA monitoring, Operational Risk events reporting, cyber security, change initiatives, quality & accessibility of priority data, service availability and the risk appetite statement. Operational Risk is measured through a series of risk appetite metrics and key risk indicators, these include metrics on operational risk losses and events; cyber security, change initiatives, quality and accessibility of priority data, service availability and third party risks. The potential impact of the identified risks are then assessed through the ICAAP and stress-testing processes where scenarios relating to this risk (such as internal/external fraud, property damage, IT changes and manual processes, third party cyber attack, disruptive weather event and energy crisis, Loan Migration and Data Protection Breach) are developed and incorporated into the overall outcomes. The Operational Risk model used to forecast operational risk capital needs utilises a number of inputs which include internal operational risk event loss data, external operational risk event loss data and loss scenarios which are developed in collaboration with relevant business areas to forecast risk capital needs for operational risk through the Internal Capital Adequacy Assessment Process (ICAAP). Operational Risk Reporting Article 435(1) (c) The primary objective of operational risk reporting is to provide the Board with a timely and pertinent update on the Operational Risk profile. A secondary objective is to provide senior management with an overview of the operational risk profile, in order to support the effective management of risks. Operational Risk is monitored on a monthly basis via the Group's risk governance committees. This provides senior management, through the Operational Risk Committee and Group Risk Committee and the Board through Board Risk Committee with timely updates on the Group's operational risk profile. The profile update details the current status of the Group's key operational risks and includes an overview of current trends. It also includes an update on recent major risk events and any remediation actions/lessons identified following events. Hedging & Mitigating Operational Risk Article 435(1) (d) Operational Risk provides independent second line oversight and challenge of Operational Risk in the organisation. The role of operational risk is to review operational risk management activities across the Group including setting policy and promoting best practice disciplines, augmented by an independent second line assurance process which sits within the Compliance function who provide independent review and objective assurance over the quality and effectiveness of the bank's internal control system, the first line of defence and the risk governance policies and frameworks, via a BRC annually approved risk-based assurance plan. In addition, First Line Assurance within the Segments and key horizontal functions incorporate, facilitate and complete Operational Risk management into relevant assurance reviews within their business area, including testing key controls in each of the business areas and providing assurance that the control environment is operating as it should while providing insights for continuous improvement. Operational Risk is also partially hedged through an insurance programme in place, including a self-insured retention, to cover a number of risk events which would fall under the operational risk umbrella. These include financial lines policies (comprehensive crime/ computer crime/cyber/professional indemnity/civil liability; employment practices liability; directors and officers liability and a suite of general insurance policies to cover such things as property and business interruption, terrorism, employers and public liability and personal accident).

Article 446 CRR	(b)	Disclosure of the approaches for the assessment of minimum own funds requirements	AIB Group uses the standardised approach (TSA) to assess the minimum own funds requirements. The capital requirement is calculated as a percentage of income and uses an average of three year historical income.
Article 446 CRR	(c)	Description of the AMA methodology approach used (if applicable)	N/A - AIB Group uses the Standardised Approach (TSA) to assessing the minimum own fund requirements.
Article 454 CRR	(d)	Disclose the use of insurance for risk mitigation in the Advanced Measurement Approach (if applicable)	N/A - AIB Group uses the Standardised Approach (TSA) to assessing the minimum own fund requirements.

63: Template EU OR1 - Operational risk own funds requirements and risk-weighted exposure amounts

As per Articles 446 and Article 454, this template provides information on the calculation of own funds requirements in accordance with Articles 312 to 324 (for Operational Risk under the Basic Indicator Approach (BIA), the Standardised Approach (TSA), the Alternative Standardised Approach (ASA) and the Advanced Measurement Approaches (AMA)) of Title III of Part Three CRR.

Income used in the calculation of own funds requirements is based on the Group's audited figures for each relevant year (2023-2021) and increased to reflect the acquisition of Ulster Bank loans. AIB does not use the BIA, ASA or AMA approaches.

		a	b	c	d	e
Banking activities		Relevant indicator			Own funds requirements	Risk exposure amount
		Year-3	Year-2	Last year		
1	Banking activities subject to basic indicator approach (BIA)					
2	Banking activities subject to standardised (TSA) / alternative standardised (ASA) approaches	2,476	2,826	4,685	466	5,822
3	Subject to TSA:	2,476	2,826	4,685		
4	Subject to ASA:					
5	Banking activities subject to advanced measurement approaches AMA					

Chapter 16. Disclosure of exposures to interest rate risk on positions not held in the trading book

64: Table EU IRRBBA - Qualitative information on interest rate risks of non-trading book activities

As per Article 448(1), points (c) to (g) see table below.

<table>
<tr><th>Legal basis</th><th>Row number</th><th colspan="2">Qualitative information</th></tr>
<tr><td>Article 448 (1) (e)</td><td>(a)</td><td>A description of how the institution defines IRRBB for purposes of risk control and measurement.</td><td>Non-trading interest rate risk (also referred to as interest rate risk in the banking book “IRRBB”) is defined as the current or prospective risk to both the Group’s capital and earnings arising from movements in interest rates that effect the banking book positions.

IRRBB results from the structure of the Group’s balance sheet due to normal banking activity with customers and from treasury’s discretionary positions in the banking book. This risk can arise where assets, liabilities and off-balance sheet items have different repricing dates, interest rate basis or behavioural characteristics. The Group requires that interest rate risk is positioned centrally for management purposes.

The management of IRRBB is aligned to the following strategic aims and objectives :
i AIB is a retail and commercial Bank and any significant market risk-taking must be aligned with the Group’s overall strategy and appetite and be proportionate to the size and nature of the Group’s core banking activities.
ii AIB manages structural market risks centrally as part of the Bank’s ALM process, seeking to achieve stable Net Interest Income balanced against the capital required to support economic value risks (i.e. Structural Hedging);
iii Market risk management is a core competence of Treasury who are mandated to add value through discretionary risk-taking within delegated limits. IRRBB is managed against a range of Board approved risk limits which cover both Economic Value and Earnings perspectives. The Board approved limits are supplemented by a wider range of ALCo approved limits which include VaR limits, nominal and sensitivity metrics.</td></tr>
<tr><td>Article 448 (1) (f)</td><td>(b)</td><td>A description of the institution's overall IRRBB management and mitigation strategies.</td><td>IRRBB management and mitigation strategies

The first line comprises the Finance and Treasury functions who report to the CFO. The Group’s Finance function is responsible for the identification, measurement and reporting of the Group’s aggregate market risk profile. The Group’s Treasury function is responsible for managing market risk that has been transferred to it by the customer facing businesses and the Group’s Asset and Liability Management (“ALM”) function which exists within Finance. Treasury also has a mandate to trade on its own account in selected wholesale markets with risk tolerances approved on an annual basis through the Group’s Risk Appetite process.

The first line documents an annual Market Risk Strategy statement as part of the annual financial planning cycle which ensures market risk aligns with the Group’s strategic business plan. The Financial Risk function, reporting to the CRO, is responsible for the development of market risk measurement methodologies. It provides review and challenge risk oversight and proposes and maintains the Market Risk Management Framework and Policies as the basis of the Group’s control architecture for market risk activities, including the annual agreement of market risk limits (subject to the Board approved Risk Appetite Statement). The third line of defence comprises Group Internal Audit which provides third line assurance on market risk.

The Group recognises that the effective management of IRRBB is essential to the maintenance of stable earnings, the preservation of shareholder value and the achievement of the Group's strategic objectives. It is Group policy to minimise exposure to IRRBB subject to defined limits, though certain structural market risks remain and, in some cases, are difficult to eliminate fully. The management of IRRBB strikes an sound balance between the benefits of consciously maintaining Earnings Sensitivity close to a target level against the Economic Value risk that can arise as a consequence.</td></tr>
</table>

Article 448 (1) (e) (i) and (v); Article 448 (2) Article 448 (1) (e) (ii); Article 448 (2) Article 448 (1) (c); Article 448 (2)	(c) (e) (g)	The periodicity of the calculation of the institution's IRRBB measures, and a description of the specific measures that the institution uses to gauge its sensitivity to IRRBB. A description of the key modelling and parametric assumptions different from those used for disclosure of template EU IRRBB1 (if applicable). A description of key modelling and parametric assumptions used for the IRRBB measures in template EU IRRBB1 (if applicable).	**IRRBB risk measurement** Non-trading interest rate risk is measured and controlled in AIB using an economic value stress test, an earnings at risk and a VaR approach. As per Article 448 (a), the nature of the interest rate risk and the key assumptions are outlined here: - For the economic value stress test, the interest rate sensitivity profiles of the various components of AIB's balance sheet are measured and severe but plausible interest rate shocks are applied to these profiles. The magnitude of the interest rate shocks is consistent with a one year holding period and a 99% confidence level. The resulting change in economic value as a result of the application of these shocks is the IRRBB economic value exposure. Basis risk is a component of this IRRBB risk measurement model. This measurement is calculated and reported monthly. - An earnings at risk (EaR) measurement approach measures the quantity by which the Group's annual net interest income might change in the event of an adverse change in interest rates. EaR is estimated quarterly by modelling how net interest income would perform under different interest rate environments and selecting the worst scenario to apply to the balance sheet. An earnings sensitivity measurement of how the Group's annual net interest income would change under parallel rate shifts is also calculated and reported monthly. - IRRBB is also quantified using a 95% one day VaR measure and sensitivity measures. The VaR and interest rate sensitivity values are produced and reported daily for internal control purposes. Certain components of the balance sheet such as non-maturity deposits and the Group's equity are modelled using behaviourally adjusted assumed lives. - The NII scenarios presented are produced on a static balance sheet basis. The Bank uses a dynamic balance sheet for strategic planning purposes. Assumptions are also made about how the relationship between market and retail interest rates would develop in different interest rate environments. These assumptions are determined using a combination of statistical analysis and management judgement. Commercial margins are not considered when modelling from an economic value perspective but are included when modelling from an earnings perspective. - The economic value and NII earnings stress tests apply a lower bound (a floor) to downward interest rate shocks in EUR, GBP and USD in line with the SOT rate shock floors. - Certain products have contractual floors that are also reflected in the risk analysis. Whilst early withdrawals of fixed term deposits and drawing of commitments are risks which exist, they are not considered to be a material risk and are not included in IRRBB modelling.
Article 448 (1) (e) (iii); Article 448 (2)	(d)	A description of the interest rate shock and stress scenarios that the institution uses to estimate changes in the economic value and in net interest income (if applicable).	The following scenarios are used to measure economic value and/or net interest income: - 99% 1 year shock - Parallel shock up +100bps - Parallel shock down -100bps - Earnings at Risk rate scenario The following SOT scenarios are used to measure the economic value of equity: - Parallel shock up +100bps - Parallel shock down -100bps - Steepener (short rates down and long rates up) - Flattener (short rates up and long rates down) - Short rates up - Short rates down

Article 448 (1) (e) (iv); Article 448 (2)	(f)	A high-level description of how the bank hedges its IRRBB, as well as the associated accounting treatment (if applicable).	**Structural Hedging Programme** The Structural Hedging Programme (SHP) is managed by Group ALM and provides the framework for assessing this balance, culminating in the articulation of an (at least) annual SHP Recommendation to Group ALCo. The supporting analysis considers the latest Financial Plan forecasts, NII scenario analysis, IRRBB stress test scenarios and input from Treasury in terms of the Bank's Rate view. In framing the annual SHP Strategy, Group ALM take into account the following criteria: i Balance Sheet mix – an analysis of the current and prospective forecast of balance sheet evolution, focusing on both volume change and the interest rate profile. ii Earnings Volatility – portfolios that contribute the most (and least) variation to expected income/expense are evaluated, with particular emphasis on the outturn of monthly Earnings Sensitivity (Static B/S) metrics. iii Economic Value – the quantum of capital required to support open interest rate risk positions attributable to gap risk, basis risk and customer behaviour are all estimated. iv Treasury Rate View – insight is sought from the Front office to understand where we are in the interest rate cycle and the consequent read through to Bank margins , as well as the likely trajectory for SHP portfolio returns. v Other Considerations – Regulatory: the extent to which SHP term risk can be offset with behaviouralised Core NMD balances and/or Core Capital when calculating ICAAP Pillar 2; Accounting: Cashflow Hedging requirements/capacity and the read through to changes in the Bank's Reserve Account (placed with the ECB) , the timing of Libor repapering and impact on basis risk profile. Treasury are responsible for executing the SHP instructions in the market, managing the Bank's consolidated interest rate risk profile and also retain the capacity to take discretionary Banking Book risk on its own account. Consequently, the size, shape and duration of the actual 3rd party swap portfolio does not mirror the intended "model SHP portfolio" approved annually by ALCo. However, the portfolio is mandated to retain a broadly replicating structure, targeting a weighted average life of circa 5 years and a policy of incremental new investments. Additional Treasury-centric limits exist within the framework ensure the various dimensions of Treasury's active position management is appropriately controlled e.g. daily PV01, VaR, EV metrics and limits.
Article 448 (1) (d)	(h)	Explanation of the significance of the IRRBB measures and of their significant variations since previous disclosures	**IRRBB measurement variation from previous period** In Template EU IRRBB1 the Bank includes an explanation of variances from previous period for IRRBB measures. This will include variances on a nominal basis and as percentage of Tier 1 Capital that are shown in the template. The explanation will detail the primary drivers of the IRRBB changes for both on and off balance sheet IRRBB positions.
	(i)	Any other relevant information regarding the IRRBB measures disclosed in template EU IRRBB1 (optional)	Not applicable for this period
Article 448 (1) (g)	(1) (2)	Disclosure of the average and longest repricing maturity assigned to non-maturity deposits	- The bank has completed a behavioural modelling exercise to determine the expected behaviour of non-maturing deposits. The analysis modelled the historical behaviour of accounts within the bank, with the accounts categorised into similar cohorts, and modelled as groups to ensure consistent behaviour of account types. The cohorts are split into Core / Non Core volumes, with the Core volumes attracting a longer dated maturity profile. For the Core volumes the average maturity ranges from 3.4 to 5 years (with Regulatory Caps applied), with a maximum re-pricing maturity of 10 years for retail deposits. In the absence of Regulatory caps, the modelled maturity can reach 20 years. The modelling of the interest calculated on the Non-Maturing account cohorts is modified to reflect increased interest charges under large interest stresses from the baseline scenario. The modelling reflects that, for these instantaneous stressed interest rate rising scenarios (>= +100bps), the volumes of non-maturing deposits will migrate to deposits with higher interest reward. - In addition the Bank assigns modelled weighted average lives to some customer asset products also such as overdrafts and credit cards. Non-performing loans have time periods assigned based on credit analysis information on expected recovery of cashflows which is incorporated into the Banking Book EV risk position.

65: Template EU IRRBB1 - Interest rate risks of non-trading book activities

As per Article 448(1), points (a) and (b), the following template shows the impact on the Group's net interest income ("NII") and change of the economic value of equity ("EVE") for the banking book positions from interest rate changes under the six standard scenarios defined by the European Banking Authority ("EBA") known as the Supervisory Outlier Test ("SOT"). In these scenarios equity is excluded from the cash flows and the EBA prescribed floors are applied which could limit the impact on downward shocks. Also shown are the metrics arising from key internal scenarios. The table has been provided in percentage terms relative to Tier 1 Capital to give an indication of the significance of the different shocks.

As per Article 448(1), point (d) the previous period results are shown in the template with comments on variation provided below.
The change in the EVE impacts and NII results between June 2023 and December 2023 are due to a combination of increased fixed rate mortgages and an increase in Structural Hedging Programme ("SHP") swaps during H2 2023 which were added in order to manage rising NII sensitivity. The rise in EVE was somewhat offset by an increase in fixed term retail deposits but the overall impact was a larger net asset position resulting in higher EVE.
The NII sensitivity calculation is based on a static balance sheet with no migration between products. It is acknowledged that the prevailing higher rate environment will result in a migration of balances from interest free current accounts to rate paying term deposit accounts which would have the impact of reducing the NII sensitivity reported below. Over the period the increased volume of retail term deposits has been offset by increased SHP receive fixed swaps and increased fixed term mortgages resulting in a small increase in sensitivity to interest rates decreasing.

Template EU IRRBB1 - Interest rate risks of non-trading book activities

	Supervisory shock scenarios	a	b	c	d
		Changes of the economic value of equity		Changes of the net interest income	
		Current period	Last period	Current period	Last period
1	Parallel up	(1,450)	(1,172)	727	562
2	Parallel down	501	448	(825)	(832)
3	Steepener	(122)	(2)		
4	Flattener	(202)	(321)		
5	Short rates up	(616)	(650)		
6	Short rates down	217	253		

Supplementary Table 1

In accordance with Article 84 of Directive 2013/36 EU the Group's internal measurement of EVE and NII EaR are also disclosed below:

	Additional rate shocks	Changes of the economic value of equity		Changes of the net interest income	
		Current period	Last period	Current period	Last period
		31/12/2023	30/06/2023	31/12/2023	30/06/2023
	99% 1 year shock	(834)	(622)		
	Parallel 100bps shock up			340	272
	Parallel 100bps shock down			(381)	(356)
	Tier 1 capital	10,981	10,776	10,981	10,776

Supplementary Table 2

The following table quantifies the change in EV and NII as a % of Tier 1 capital

	Supervisory shock scenarios	Changes of the economic value of equity		Changes of the net interest income	
		Current period	Last period	Current period	Last period
		31/12/2023	30/06/2023	31/12/2023	30/06/2023
1	Parallel shock up	(13.21)%	(10.88)%	6.62 %	5.22 %
2	Parallel shock down	4.57 %	4.16 %	(7.52)%	(7.72)%
3	Steepener (short rates down and long rates up)	(1.11)%	(0.02)%		
4	Flattener (short rates up and long rates down)	(1.84)%	(2.98)%		
5	Short rates up	(5.61)%	(6.03)%		
6	Short rates down	1.98 %	2.35 %		

	Additional rate shocks	Changes of the economic value of equity		Changes of the net interest income	
		Current period	Last period	Current period	Last period
		31/12/2023	30/06/2023	31/12/2023	30/06/2023
	99% 1 year shock	(7.59)%	(5.77)%		
	Parallel 100bps shock up			3.10 %	2.52 %
	Parallel 100bps shock down			(3.47)%	(3.30)%

Chapter 17. Disclosure of remuneration policy

66: Table EU REMA - Remuneration policy

As per Articles 450(1), points (a) to (f), and points (j) and (k), and Article 450(2) see table below

Introduction

These disclosures provide information about the Group's remuneration policies and practices and, more specifically, qualitative information about:

a) the bodies that oversee remuneration;

b) the design and structure of the remuneration system for those individuals who have been identified as Material Risk Takers (MRTs);

c) the ways in which current and future risks are taken into account in the remuneration processes;

d) the ratios between fixed and variable remuneration set in accordance with the regulatory requirements;

e) the ways in which the Group seeks to link performance and remuneration;

f) the ways in which the Group seeks to adjust remuneration to take account of long term performance;

g) the main parameters and rationale for any variable components scheme and any other non-cash benefit ;

h) Upon demand from the relevant Member State or competent authority, the total remuneration for each member of the management body or senior management;

i) the use of derogations in Article 94(3) CRD;

j) These disclosures also include quantitative information, in aggregate form, about the amounts and structure of the remuneration of MRTs in AIB and should be read in conjunction with the information contained in the Corporate Governance Remuneration Statement of the Group's Annual Financial Report.

Qualitative disclosures

a) Information relating to the bodies that oversee remuneration

Main body overseeing the remuneration policy

The Remuneration Policy is governed by the Remuneration Committee (the Committee) on behalf of the Board. Its members are non-executive directors of AIB.

The Committee is responsible for determining the Remuneration Policy and for overseeing its implementation. The Committee oversees the operation and effectiveness of the Remuneration Policy, including the process for the identification of MRTs.

The Committee further ensures that the Remuneration Policy and practices are subject to a review at least annually, taking into account the alignment of remuneration to the Group's culture for all employees and directors. The annual review is informed by appropriate input from the Group's risk and internal audit functions to ensure that remuneration policies and practices are operating as intended, are consistently applied across the Group and are compliant with regulatory requirements.

The remuneration of Executive Directors, ExCo members, the Group Company Secretary and Group Heads of Risk, Compliance and Audit is directly overseen by the Remuneration Committee. The Remuneration Committee delegates authority to management to approve individual remuneration proposals for other MRTs within the agreed policy.

The Committee met on seven occasions during 2023.

External consultants

The Committee was supported in its work by Korn Ferry as the external remuneration consultants appointed by the Committee in October 2022. Korn Ferry is a signatory to the voluntary code of conduct in relation to remuneration consulting in the UK.
Aside from their work supporting the Committee, during 2023 Korn Ferry and its network firms provided professional services in the ordinary course of business including advisory, regulatory and taxation related services to AIB. Korn Ferry may, from time to time, provide services to individual Directors as part of directorships or executive roles held outside of the Group. The Committee is satisfied that the advice received is independent and objective.

Scope of Remuneration Policy

The scope of the Remuneration Policy includes all financial benefits and extends to all areas, including all individual subsidiaries, entities, branches and to all employees and directors of the Group, including at consolidated and sub-consolidated levels.

Material Risk Takers (MRTs)

AIB's MRTs have been identified in line with the relevant regulations and principally comprise the following:

i. Executive and non-executive members of the boards of directors of material Group entities;

ii. ExCo Members and Senior Management Teams of material Group entities;

iii. Heads of material business units and their direct reports who have managerial responsibility for subordinated business units;

iv. Heads of Risk, Compliance and Internal Audit and their direct reports, who are head of sub-functions;

v. Members of the most senior credit committee at group level (and similarly for subsidiaries) and at a subsidiary level those staff who have responsibility for initiating, approving or vetoing credit proposals which are significant at a subsidiary level;

vi. Senior management responsible for legal, accounting policies and procedures, finance (including taxation and budgeting), human resources, remuneration policy, IT, information security, economic analysis, the prevention of money laundering and terrorist financing, managing outsourcing arrangements and other key risk functions; and

vii. Other key risk takers or higher remunerated staff whose professional activities individually or collectively exert influence on the institution's risk profile, including the ability to enter into transactions, contracts and other risk positions or to approve or veto the introduction of new products.

During 2023, a total of 296 individuals were identified as Material Risk Takers across AIB Group and its material subsidiaries (2022: 303).

b) Information relating to the design and structure of the remuneration system for MRTs

Key features and objectives of remuneration policy

The Group's remuneration philosophy aims to ensure that all employees are rewarded fairly and competitively for their contribution to the Group's future success and growth.

The Group Remuneration Policy sets the framework for all remuneration related policies, procedures and practices for all employees and directors of the Group. It is designed to foster a truly customer focused culture; create long term sustainable value for customers and shareholders; attract, develop, motivate and retain the right calibre of individuals; and safeguard the Group's capital, liquidity and risk positions.

The Group is committed to a simple, transparent and affordable reward structure that clearly links performance and remuneration using a combination of "What" objectives and "How" behaviours. Remuneration of all employees, including MRTs, is designed to promote high performance, a strong risk management culture, and risk-taking aligned to risk appetite.

The Group also aims to align remuneration with industry peers and competitors for talent in each principal geographical location, as assessed against market benchmarks. However, notwithstanding the partial easing of the Government's remuneration restrictions , the application of market aligned remuneration policies and practices continued to be constrained for the vast majority of employees. and directors in 2023 by a cap on individual salaries of €500,000 and a limit on variable remuneration of €20,000 per employee in each twelve month period. The remuneration restrictions applying to AIB do not apply to Goodbody.

As a result of the restrictions in place, the Group's MRTs predominantly received fixed remuneration in 2023. This comprised a basic salary, allowances, defined contribution pension benefits and other benefits in accordance with local market practice, for example medical insurance and income protection. AIB employees are eligible for inclusion in a variable remuneration scheme based on company performance. Awards are assessed on a combination of financial and non-financial performance and can be made in cash or where feasible, in shares or a combination of both. AIB ensures that the form of awards complies with regulatory obligations around the nature and form of payments under the plan.

In Goodbody, the annual bonus scheme is fully discretionary and designed to reward superior customer outcomes, high performance and long term value creation while not incentivising excessive risk taking.

At the discretion of the Remuneration Committee, the performance of Goodbody MRTs is assessed against a combination of both financial and non-financial measures, and takes into account individual performance, business unit performance and overall Goodbody performance. Parts of any awards made to Group MRTs are delivered in shares and subject to deferral. Awards are also subject to ex ante and ex post risk adjustment, to take account of potential and realised risks.

Decision-making process for determining remuneration policy

As articulated above, for the vast majority of employees and directors, the remuneration policy applicable during 2023 continued to be constrained by the remuneration restrictions in place. This resulted in limited options being available to the Group and their shareholders during 2023. Goodbody has a separate remuneration policy in place.

Review of remuneration policy

The Committee conducted its annual review of the Group Remuneration Policy and was satisfied that the Policy was operating effectively and as intended given the remuneration restrictions applicable to most MRTs.

The Committee also considered how executive remuneration aligned to wider employee remuneration, how the Policy aligned to the culture of the Group and its five strategic pillars, and how transparent the Group's remuneration policies and practices were to the wider employee population.

The policy reflects the fact that the remuneration restrictions applying to AIB do not apply to Goodbody. The additional requirements applicable to the minority of MRTs at Goodbody in receipt of variable pay were incorporated into the design of the variable remuneration for these employees.

Internal control functions

The remuneration of employees in Audit, Risk and Compliance functions is determined independently of the businesses that they oversee. Remuneration is commensurate with their role in AIB and based on performance against objectives linked to their specific functional roles. In line with regulatory guidelines, the remuneration of control functions will predominantly consist of fixed remuneration and the methods used for determining their remuneration will not compromise employees' objectivity and independence.

In the case of Goodbody MRTs, who are eligible for variable pay, this is based on performance against objectives linked to their specific functional roles and is independent of the businesses that they oversee. Their remuneration is predominantly fixed in nature.

Guaranteed variable remuneration

AIB does not award guaranteed variable remuneration to new or existing employees. However, a newly hired MRT of Goodbody may, in exceptional circumstances, receive guaranteed remuneration during their first year of service.

The Group may compensate new employees for loss of income from previous employment, for example because an unvested deferred bonus has been forfeited. Such buy-out awards are made only in exceptional cases where they are necessary to attract highly specialised key staff and are subject to Remuneration Committee approval. Any buy-out awards are limited to the first year of employment but payments may be deferred over a number of years. and are subject to appropriate requirements on deferral, retention, performance and malus and clawback, taking into consideration the terms of the award made by the previous employer.

Severance pay

Severance payments seek to provide appropriate compensation in cases of early termination of contract and reflect performance achieved over time. They do not reward failure or misconduct and are not awarded where an event has occurred which allows for the immediate cancellation of an employment contract or dismissal of an employee. The Group Remuneration Policy defines the maximum severance pay that can be awarded to an individual and is linked to the number of years of service.

Severance payments for all categories of staff, including MRTs, are made in accordance with defined criteria and the Group's exit framework. All severance proposals are reviewed individually with input from relevant functions. The Remuneration Committee is made aware of severance payments made to MRTs.

c) Description of the ways in which current and future risks are taken into account in the remuneration processes

AIB employees are eligible for inclusion in a variable remuneration scheme based on company performance. All variable remuneration arrangements are designed in a way that promotes the interests of AIB's stakeholders and fully complies with applicable regulatory requirements. Irish government remuneration restrictions limit variable remuneration to €20,000 per employee in each twelve month period. The constraints of the remuneration restrictions in place during 2023, in particular, the inability to offer competitive executive remuneration, represented a key risk to the Group. The Remuneration Committee reviews the Remuneration policy at least annually.

MRTs employed by Goodbody are eligible to receive annual bonus incentives. When awarding performance-based remuneration, the outcome reflects the risks underlying the achieved result and takes into account all types of risk, both current and future risk and crystallised risk events.

Consideration of risk, and any resulting risk adjustment, is a joint process between the control functions and HR, with the final determination of any adjustment being made by the Remuneration Committee incorporating input from the Board Risk Committee and the board of Goodbody.

In considering both current and future risks, a holistic assessment across each material risk of the firm is undertaken by the CRO and Head of Compliance in the first instance. This assessment leverages information from a number of sources and is presented to the Board Risk Committee for its review and assessment to determine if any adjustment is warranted. The Remuneration Committee then makes a determination as to the extent to which bonuses should be reduced to account for risk. This may result in a downwards adjustment to the overall bonus pool and / or adjustments to individual bonus outcomes.

d) The ratios between fixed and variable remuneration set in accordance with point (g) of Article 94(1) CRD

In line with regulatory requirements, AIB operates a fixed to variable remuneration ratio of 1:1 (albeit remuneration for employees and MRTs consisted predominantly of fixed remuneration in 2023). A 1:1 cap also applies to Goodbody.

e) Description of the ways in which the institution seeks to link performance during a performance measurement period with levels of remuneration

The Group's performance management framework is a key enabler of strategy, putting the Group's brand values at the centre of ongoing conversations about performance, achievement and personal development. The Group's brand values provide the behavioural framework for how employees work, interact with each other and serve the customer. The framework helps to create a high performance culture where strong performance is recognised and poor performance proactively addressed.

The Group's strategic objectives are cascaded down through the organisation to create a link to individual employees' objectives and to enable an understanding of how individual employees contribute to the delivery of the Group's overall strategy.

Performance outcomes for all employees, including MRTs, using a combination of "What" objectives and "How" behaviours, inform individual remuneration and provide a clear link between performance and remuneration.

AIB employees are eligible for inclusion in a variable remuneration scheme based on company performance. It is possible to reduce the level of the award to reflect risk adjustments and awards are subject to the Group's Policy on malus and clawback, including where participants leave the Group during the year. The annual pay review process links basic pay increases to individual performance.

MRTs employed by Goodbody, a minority of whom are Group MRTs, are eligible to receive annual bonus incentives. The awards take into account individual performance, business unit performance and overall Goodbody performance.

Main performance criteria and metrics

As part of the performance assessment framework, an individual's performance is assessed against a combination of both financial and non-financial measures. This includes an assessment of their performance against objectives set at the beginning of the year which reflect the seniority and role of the MRT in question, incorporating both the "What" and the "How", feedback from colleagues and clients and any relevant input from risk and compliance. This helps to reinforce appropriate behaviours and so mitigate operational, consumer and reputational risks.

Link between performance and individual variable remuneration

AIB employees are eligible for inclusion in a variable remuneration scheme based on company performance. All variable remuneration arrangements are designed in a way that promotes the interests of AIB's stakeholders and fully complies with applicable regulatory requirements. Awards are assessed on a combination of financial and non-financial performance and can be made in cash or where feasible, in shares or a combination of both.

A percentage of the profits made by Goodbody is available to create a firm-wide bonus pool. This bonus pool is then allocated to the key Goodbody business areas based on the performance of those businesses over the course of the year. The total amount of performance-based remuneration is based on a combination of the assessment of the individual's performance, that of the business unit concerned, and the firm's overall results. In this way, the firm achieves an appropriate combination of quantitative and qualitative criteria, including financial and non-financial criteria, to ensure that all risks are appropriately reflected. If no profits are made, no bonus is paid out under the scheme unless by exception and approved by the AIB Remuneration Committee. All such awards comply in full with regulatory requirements.

Determining the instruments awarded

For the AIB variable remuneration scheme, awards are assessed on a combination of financial and non-financial performance and can be made in cash or where feasible, in shares or a combination of both.

In line with regulatory requirements, it may be the case that a small minority of employees in Goodbody (who have been identified as Group MRTs), will receive an element of their variable remuneration in AIB shares. In meeting the requirements to award a proportion of variable pay in instruments, AIB shares were deemed to be the instrument providing the best alignment to the performance of AIB Group.

Adjustments in the event of weak performance

Any discretionary risk adjustment considered by the Remuneration Committee has the potential to apply to either individuals, teams, business units or AIB as a whole.

f) Description of the ways in which the institution seeks to adjust remuneration to take account of long term performance

AIB ensures that the form of awards complies with regulatory obligations around the nature and form of payments under the plan. It is possible to reduce the level of the award to reflect risk adjustments and awards are subject to the Group's Policy on malus and clawback, including where participants leave the Group during the year.

Deferral, pay-out in shares, retention periods and vesting

Other than to the extent proportionality can be applied, for Goodbody MRTs at least 50% of variable remuneration awards must consist of shares or other non-cash instruments and at least 40% of is deferred over a 3 to 5 year period. For Group MRTs, at least 40% of any variable remuneration will be deferred over a period of at least 4 years. Further, at least 50% of each of any upfront element and any deferred element will be awarded in AIB shares subject to a 12 month holding period.

50% of the non-deferred (upfront) element is delivered in cash. The remaining 50% is delivered in AIB shares and is subject to a 12-month holding period.

For other Goodbody MRTs, the remuneration Committee reserves the right to apply deferral at its discretion.

Ex post adjustments (malus and clawback)

For all AIB Group MRTs and Goodbody MRTs, the Remuneration Committee (the Committee) has the discretion to reduce or impose further conditions on variable pay awards prior to vesting (malus). It also has the discretion to recover incentives after they have vested (clawback). The Committee reviews actual outcomes in the context of underlying business performance and can apply malus and/or clawback to variable remuneration at its discretion.

Malus may be applied to all deferred variable remuneration awarded to MRTs (both AIB Group MRTs and Goodbody MRTs) for the duration of the applicable deferral period.

Clawback may be applied:

- for those MRTs in receipt of a deferred element, for the duration of the deferral period plus the holding period;
- for those MRTs not subject to deferral, for a 3 year period.

The Remuneration Committee considers the application of malus and / or clawback where it believes at least one of the following triggers is met:

- Discovery of a material misstatement resulting in an adjustment in the historical audited accounts of an AIB Group company;
- The discovery that any information used to determine the number of shares was based on error, or inaccurate or misleading information;
- Action or conduct of a participant which amounts to fraud or gross misconduct;
- Events or the behaviour of a participant have led to the censure of an AIB Group company by a regulatory authority or have had a significant detrimental impact on the reputation of any AIB Group company provided that the Committee is satisfied that the relevant participant was responsible for the censure or reputational damage and that the censure or reputational damage is attributable to them;
- A material failure of risk management;
- Corporate failure of an AIB Group company;
- Where a participant participated in or was responsible for conduct which resulted in significant losses to the Group;
- Where a participant failed to meet appropriate standards of fitness and propriety;
- Where an AIB Group company or business unit suffers a significant intrinsic downturn in its financial performance;
- Where there are significant increases in an AIB Group company or business unit’s economic or regulatory capital base (for example, as a result of regulatory intervention);
- Any other circumstances the Committee considers relevant.

g) The description of the main parameters and rationale for any variable components scheme and any other non-cash benefit

All variable remuneration arrangements are designed in a way that promotes the interests of AIB’s stakeholders and fully complies with applicable regulatory requirements. Awards are assessed on a combination of financial and non-financial performance and can be made in cash or where feasible, in shares or a combination of both.

For Goodbody, the total amount of performance-based remuneration is based on a combination of the assessment of the individual’s performance, that of the business unit concerned, and the firm’s overall results. In this way, the firm achieves an appropriate combination of quantitative and qualitative criteria, including financial and non-financial criteria, to ensure that all risks are appropriately reflected. When awarding performance-based remuneration the firm ensures that the outcome reflects the risks underlying the achieved result and takes into account all types of risk.

h) Upon demand from the relevant Member State or competent authority, the total remuneration for each member of the management body or senior management

The required information would be provided if requested.

i) Use of derogations in Article 94(3) CRD

AIB Group does benefit from the derogation laid down in Article 94(3)(b) CRD because 228 MRTs received variable remuneration in respect of their performance in 2023 which did not exceed €50,000 and which did not represent more than one-third of their total remuneration for 2023. The policies on deferral, pay-out in shares and retention periods were not applied to these individuals.

The aggregated 2023 remuneration of the 228 MRTs benefiting from this derogation was:

- total fixed remuneration: €50.1 million
- total variable remuneration: €2.1million
- total remuneration: €52.2 million

j) The total remuneration for each member of the management body or senior management.

Quantitative information on the remuneration of the collective management body, differentiating between executive and non-executive members in accordance with Article 450(2) CRR, is disclosed in the templates in these disclosures.

67: Template EU REM1 - Remuneration awarded for the financial year

As per Article 450(1), point (h)(i) and (h)(ii) the template below discloses the amounts of remuneration awarded for the financial year, split into fixed remuneration including a description of the fixed components, and variable remuneration, and the number of beneficiaries; the amounts and forms of awarded variable remuneration, split into cash, shares, share-linked instruments and other types separately for the part paid upfront and the deferred part. Variable remuneration predominantly relates to awards made under AIB's variable remuneration scheme and severance payments, in addition to cost of living awards.

			a	b	c	d
			MB Supervisory function	MB Management function	Other senior management	Other identified staff
1	Fixed remuneration	Number of identified staff	13	2	13	268
2		Total fixed remuneration	1.6	1.2	5.8	51.8
3		Of which: cash-based	1.6	1.2	5.8	51.8
4		(Not applicable in the EU)				
EU-4a		Of which: shares or equivalent ownership interests	—	—	—	—
5		Of which: share-linked instruments or equivalent non-cash instruments	—	—	—	—
EU-5x		Of which: other instruments	—	—	—	—
6		(Not applicable in the EU)				
7		Of which: other forms	—	—	—	—
8		(Not applicable in the EU)				
9	Variable remuneration	Number of identified staff	—	2	13	222
10		Total variable remuneration	—	—	0.6	3.4
11		Of which: cash-based	—	—	0.6	3.4
12		Of which: deferred	—	—	—	—
EU-13a		Of which: shares or equivalent ownership interests	—	—	—	0.1
EU-14a		Of which: deferred	—	—	—	—
EU-13b		Of which: share-linked instruments or equivalent non-cash instruments	—	—	—	—
EU-14b		Of which: deferred	—	—	—	—
EU-14x		Of which: other instruments	—	—	—	—
EU-14y		Of which: deferred	—	—	—	—
15		Of which: other forms	—	—	—	—
16		Of which: deferred	—	—	—	—
17	Total remuneration (2 + 10)		1.6	1.2	6.4	55.2

68: Template EU REM2 - Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)

As per Articles 450(1), point (h)(v), (h)(vi) and (h)(vii) , the template below discloses the guaranteed variable remuneration awards during the financial year, and the number of beneficiaries of those awards; the severance payments awarded in previous periods, that have been paid out during the financial year; the amounts of severance payments awarded during the financial year, split into paid upfront and deferred, the number of beneficiaries of those payments and highest payment that has been awarded to a single person.

		a	b	c	d
		MB Supervisory function	MB Management function	Other senior management	Other identified staff
	Guaranteed variable remuneration awards				
1	Guaranteed variable remuneration awards - Number of identified staff	—	—	—	1
2	Guaranteed variable remuneration awards -Total amount	—	—	—	0.0
3	Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap	—	—	—	0.0
	Severance payments awarded in previous periods, that have been paid out during the financial year				
4	Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff	—	—	—	—
5	Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount	—	—	—	—
	Severance payments awarded during the financial year				
6	Severance payments awarded during the financial year - Number of identified staff	—	—	1	7
7	Severance payments awarded during the financial year - Total amount	—	—	0.4	1.4
8	Of which paid during the financial year	—	—	—	0.0
9	Of which deferred	—	—	—	—
10	Of which severance payments paid during the financial year, that are not taken into account in the bonus cap	—	—	0.1	—
11	Of which highest payment that has been awarded to a single person	—	—	0.4	0.3

69: Template EU REM3 - Deferred remuneration

As per Articles 450(1), points (h)(iii) and (h)(iv) the template below discloses the amounts of deferred remuneration awarded for previous performance periods, split into the amount due to vest in the financial year and the amount due to vest in subsequent years and the amount of deferred remuneration due to vest in the financial year that is paid out during the financial year, and that is reduced through performance adjustments. Any remuneration amounts below €50,000 in this template (small amounts of shares for other identified staff which were awarded in a prior performance period and vested in the financial year) have been reported as 0.

		a	b	c	d	e	f	EU - g	EU - h
	Deferred and retained remuneration	Total amount of deferred remuneration awarded for previous performance periods	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e. Changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
1	MB Supervisory function	—	—	—	—	—	—	—	—
2	Cash-based	—	—	—	—	—	—	—	—
3	Shares or equivalent ownership interests	—	—	—	—	—	—	—	—
4	Share-linked instruments or equivalent non-cash instruments	—	—	—	—	—	—	—	—
5	Other instruments	—	—	—	—	—	—	—	—
6	Other forms	—	—	—	—	—	—	—	—
7	MB Management function	—	—	—	—	—	—	—	—
8	Cash-based	—	—	—	—	—	—	—	—
9	Shares or equivalent ownership interests	—	—	—	—	—	—	—	—
10	Share-linked instruments or equivalent non-cash instruments	—	—	—	—	—	—	—	—
11	Other instruments	—	—	—	—	—	—	—	—
12	Other forms	—	—	—	—	—	—	—	—
13	Other senior management	—	—	—	—	—	—	—	—
14	Cash-based	—	—	—	—	—	—	—	—
15	Shares or equivalent ownership interests	—	—	—	—	—	—	—	—
16	Share-linked instruments or equivalent non-cash instruments	—	—	—	—	—	—	—	—
17	Other instruments	—	—	—	—	—	—	—	—
18	Other forms	—	—	—	—	—	—	—	—
19	Other identified staff	0	0	0	—	—	—	0	0
20	Cash-based	—	—	—	—	—	—	—	—
21	Shares or equivalent ownership interests	—	—	—	—	—	—	—	—
22	Share-linked instruments or equivalent non-cash instruments	0	0	0	—	—	—	0	0
23	Other instruments	—	—	—	—	—	—	—	—
24	Other forms	—	—	—	—	—	—	—	—
25	Total amount	0	0	0	—	—	—	0	0

70: Template EU REM4 - Remuneration of 1 million EUR or more per year

As per Article 450(1), point (i) the template below discloses the number of individuals that have been remunerated € 1 m or more per financial year, with the remuneration between € 1 m and € 5 m broken down into pay bands of € 0.5 m and with the remuneration of € 5 m and above broken down into pay bands of € 1 m.

		a
	EUR	Identified staff that are high earners as set out in Article 450(i) CRR
1	1 000 000 to below 1 500 000	—
2	1 500 000 to below 2 000 000	—
3	2 000 000 to below 2 500 000	—
4	2 500 000 to below 3 000 000	—
5	3 000 000 to below 3 500 000	—
6	3 500 000 to below 4 000 000	—
7	4 000 000 to below 4 500 000	—
8	4 500 000 to below 5 000 000	—
9	5 000 000 to below 6 000 000	—
10	6 000 000 to below 7 000 000	—
11	7 000 000 to below 8 000 000	—
12	> 8 000 000	—

71: Template EU REM5 - Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)

As per Article 450(1), point (g) the template below discloses the aggregate quantitative information on remuneration, broken down by business area.

Variable remuneration predominantly relates to awards made under AIB's variable remuneration scheme and severance payments, in addition to cost of living awards.

		a	b	c	d	e	f	g	h	i	j
		Management body remuneration			Business areas						
		MB Supervisory function	MB Management function	Total MB	Investment banking	Retail banking	Asset management	Corporate functions	Independent internal control functions	All other	Total
1	Total number of identified staff										296
2	Of which: members of the MB	13	2	15							
3	Of which: other senior management				1	2	—	9	1	—	
4	Of which: other identified staff				56	74	—	52	65	21	
5	Total remuneration of identified staff	1.6	1.2	2.9	13.4	16.9	—	16.6	13.3	1.4	
6	Of which: variable remuneration	—	—	—	0.5	1.3	—	1.5	0.7	—	
7	Of which: fixed remuneration	1.6	1.2	2.8	12.9	15.5	—	15.1	12.6	1.4	

Chapter 18. Disclosure of encumbered and unencumbered assets

72: Template EU AE1 - Encumbered and unencumbered assets

As per Article 443 the template below sets out the encumbered and unencumbered assets. This template represents the median values reported to the regulator over the previous twelve months to 31 December 2023

		Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
			of which: notionally eligible EHQLA and HQLA		of which: notionally eligible EHQLA and HQLA		Of which: notionally eligible EHQLA and HQLA		Of which: notionally eligible EHQLA and HQLA
		010	030	040	050	060	080	090	0100
010	**Assets of the disclosing institution**	8,548	6,569			123,840	40,665		
030	Equity instruments	0	0	0	0	343	0	343	0
040	Debt securities	5,440	5,357	5,439	5,357	11,285	7,093	11,304	7,111
050	of which: covered bonds	396	396	396	396	3,424	3,424	3,424	3,424
060	of which: securitisations	246	246	246	246	2,249	505	2,249	505
070	of which: issued by general governments	4,500	4,500	4,500	4,500	2,416	2,416	2,431	2,431
080	of which: issued by financial corporations	863	782	863	782	8,146	4,173	8,145	4,172
090	of which: issued by non-financial corporations	40	40	40	40	718	505	721	509
120	Other assets	3,259	1,226			112,212	34,175		

73: Template EU AE2 - Collateral received and own debt securities issued

As per Article 443 the template below sets out the encumbered and unencumbered assets of the collateral received. This template represents the median values reported to the regulator over the previous twelve months to 31 December 2023.

		Fair value of encumbered collateral received or own debt securities issued		Unencumbered	
				Fair value of collateral received or own debt securities issued available for encumbrance	
			of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA
		010	030	040	060
130	**Collateral received by the disclosing**	12	12	5,214	1,961
140	Loans on demand	—	—	—	—
150	Equity instruments	—	—	—	—
160	Debt securities	12	12	4,889	1,961
170	of which: covered bonds	—	—	1,864	1,644
180	of which: securitisations	—	—	2,455	—
190	of which: issued by general governments	12	12	307	307
200	of which: issued by financial corporations	—	—	4,674	1,644
210	of which: issued by non-financial corporations	—	—	12	10
220	Loans and advances other than loans on demand	—	—	218	—
230	Other collateral received	—	—	—	—
240	**Own debt securities issued other than own covered bonds or securitisations**	—	—	—	—
241	**Own covered bonds and securitisations issued and not yet pledged**	—	—	—	—
250	**TOTAL COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED**	8,560	6,580		

74: Template EU AE3 - Sources of encumbrance

As per Article 443 the template below sets out the encumbered assets and associated liabilities. This template represents the median values reported to the regulator over the previous twelve months to 31 December 2023.

		Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered
		010	030
010	**Carrying amount of selected financial liabilities**	1,338	6,881

75: Table EU AE4 - Accompanying narrative information

As per Article 443 concerning information on encumbered and unencumbered assets of AIB Group.

Row number	Qualitative information	
(a)	General narrative information on asset encumbrance	• Asset encumbrance arises from collateral pledged against secured funding and other collateralised obligations. The encumbered assets referenced below will not agree to those disclosed in the AIB Group Annual Financial Report. The reported values represent the median of the values reported to the regulator via supervisory returns over the period 1 January 2023 to 31 December 2023. Whereas the reported values in the AIB Group Annual Report disclosure are as at year end. • The asset encumbrance disclosure is consolidated at the group consolidated level excluding those assets pursuant to article 18 of the CRR - see Table 8: EU LI3 - Differences in scope of consolidation. • The exposure value used is in line with implementing Regulation (EU) No 680/2014. The median values are based on quarter end point-in-time (PiT) figures covering the year to 31 December 2023.
(b)	Narrative information on the impact of the business model on assets encumbrance and the importance of encumbrance to the institution's business model, which provides users with the context of the disclosures required in Template EU AE1 and EU AE2.	• The ability to encumber certain pools of assets is a key element of the Group's liquidity and funding strategy. As part of managing its funding requirements, the Group encumbers assets as collateral to support wholesale funding initiatives. In particular, encumbrance through the repo markets plays a role in funding the Group's investment securities portfolio. The funding of customer loans is also supported through the issuance of covered bonds and securitisations. The Group is required to place cash with the Central Bank of Ireland and the Bank of England to meet minimum reserve and cash ratio deposit requirements which cannot be freely withdrawn. Other lesser sources of encumbrance include cash placed, mainly with banks and central clearing parties, in respect of derivative liabilities and loan collateral pledged in support of pension liabilities in AIB Group (UK) p.l.c. • Secured funding between Allied Irish Banks, p.l.c. and other Group entities (e.g. EBS d.a.c. and AIB Group (UK) p.l.c.) is an element of the Group's liquidity management processes. The Group recognises the restrictions on the transfer of liquidity between jurisdictions and separately monitors asset encumbrance by jurisdictions. The Group's Asset and Liability Committee ("ALCo") is the governance forum with accountability for reviewing and monitoring the Group's level of asset encumbrance. • The Group's wholly owned subsidiary, AIB Mortgage Bank u.c. ("AIBMB"), issues residential mortgage backed asset covered securities ("ACS") in accordance with relevant legislative requirements. The level of over-collateralisation is commensurate with highly rated covered bond issuance. AIBMB is required to maintain minimum contractual over-collateralisation of 5% and minimum legislative over collateralisation of 3% on a prudent market value basis. This is monitored by the Covered Asset Monitor on behalf of the Central Bank of Ireland. AIBMB holds higher levels of assets in their covered pools in order to meet rating agency requirements and beyond this for reasons of operational flexibility. In addition, AIBMB is committed to maintaining an Overcollateralisation Percentage of at least 125%. For this purpose, "Overcollateralisation Percentage" means the proportion (expressed as a percentage) of the total nominal or principal amount outstanding of the mortgage credit assets and substitution assets comprised in AIBMB's cover assets pool to the total nominal or principal amount outstanding of mortgage covered securities in issue by AIBMB. • All Group entities repo bonds centrally for liquidity management purposes. Bonds held centrally contribute to the Group's liquidity buffer and do not add to the Group's encumbrance level unless used in a repo transaction or pledged externally. • At 31 December 2023, the Group had € 115.9 bn of unencumbered "Other Assets" of which € 7.8 bn would not be deemed available for encumbrance in the normal course of business and includes intangible assets, tax assets, fixed assets and derivative assets. Encumbered "Other assets" is mainly made up of encumbered loans and advances of € 1.6 bn and encumbered loans on demand of € 1.2 bn. • The "Carrying amount of selected financial liabilities" that are "Matching liabilities, contingent liabilities or securities lent" in template EU AE3 is primarily made up of collateral received from derivative counterparties in relation to repurchase agreements and net derivative positions.

Chapter 19. Disclosure of environmental, social and governance risks (ESG risks)

76: Table 1 - Qualitative information on Environmental risk

As per Article 449a CRR, the following table describes the integration of environmental risks, including specific information on climate change risks and on other environmental risks, in AIB Group's business strategy and processes, governance and risk management.

Row number	Qualitative information	
	Business strategy and processes	
(a)	Institution's business strategy to integrate environmental factors and risks, taking into account the impact of environmental factors and risks on institution's business environment, business model, strategy and financial planning	Sustainability is a key strategic objective of the Group and Sustainable Communities is one of the Group's five Strategic Pillars. We have reviewed and evolved the AIB's ESG strategy in line with the Group strategic ambition, best practice and aligned to requirements of the new Corporate Sustainability Reporting Directive ("CSRD") as well as material topics identified through a stakeholder materiality assessment. Our three-pillar ESG strategy has evolved: Climate & Environmental Action, Societal & Workforce Progress, and Governance & Responsible Business. Funding renewable energy and infrastructure projects forms an important part of our proposed strategy as well as ongoing education and support for our wider customer base. Our evolved sustainability strategy sharpens our focus across the Environmental, Social and Governance pillars and aligns strongly with our wider business strategy. In July 2023, the Board approved Climate and Environmental ("C&E") Risk as a new Principal Risk for the Group. This reflects its importance to the Group's key strategic pillar, Sustainable Communities. This is in addition to its pervasiveness to other risks, increasing societal expectations as well as the need to adapt to the pace and volume of regulatory developments in this area. The Climate and Environmental Risk Framework and its supporting policy were approved in December 2023, which outlines the key requirements for the identification, assessment, and management of the risk. The financial impacts of climate and environment are considered within two key processes. Firstly, the financial impact associated with our net zero targets is a formal part of business and financial planning. Business areas are required to consider the impact on projected revenues, costs and margins associated with meeting these targets over the period of the plan and outlook to 2030. Secondly, within the European Central Bank ("ECB") 2022 Climate Risk Stress Test, analysis was completed based on the scenarios of the Network for Greening the Financial System ("NGFS"). These included quantitative forecasts for short- and long-term transitional risk, short-term drought/heat risk and short-term flood risk. Within the business and financial planning process, climate and environmental issues have been considered as a key input to the allocation of capital for each of the key business segments. Financed Emissions Targets covering Retail Banking, Capital Markets, our new Climate Capital segment and the AIB UK, were included in the process and were a key parameter within planning, for example, funding to propositions supporting green financing in support of achievement of the emissions targets. Transitioning to a lower-carbon economy will entail extensive policy, legal, technology, regulatory and market changes to address mitigation and adaptation requirements related to climate change.

(b)	Objectives, targets and limits to assess and address environmental risk in short-, medium-, and long-term, and performance assessment against these objectives, targets and limits, including forward-looking information about the design of business strategy and processes	The Group has stated clear ambition for 70% of new lending to be green or in transition by 2030 and has a target to achieve Net Zero in financed emissions by 2040 for the lending portfolio (2050 including Agriculture). Financed Emissions In 2022, Financed Emission Targets were set for c. 75% of our group lending portfolio. AIB selected 31 December 2021 as the Scope 3 financed emissions baseline position as this reflected the latest available year-end loan book data against which to set the targets, and as of 31 December 2022, this has increased to c. 76% of our group lending portfolio. AIB set a baseline emission intensity/target coverage for residential mortgages of 40 kgCO2e/m² and used the International Energy Agency ("IEA") 2021 NZE2050 1.5°C SDA Scenario to form the basis for the physical emissions intensity reduction of 58% required by 2030. Between 2021 and 2022, there has been a 5% reduction in emissions intensity, now standing at 38 kgCO2e/m². Targets and baselines were set using Partnership for Carbon Accounting Financials ("PCAF") Greenhouse Gas ("GHG") guidance in relation to data. AIB set a baseline emission intensity/target coverage for commercial real estate of 135 kgCO2e/m² using the IEA 2021 NZE2050 1.5°C SDA Scenario. Between 2021 and 2022, there has been a 9.6% reduction in emissions intensity, which equates to an emissions intensity figure of 122 kgCO2e/m². Over the period to 2030 we expect to see a significant reduction in emissions intensity of 58% per m² for mortgages and 67% per m² for CRE at the Group level. AIB's electricity generation portfolio had a very low emissions intensity relative to the global average for power (21 gCO2e/kWh vs. Global 463.7 gCO2e/kWh in 2021), given the high share of renewable energy assets such as offshore wind. As such, the Electricity Generation portfolio is already aligned to IEA Decarbonisation pathways that deliver a 1.5° outcome, therefore our target is to maintain the existing intensity. This maintenance target was validated by the SBTi which was a world first for the bank. AIB commits to maintain the existing FY21 baseline levels of 21gCO2e/kWh emission intensity of its electricity generation portfolio through 2030 by keeping the portfolio focused on renewable electricity generation projects. For each of the Financed Emissions Targets, the key business actions that support these emission reductions have been identified and are now tracked as part of our business planning process. Transition & Physical Risk The Group continue to be focused on flood risk as the most significant acute and chronic physical risk and have developed initial metrics to better understand this risk for our property-related exposure. These new metrics support the tracking of acute and chronic physical risk for our key property portfolios. Our approach is subject to further evolution based on industry developments and supervisory and regulatory expectations which continue to evolve over time. On the transition risk side, we require all new lending over £/€300k in high transition risk sectors to complete our ESG Questionnaire. In 2023 this amounted to 8% of all new lending. Own operations We have made significant progress in reducing our own carbon footprint, with a further 17% reduction in 2022 as confirmed at the end of 2023. From a Scope 1 and 2 perspective, AIB modelled two new targets, committing to reduce absolute Scope 1 GHG emissions by 34% by 2027 from a 2019 baseline year and to increase annual sourcing of renewable electricity to 100% by 2030. The two solar farms constructed in Co. Wexford by NTR as per our vCPPA in 2022 have been energised, ready to significantly contribute to the Group's power requirements. That is a significant step in reaching our ambition to be net zero in our own operations by 2030. For more details on the Group's objectives, targets and limits to assess environmental risk please see the Climate and Environmental Action chapter of the Sustainability Report.

(c)	Current investment activities and (future) investment targets towards environmental objectives and EU Taxonomy-aligned activities	AIB are committed to supporting our customers to transition to a low carbon economy by providing them with appropriate sustainable finance products and services. During 2023, AIB continued to deploy our Climate Action Fund by providing lending to energy efficient properties and renewable energy projects. The Group has continued to grow green lending, with € 3.7 bn in new green finance advanced in 2023 (target of € 2 bn per year). Over the next number of decades climate transition financing represents a significant growth opportunity as the global economy seeks to decarbonise and invest in green infrastructure. As a result, we have re-organised our business to create a new, dedicated Climate Capital segment, creating a step change in AIB’s ability to finance energy transition and ESG infrastructure and building on our strong track record in Energy, Climate Action and Infrastructure (“ECAI”) lending. Our new Climate Capital segment will maintain a global outlook, focusing on established renewables technology in the North America, UK and European markets. Recognising the scale of ambition, we are increasing our existing Climate Action Fund from € 10 bn (by end 2023) to a cumulative € 30 bn by 2030. This fund is an important statement of intent to the market and our customers. These funds will be made available for green and transition financing activities as defined within AIB’s Sustainable Lending Framework. Over the short-term time horizon (0-3 years), across the Retail Banking, Capital Markets and UK segments of our business we intend to broaden our green product suite for personal, SME and corporate customers to include new lending opportunities and extend some of our current offerings in this space. An enhanced suite of green products will support our customers in their transition and also help to deliver our sustainability targets. Over the medium-term horizon (3-7 years) we will need to steadily increase new green and transition lending to reach the 70% target by 2030 by offering green finance propositions and products, and through improved data capture. Understanding our green and transition lending will support long-term management of climate related and credit risk in our lending portfolio and reduce risk of adverse selection. For more information on AIB's responsible lending and investment please see the Sustainability Report.

(d)	Policies and procedures relating to direct and indirect engagement with new or existing counterparties on their strategies to mitigate and reduce environmental risks	An ESG Questionnaire has been incorporated into the credit application process, for customers in high risk transition sectors on new lending over €/£300k, which have been identified as carrying increased transitional environmental, social and governance related risk. An ESG sectoral heat-map is used to identify the high risk sectors in scope for the questionnaire. The questionnaire has both generic and sector specific questions on a range of topics from Climate & Environmental risk specific matters to social considerations such as human rights and diversity to determine an ESG risk rating. The questionnaire gets a better understanding of the ESG risk associated with the borrower and creates awareness among customers of the data that will be required from them around where they are in their ESG journey and plans going forward. The ESG questionnaire output is an additional factor for consideration in the credit decisioning process. The Group Credit Risk Policy includes a list of excluded business activities that are considered to be incompatible with Group strategy due to, amongst other things, negative environmental impacts associated with deforestation, nuclear power generation, natural gas fracking and the exploration, extraction or refining of oil or coal. The policy rule prohibits providing new money for any term lending facilities to businesses, or any of their subsidiaries, involved in the excluded business activities. This rule applies to all business customers with a Gross Connected Exposure of > €/£300k and who are relationship managed. Our policy was approved by our Board. The list of excluded activities is publicly available at www.aib.ie/sustainability. The Group Project Finance Policy guides renewable energy lending assessments and decisions for long-term infrastructure, industrial projects and public services. Within credit assessment due diligence, assets that are likely to have significant effects on the environment by virtue of their size, nature or location must undergo an environmental impact assessment ("EIA"), which will have to be submitted to competent authorities when applying for project development. AIB may rely on analyses provided by external parties to support our assessment. Our policy was approved by our Group Credit Committee. AIB's Responsible Supplier Code sets out our expectations of suppliers, and includes responsible and ethical behaviours we look for in the companies with whom we do business. Based on our Code of Conduct, the Responsible Supplier Code also references our Anti-Bribery and Corruption policy, Conflicts of Interests policy, Human Rights Commitment and our Speak-Up policy. We will only do business with suppliers that adhere to this Code; we require evidence that our suppliers have an ESG plan in place or are working towards putting one in place; and all successful suppliers are required to join the Supplier Financial Qualification System ("FSQS"). AIB also encourage our suppliers to report their carbon emissions through the Carbon Disclosures Project. Education is of central importance for both AIB colleagues and customers with a range of supports in place and/or under development including dedicated AIB Sustainability Champions throughout the Group, an in-house ESG research function, our regular customer publications, events and webinars and an enhanced advisory service offering via Goodbody. AIB facilitates ESG knowledge transfer to our SME customers through our support of programmes such as Enterprise Ireland's Plan it with Purpose and the Dublin Chamber Sustainability Academy, while also providing direct guidance to our wider customer base through the online AIB Green Living Hub, our Sector Sustainability Guides and informational webinars. In 2023, AIB created a new Continuing Professional Development ("CPD") Certificate in 'Understanding ESG for Business Customers' in association with the Institute of Bankers ("IOB"). The purpose of this training is to empower our colleagues to take action and build on their ESG knowledge. The course covers ESG trends for businesses and provides an overview of the landscape domestically and internationally. It provides an overview of the Sustainable Development Goals ("SDGs") and outlines how SDG's may be used to shape a business strategy. The training also provides further insights on how ESG considerations may differ across key sectors such as Agriculture, Manufacturing, Energy, Transport, Property, Hotel and Leisure and Healthcare and provides best practices on how business owners can approach E, S and G issues within their own sectors. Course participants are empowered with information on how a business can initiate a climate action plan. Along with international standards for carbon footprinting, the training covers how a customer may conduct a materiality assessment to support and prioritise key sustainability topics for action, and includes a framework for businesses to structure sustainability efforts and the must-haves in a successful sustainability transformation approach.

	Governance	
(e)	Responsibilities of the management body for setting the risk framework, supervising and managing the implementation of the objectives, strategy and policies in the context of environmental risk management covering relevant transmission channels	The AIB Group Board is responsible for approving the Group's strategy and the financial and investment plans which includes the consideration of ESG and climate factors. The Board is responsible for the approval of the Detailed Sustainability Report (“DSR”) and considers and monitors performance against the sustainability targets for the Group. It ensures that an appropriate system of internal controls is maintained and established the Sustainable Business Advisory Committee (“SBAC”) to assist it in fulfilling its independent oversight responsibilities in relation to ESG matters. The Board receives updates regarding the execution of the Group's sustainability strategy, including the quarterly Group Balanced Scorecard, bi-annual sustainability updates and updates on both green bond and social bond transactions. The Group uses a comprehensive risk management approach across all risk types. This is outlined in the Group’s risk management framework, including the key practices that are implemented in managing risks, both financial and non-financial. The framework is reviewed, updated and approved by the Board at least annually to reflect any changes to the Group’s business or consideration of external regulations, corporate governance requirements and industry best practice. The Group’s independent Risk function designs and maintains the framework. The Risk function is led by the Chief Risk Officer who provides oversight and monitoring of all risk management activities. As mentioned in 1(a) the Board approved C&E Risk as a new Principal Risk for the Group in 2023. The Group continued to embed the risk management of C&E during 2023 through enhancements to the Group’s ESG Sectorial Risk Heatmap, Physical Risk Heatmap and Stress Testing Framework including the development of transition risk and physical risk models, and the incorporation of environmental sector specific considerations within the Group’s credit risk policies. Two additional risk appetite statement metrics have been developed and approved for 2024.
(f)	Management body's integration of short-, medium- and long-term effects of environmental factors and risks, organisational structure both within business lines and internal control functions	The Group operates a Three Lines of Defence ("3LOD") Model, the principles of which are outlined in the Group Risk Management Framework. The First Line of Defence has the primary responsibility for the management of ESG business strategy and processes and the associated risks. This includes ESG business strategy setting and performance monitoring as well as identifying, assessing, managing, monitoring and reporting on the short, medium and long term effects of ESG risks. The Second Line of Defence sets policy and oversees the risk management activities of the First Line while the Third Line provides independent assurance to the Board of Directors on the adequacy and effectiveness of the overall control environment. First Line of Defence (“1LOD”) All first line management and staff are responsible and accountable for adherence to the ESG Framework and supporting documents within their areas of responsibility including - Business Strategy & Processes, Risk Management & Governance. First Line Assurance Teams assurance activity is undertaken by business assurance teams to test the effectiveness of the control environment operating in the first line of defence. The Sustainability & Strategy team collaborates with teams across the organisation to develop a coordinated Group Sustainability Strategy and plan to deliver on the Group Sustainability strategic ambition and regulatory requirements and oversees the delivery of the plan with updates via the ESG governance forums. Second Line of Defence (“2LOD”) The role of 2LOD includes driving the integration of ESG management initiatives into existing risk management processes and providing second line oversight and independent risk reporting (as appropriate) to the Board on the management of sustainability commitments and ESG risks. Third Line of Defence (“3LOD”) Group Internal Audit (“GIA”) primary responsibility is to the Group’s Board of Directors through the BAC. GIA supports the AIB Board of Directors in carrying out its corporate governance responsibilities by providing an independent view on the key risks facing the Group, and on the adequacy and effectiveness of the system of governance, risk management and the internal control culture that manages these risks. This responsibility includes consideration of those risks arising from the execution of sustainability commitments and from the application of the ESG framework and relevant C&E policies.

(g)	Integration of measures to manage environmental factors and risks in internal governance arrangements, including the role of committees, the allocation of tasks and responsibilities, and the feedback loop from risk management to the management body covering relevant transmission channels	AIB's Board of Directors has established a number of Board and Board Advisory Committees to assist in in the discharge of its duties, and part of their role is to oversee and challenge the Group's sustainability strategy and performance while the Board retains ultimate responsibility, ensuring a robust approach. Sustainable Business Advisory Committee ("SBAC") In fulfilling its advisory role, the SBAC supports the Board in overseeing the Group's performance as a sustainable business and delivery of AIB's sustainability strategy in accordance with the approved Group Strategy and Financial Plan and maintaining and safeguarding the Group's social licence to operate. Board Risk Committee ("BRC") The BRC ensures that risks within the Group are appropriately identified, reported, assessed, managed and controlled including commission, receipt and consideration of reports on key strategic and operational risk issues. The BRC receives updates regarding the effectiveness of the Group's policies and programmes, which relate to identifying, managing and mitigating ESG risks, including Climate and Environmental Risk, in connection with the Group's operations and ensuring compliance with regulatory requirements and industry standards. The BRC approves the Climate and Environmental Risk Framework which together with the Climate and Environmental policy outline the key requirements for the identification, assessment, and management of Climate and Environmental Risk and work continues to integrate and embed this new material risk into our key risk activities. Board Audit Committee ("BAC") The BAC assists and advises the Board in fulfilling its independent oversight responsibilities in relation to the quality and integrity of the Group's accounting policies, financial and narrative reporting, non-financial disclosures and disclosure practices. It also manages the effectiveness of the Group's internal control, risk management, and accounting and financial reporting systems, our whistleblower champion process, and the performance of internal and external auditors. Regarding nonfinancial disclosures, the Committee has oversight responsibility for all ESG reporting contained within the Annual Financial Report and the bi-annual Pillar 3 disclosures. In discharging this responsibility, the BAC reviews a number of key artefacts relating to the implementation of new ESG reporting directives, internal and external assurance activity, supporting control frameworks, and the basis of preparation of disclosures. Executive Committee ("ExCo") Our ExCo is the most senior management committee of the Group and is accountable to the Chief Executive Officer (CEO). Led by the CEO, the ExCo has primary authority and responsibility for the day-to-day operations of, the Group, excluding those matters that are reserved specifically for the Board, and operating within the financial and risk limits set by the Board. This includes ensuring an effective organisation structure, the selection, motivation and direction of Senior Management, the execution of the strategy agreed with the Board and for the operational management, compliance and performance of all of the Group's businesses. Group Sustainability Committee ("GSC") The GSC is a sub-committee of and comprises members of the ExCo in addition to some senior stakeholders from across the business. It is tasked with oversight of aspects of the Group's sustainable business strategy, including ESG activities, and how the Group responds to our ESG commitments. It makes recommendations to SBAC on matters requiring escalation, and interacts with GRC on relevant matters. It oversees the sustainability change agenda, including the effective fulfilment of strategic objectives and regulatory obligations, and data strategy as it relates to ESG disclosures. It reviews and assesses current and emerging ESG risks (interacting with GRC on relevant matters), maintains relationships with key sustainability and ESG stakeholders and ensures that the Group's portfolio of ESG products aligns to the ESG agenda and strategy. Additionally, GSC oversees internal and external communications with stakeholders regarding the Group's approach to ESG matters. Group Risk Committee ("GRC") The Group Risk Committee is the most senior management risk committee and is accountable to the Executive Committee to set policy and monitor all risk types across the Group to enable delivery of the Group's risk strategy. As part of discharging its overall responsibilities, GRC receives updates regarding the effectiveness of the Group's policies and programmes, which relate to identifying, managing and mitigating ESG risks, including including Climate and Environmental Risk , in connection with the Group's operations, and ensuring compliance with regulatory requirements and industry standards. The Climate and Environmental policy is approved by the GRC. Group Disclosure Committee ("GDC") The GDC provides oversight of material Group disclosures and supports consistency of key messaging made to the public. From an ESG perspective, the Committee recommends the disclosures within the DSR for recommendation to SBAC for review, ahead of recommendation to the Board for approval. Additionally, GDC considers the clarity and consistency of the disclosure response, on the recommendation of GSC, of any new legal and regulatory requirements impacting Group disclosures relating to ESG matters. The Committee reviews and recommends the key judgements and estimates applied to ESG disclosures to BAC, following consideration by GSC.

(h)	Lines of reporting and frequency of reporting relating to environmental risk	C&E risk is monitored through internal and external reporting across the Group. The primary internal risk report, the CRO report, dedicates a section to C&E risk providing the Group Risk Committee and the Board Risk Committee with relevant updates on the C&E risk profile. The profile encompasses the key developments around the risk, planned initiatives and reports on the performance against risk appetite. The monitoring and reporting of the C&E quantitative ("RAS") metrics are conducted monthly. The escalation process, as stipulated under the RAS policy, is commenced in the event of a breach of either the RAS watch trigger or limit for any of the metrics. This ensures Board and Regulator notification within an approved timeframe, when appropriate. The Group has stated clear ambition for 70% of new lending to be green or in transition by 2030 and has a target to achieve Net Zero in financed emissions by 2040 for the lending portfolio (2050 including Agriculture). To support these net zero ambitions, the emissions of the Group's lending across Corporate Lending, Residential Property, Commercial Real Estate and Electricity Generation have been benchmarked and targets adopted. Annual financed emission targets for 75% of the Group's lending portfolio (as at 31 December 2021), outlining what the Group needs to achieve by 2030 in terms of a reduction in emissions relating to its lending portfolio, have been adopted by the Board and externally validated by the Science Based Targets Initiative ("SBTi"). For each of the financed emissions targets, the key business actions that support these emission reductions have been identified and are incorporated into annual business planning process. The Group actively monitors the progress of achieving the Board approved sustainability targets via the Climate Dashboard on a quarterly basis. The metrics contained in the dashboard are reported in the CRO report, to the Group Sustainability Committee ("GSC") and the Sustainable Business Advisory Committee ("SBAC").
(i)	Alignment of the remuneration policy with institution's environmental risk-related objectives	In 2023, AIB established a variable remuneration scheme in 2023 which is based on company performance. Three of the six measures within this scheme flow from ESG targets and measurements in the Group Balanced Scorecard. 40% of the outturn of the variable remuneration is linked to these ESG measures with a specific target linked to Green Finance. Performance against the Group Balanced Scorecard is reviewed and challenged quarterly by ExCo and regularly by the Board. In addition, since 2021, senior executives have an ESG related performance goal, and a mandatory sustainability goal has been included in all employee performance reviews since 2022.
	Risk management	
(j)	Integration of short-, medium- and long-term effects of environmental factors and risks in the risk framework	The Group's Material Risk Assessment ("MRA") identified C&E as a new principal risk for the Group and its licenced subsidiaries, approved by the Board in the second half of the year. The MRA is an annual top-down process, identifying the Group's material risks in line with the Group's Risk Management Framework, taking into account the Group's strategic objectives, in addition to internal and external risk sources including climate related and environmental factors. The material risk assessment is a key input into the Group's risk management processes, including the Risk Appetite Statement ("RAS"), which sets out the maximum amount of risk the Group is willing to accept. In December 2023, Board Risk Committee approved the Climate & Environmental (C&E) Risk Framework. It sets out the principles, roles and responsibilities, governance arrangements and processes for C&E risk management across the Group. The C&E Risk Framework sits within the overall group risk architecture and is one of the material risk frameworks supporting the Group's Risk Management Framework. The C&E Risk Framework is underpinned by the C&E risk policy (which was also approved in December), ensuring that the C&E risk is managed in line with the Group's overall purpose, the five key strategic pillars as well as the Group's strategic objectives. Due to the pervasive nature of C&E risk and its impact on other principal risks, the C&E risk management aspects for these principal risks are incorporated within their relevant risk frameworks and policies, including environmental sector specific considerations within the Group's credit risk policies and regulatory related risks within the regulatory compliance policies. The ESG Framework, which was launched in December 2022, ensured that the Group's approach to the management of ESG was clearly defined and well understood, from the Board and down through all operations. In line with our continued progress, the ESG Framework will be retired over the course of 2024 and the agenda will be managed through the C&E Risk Framework and policy, as well as other existing Frameworks and governance structures in place. The impact and likelihood of potential climate risks have been assessed in the short (<3 years), medium (>=3-10 years), and long-term (10+ years) time horizons. Please refer to Table 1(n) for more information on tools used to integrate short/medium/long term effects into the C&E risk framework.

(k)	Definitions, methodologies and international standards on which the environmental risk management framework is based	Climate risk is defined as the potential negative impacts due to climate change on the Group. This includes risks posed by direct exposure to climate change, and indirect exposure through customers and suppliers. Climate Risk includes the impacts that the Group and its customers and suppliers have on the climate and the impact from the climate on the Group and its customers and suppliers. Environmental risk is defined as the potential negative impact of the activities or actions of the Group, its customers or suppliers, directly or indirectly to the naturally occurring living and non-living components of the Earth, together constituting the biophysical environment. Changes in the state of nature (quality or quantity), may act as drivers on the Group's financial performance through risk events and could result in changes to the capacity of nature to provide social and economic functions. Climate and Environmental Risk ("C&E Risk") can arise from: • Physical risk: defined as the potential negative financial impact to the Group of a changing climate, including more frequent extreme weather events and gradual changes in climate, as well as environmental degradation, such as air, water and land pollution, water stress, biodiversity loss and deforestation. Physical risk is categorised as acute when it arises from extreme events including droughts, floods and storms, and chronic when it arises from progressive shifts, such as increasing temperatures, a rising sea-level, water stress, biodiversity loss, land use change, habitat destruction and resource scarcity. This can directly result in damage to property or reduced productivity, or indirectly lead to subsequent events, such as the disruption of the Group's supply chains. • Transition risk: defined as the potential negative financial impact to the Group that can result, directly or indirectly, from the process of adjustment towards a lower-carbon and more environmentally sustainable economy. This could be triggered by the adoption of policies and legal requirements including regulations on products and services as well as policy support for low carbon alternatives. It encompasses the risks associated with implementing technological advancements to replace existing products with lower emission options as well as changes in market sentiment relating to customer demands and preferences. • Liability Risk: Physical risk, transition risk and non-compliance of regulations could potentially lead to further financial exposures for the Group, stemming directly or indirectly from legal claims or regulatory enforcement. As part of the regulation review eight regulations related to C&E risks were identified as being key or priority, noting that the below is not an exhaustive list of applicable regulation. These include the following regulations: • ECB Guide on Climate and Environmental Related Risks • EBA Report on management and supervision of ESG risks for credit institutions and investment firms • EBA Guidelines on Loan Origination and Monitoring • EBA Final Draft for implementing technical standards on prudential disclosures on ESG risks in accordance with Article 449a CRR • PRA Supervisory Statement on enhancing banks' and insurers' approaches to managing the financial risks from climate change ("PRA SS3/19") • Task Force on Climate related Financial Disclosures ("TCFD") • Sustainable Finance Disclosures Regulation ("SFDR") • ECB Guide on Climate-Related Stress Testing

(l)	Processes to identify, measure and monitor activities and exposures (and collateral where applicable) sensitive to environmental risks, covering relevant transmission channels	As outlined in (j) the Group undertake an annual MRA, identifying the Group's material risks in line with the Groups Risk Management Framework. The MRA is an annual top-down process, identifying the Group's material risks in line with the Group's Risk Management Framework, taking into account the Group's strategic objectives, in addition to internal and external risk sources including climate related and environmental factors. The material risk assessment is a key input into the Group's risk management processes, including the Risk Appetite Statement ("RAS"), which sets out the maximum amount of risk the Group is willing to accept. There are several factors assessed to determine the materiality of these impacts across the Group's material risks including reputation, regulatory, financial losses and impact on business objectives. The Risk Control Assessment ("RCA") process is the detailed bottom-up risk assessment identifying the risks arising from the Group's processes and business activities. Climate and Environmental risk is also assessed within other risk management tools including the Physical Risk and ESG Sectoral Risk heatmaps. The Group uses these heatmaps to align its business practices with sustainable and environmentally standards and to identify the short (<3 years), medium (>=3-10 years), and long-term (10+ years) risks that are facing the Group. As outlined in (d) an ESG Questionnaire has been incorporated into the credit application process for customers in high risk transition sector, on new lending over €/£300k, which have been identified as carrying increased transitional environmental, social and governance related risk. An ESG sectoral heat-map is used to identify the high risk sectors in scope for the questionnaire. The questionnaire has both generic and sector specific questions on a range of topics from Climate & Environmental risk specific matters to social considerations such as human rights and diversity to determine an ESG risk rating. The questionnaire gets a better understanding of the ESG risk associated with the borrower and creates awareness among customers of the data that will be required from them around where they are in their ESG journey and plans going forward. The management of climate and environmental risk is integrated into AIB's overall approach to risk management, as set out in the Risk Management section of the Annual Financial Report 2023. In line with our Group strategy and to meet regulatory expectations on our sustainability practices, we at AIB Group continue to improve our reporting against the targets we have set across all elements of ESG as part of our strategic growth. Since 2016, we have engaged with our stakeholders to identify the issues that are material to them and have reported in line with those issues. In 2023, we carried out a 'double materiality' assessment in advance of the incoming Corporate Sustainability Reporting Directive ("CSRD"). The final results were then brought through –and challenged by – appropriate governance, culminating in review by the Sustainable Business Advisory Board ("SBAC"). For more information please refer to the Detailed Sustainability report.

(m)	Activities, commitments and exposures contributing to mitigate environmental risks	AIB have set a new, stretching target for our Climate Action Fund, aiming to provide a total of €30bn to aid national and global efforts to realise a necessary lower-carbon economy by the end of 2030. We recognise we have a long-term role to play in providing the finance for Ireland's transition to a low-carbon economy. This fund is realised through the Group's various green products for personal, SME and corporate customers in Ireland, the UK and further afield, and focuses on energy, climate and infrastructure projects. We want to encourage our customers to go green. As we aim to reach net zero across our customer portfolio, we can do this by providing a range of products and services that will enable our customers to reduce their own carbon emissions such as: • providing finance to renewable energy generation through a multi-disciplinary Energy, Climate Action & Infrastructure team; • providing finance for energy efficient homes, through Green Mortgage products supporting sector-specific initiatives to aid carbon transition, such as the Teagasc Signpost programme which is an advisory programme supporting climate and sustainability actions on farms. These programmes support primary producers to transition to net zero by 2050 and AIB has been proactive and engaged in them, being a key sponsor/partner in a number of industry initiatives ; • providing finance for retrofitting less energy efficient homes through Green personal loan and a partnership with Electric Ireland superhomes; • providing access to low-cost financing over longer terms to encourage the growth and resilience of enterprises and/or to invest in climate action and environmental measures designed to improve performance; • supporting customers to move away from transport options reliant on fossil fuels. For more information on these products and services please refer to the responsible lending and investment section of the Detailed Sustainability report. Responsible Banking Initiatives AIB is a founding signatory of the UNEP FI Principles for Responsible Banking (PRB). The Principles are a framework for ensuring that signatory banks' strategy and practice align with the vision society has set out for its future in the Sustainable Development Goals and the Paris Climate Agreement. They aim to promote a sustainable banking system and helping the banking industry to demonstrate how it makes a positive contribution to society. PRB requires banks to align their strategy to support challenges for the societies in which they operate, with a focus on the areas where they can have the most significant impact. For more information please refer to our UNEP FI PRB disclosures in the Sustainability report. The Group takes part in a number of voluntary commitments that focus on advancing ESG agenda across the globe. The list can be found on the AIB website (https://aib.ie/sustainability).

(n)	Implementation of tools for identification, measurement and management of environmental risks	As outlined in (l) The Risk Control Assessment ("RCA") process is the detailed bottom-up risk assessment identifying the risks arising from the Group's processes and business activities. The risks are recorded on SHIELD which is the Group's governance, risk and compliance system. During 2023, SHIELD's capability was enhanced to capture the environmental, social and governance ("ESG") risks, providing an understanding of the Group's climate risk profile. Climate and Environmental risk is also assessed within other risk management tools including the Physical Risk and ESG Sectoral Risk heatmaps. The Group uses these heatmaps to align its business practices with sustainable and environmentally standards and to identify the short (<3 years), medium (>=3-10 years), and long-term (10+ years) risks that are facing the Group. Stress Testing The impact of C&E risk is incorporated in the Group's stress testing framework by conducting a comprehensive scenario analysis to evaluate the potential impact of various climate-related events on the Group's portfolios, operations and overall financial position. Scenario testing enables the Group to assess the interconnectedness of risks, considering not only direct physical risks but transition risks arising from shifts in market dynamics, investor sentiment and regulatory landscapes. The Group participated in the ECB Climate Stress Tests in early 2022 where it was evident that the scale of the economic shocks applied was quite modest compared to those applied in non-climate stress testing for ICAAP and ECL calculations. In 2024, the Group is also participating in the European Banking Authority ("EBA") "Fit-for-55" climate risk scenario analysis exercise, which aims to assess the resilience of the financial sector in line with the "Fit-for-55" EU plan for green transition. The Business Model and Capital Adequacy Framework and the Stress Testing Policy were updated in 2023 to reflect the outcome of the Climate Stress Testing project. As such, these outcomes included changes to climate stress testing models, roles and responsibilities and governance requirements relating to climate stress testing across the Group. The Group's Stress Testing Policy sets out the key processes, governance arrangements and roles and responsibilities around stress testing. The climate stress testing approach and associated models consider the impact of physical and transition risks across a number of scenarios on the Group's exposures. The initial scope of climate stress testing activities and climate modelling in the Group is primarily focused on the credit risk implications for the loan portfolio via both transition and physical risk. This is where the most material impact of climate stresses impacts the Group with the approach covering all customer loans and advances on the balance sheet. The Group has identified that flooding is the most material physical risk to the Group. The Group is exposed to the risk that flooding will adversely affect the value of properties collateralising the Group's lending. The Group's physical risk model assess the potential impact of this risk. In 2023, the Group completed the development of an enhanced flood-risk model to support the quantification of flood-related risks. The newly developed model represents a significant step forward in terms of both granularity and flexibility relative to previous approaches which were based on the 2022 ECB Climate Stress test methodology. As a first step, the new model locates individual properties and overlays a series of flood maps corresponding to river, coastal and surface water flood events. This is repeated for a range of return periods (1-in-20-year, 1-in-100 year) allowing for a probability distribution of flood levels to be calibrated for each property. The damage to each property for a given level of flooding is estimated based on building type and flood type. Estimates of rebuild costs and insurance coverage are overlaid to calculate the net cost of repair. Additional property price adjustments are applied to reflect the reduced desirability of properties that are prone to flooding. The model is used to determine both average and expected flood damage costs and the impact of hypothetical acute flood events. This approach can be applied to reflect current climate conditions or climate conditions as they are projected to be in the future under a range of science-based scenarios. The results of this model can be used to consider flood risk in the short, medium and long term. The Group is exposed to risk through the potential negative impact on the credit worthiness of its customers associated with the uncertainties and challenges associated with a transition to a more sustainable low-carbon economy. The Group quantifies this potential impact using transition risk models with carbon emissions charges. In 2023, the Group developed two new transition risk models, one for Retail (Mortgages) and one for Non-Retail. The newly developed models represent a significant step forward in terms of balance sheet coverage, risk groupings, data sources and macroeconomic scenarios relative to previous approaches based on the 2022 ECB Climate Stress test methodology. The Retail Model transition risk focused scenario focuses on the impacts of additional (hypothetical) carbon emissions charges. This tax would affect disposable incomes which in turn may present challenges for customers and the Group, depending on how unexpected they are and how punitive the taxes. The stress test output is an analysis of the potential impacts of this scenario to the mortgage book, where charges are applied based on the carbon emissions of homes. The Non-Retail transition risk focused scenario proposes carbon emissions charges to other non-retail borrowers. This tax will affect borrower's affordability by reducing profits, which in turn may present challenges for the Group, depending on how unexpected and punitive they are. Charges are applied in this model, based on the scope of carbon emissions of the NACE sector in which the borrower operates. A sub-section, covering Agricultural borrowers, is stressed separately, due to differences in cost structures in farms and SMEs. The data available regarding carbon emissions, and the measures borrowers can take to reduce the impact of the emissions tax, also differ for Agricultural borrowers versus Corporates and SMEs. The stress test output provides an analysis of the potential impacts of this scenario to the Non-Retail borrowers. At present, results from the transition risk models are considered in the short and medium term.

(o)	Results and outcome of the risk tools implemented and the estimated impact of environmental risk on capital and liquidity risk profile	The Group participated in the ECB Climate Stress Tests in early 2022 where it was evident that the scale of the economic shocks applied was quite modest compared to those applied in non-climate stress testing for ICAAP and ECL calculations. In 2024, the Group is also participating in the European Banking Authority ("EBA") "Fit-for-55" climate risk scenario analysis exercise, which aims to assess the resilience of the financial sector in line with the "Fit-for-55" EU plan for green transition. The Business Model and Capital Adequacy Framework and the Stress Testing Policy were updated in 2023 to reflect the outcome of the Climate Stress Testing project. As such, these outcomes included changes to climate stress testing models, roles and responsibilities and governance requirements relating to climate stress testing across the Group. The Group's Stress Testing Policy sets out the key processes, governance arrangements and roles and responsibilities around stress testing. The impact of climate risk was considered as part of the ECL governance process at 31 December 2023 and it was deemed that insufficient evidence of the likely loss impacts from climate events is available to adjust ECLs materially but that the Group's approach to individual counterparty risk assessment adequately captures climate risk where appropriate. The impact of climate risk will continue to be monitored in 2024 to ensure ECLs appropriately reflect latent risk from potentially emerging climate risks.
(p)	Data availability, quality and accuracy, and efforts to improve these aspects	The Chief Sustainability & Strategy Officer has sponsored an ESG Transformation programme with focus on delivering an ESG Data Strategy and supporting Data Infrastructure to support regulatory requirements, ESG disclosures, risk quantification exercises and mitigation & adaption measurement. The objectives of this Programme includes capture of additional data requirements to be sourced, including data collection from customers as part of a ESG Enablement workstream. An on-going focus is on increasing the coverage of our stock with building level geolocation data. For physical risk assessment, the majority of AIB's immovable property on which loans have been secured, have geolocation data available at building level. AIB have acquired flood risk assessment data, over a comprehensive suite of Representative Concentration Pathways ("RCPs"), return periods and flood depths associated with this property stock which enables precise physical risk assessment for flooding. Geo-location data is also used as part of our Social Bond framework in conjunction with socio-economic data to determine eligibility criteria related to AIB funding for business's operating and generating employment in socially and economically disadvantaged locations. For property based, transition risk measurement, the Building Energy Rating ("BER")/ Energy Performance Certificate ("EPC") of a property is also an area of focus for increased coverage as part of customer engagements at loan origination , case review's or product changes. The reported emissions of corporate counterparties is obtained, where available from 3rd party provider and as part of customer engagements. Effective ESG data capture processes will facilitate embedding of ESG considerations into business-as-usual. It will also enhance risk identification efforts, and allow the Group to support its customers more effectively. For these purposes, the Group has identified high-priority 'use-cases' based on regulatory requirements and non-regulatory commitments for ESG data. These use-cases cover a wide-range of ESG topics including disclosures (e.g. CRR 449a), EU taxonomy, ESG Strategy (e.g. target setting, sustainable lending), risk quantification (e.g. ECB Climate Stress Test, Scenario analysis), risk identification (e.g. ESG Questionnaire) and Reporting. In alignment with the Group's data management policy, AIB is establishing necessary quality checks and controls. The aim of AIB's ESG data strategy is to enhance analytical capabilities internally by working to increase ESG data availability and quality over time. Our approach continues to evolve in line with industry developments and is dependent on the availability of relevant external data. AIB acknowledge the importance of ESG data to inform reporting, support decision-making and enhance product development and is committed to evolving data capture and storage infrastructure to improve accessibility, meet regulatory obligations and integrate ESG data into existing business processes. This evolution will also ensure that the additional data made available through the adoption of Corporate Sustainability Reporting Directive ("CSRD") disclosures can be leveraged across strategy, systems and processes.

(q)	Description of limits to environmental risks (as drivers of prudential risks) that are set, and triggering escalation and exclusion in the case of breaching these limits	Articulation of the Group's C&E risk appetite and tolerance is expressed through the qualitative statements about the nature and type of risk that the Group is willing to accept, and quantitative RAS metrics that define the range of acceptable risk. For 2024, there are seven C&E qualitative statements that help articulate appropriate areas of climate-related risk appetite. In addition the Group has approved two new quantitative C&E RAS metrics with escalation measures in place in case of breaching the relevant thresholds. The Group Credit Risk Policy includes a list of excluded business activities that are considered to be incompatible with Group strategy due to, amongst other things, negative environmental impacts associated with deforestation, nuclear power generation, natural gas fracking and the exploration, extraction or refining of oil or coal. The policy rule prohibits providing new money for any term lending facilities to businesses, or any of their subsidiaries, involved in the excluded business activities. This rule applies to all business customers with a Gross Connected Exposure of > €/£300k and who are relationship managed. Our policy was approved by our Board. The list of excluded activities is publicly available at www.aib.ie/sustainability.
(r)	Description of the link (transmission channels) between environmental risks with credit risk, liquidity and funding risk, market risk, operational risk and reputational risk in the risk management framework	As outlined in (j) the Group undertake an annual MRA, identifying the Group's material risks in line with the Groups Risk Management Framework. The impact and likelihood of potential climate risks have been assessed in the short (<3 years), medium (>=3-10 years), and long-term (10+ years) time horizons. There were several factors assessed to determine the materiality of these impacts across the Group's material risks including reputation, regulatory, financial losses and impact on business objectives. Due to the pervasive nature of C&E risk and its impact on other principal risks, the C&E risk management aspects for the principal risks are incorporated within the relevant risk frameworks and policies, including environmental sector specific considerations within the Group's credit risk policies and regulatory related risks within the regulatory compliance policies. In line with TCFD requirements the following principal risks have been identified as being impacted by climate-related risks (physical and transition risks): Credit risk There is a risk in the long term of a decrease in value of the properties collateralising the Group's lending or that these properties become stranded assets as a result of physical risk, impacting the ability to dispose of assets which may result in increased loan defaults and losses. The Group utilises a physical risk heatmap to identify the primary physical risks it faces. Considerations in respect of the main physical risk identified from the heatmap is included in guidance for collateral valuation instructions, and in 2023 investment was made into a tool to assist identification of flood risk for new large commercial collateral property assets. The challenges and uncertainties associated with the transition to a more sustainable and low-carbon economy can potentially impact the Group over the medium-long term if is exposed to customers in high and medium risk sectors as their creditworthiness may decline (e.g.by higher carbon taxes affecting costs etc). This is currently managed through the integration of C&E risk as a consideration within credit risk management policies and processes. For example the Group's ESG Questionnaire is incorporated into credit applications for customers in high C&E Risk transition sectors where new lending is over €/£300k. Liquidity and Funding risk There is a risk of liquidity loss in the long term through deposit outflows or erosion of the liquidity buffer due to disruptions or damages to assets (including property) and businesses, impacting negatively on the Group's liquidity and funding risk profile. To manage this liquidity and funding risk includes C&E risk considerations to ensure that that the liquidity and funding profile is appropriate for its asset mix and a sufficient liquid buffer of appropriate quality is provided to protect the Group from any liquidity stresses. Operational risk There is a risk in the long term of disruptions to the Group's operations, property damage, power outages and the impact of third party supply chain interruptions due to the increasing frequency and severity of extreme weather events. The management of C&E risk takes place via the oversight and assurance of third-party suppliers, continuity and operational resilience risk management as well as the protection of staff, customers, visitors, contractors, consultants, agents, third parties and assets (including property) in all its locations and operations. This ensures adherence to statutory obligations with respect to health and safety as well as security industry standards and practices. For more detail on mapping of physical and transition risk across other AIB principal risks (conduct and culture risk, model risk, business model risk and regulatory compliance risk) please refer to the Risk Management section of the Annual Financial Report.

77: Table 2 - Qualitative information on Social risk

As per Article 449a CRR, the following table describes the integration of social risks in AIB Group's business strategy and processes, governance and risk management.

Row number	Qualitative information	
	Business strategy and processes	
(a)	Adjustment of the institution's business strategy to integrate social factors and risks taking into account the impact of social risk on the institution's business environment, business model, strategy and financial planning	Sustainable Communities continues to be a foundational pillar of the Group strategy and aligns strongly with our wider business strategy. In 2023, AIB's ESG strategy has been reviewed and evolved in line with the Group strategic ambition, best practice and aligned to requirements of the new Corporate Sustainability Reporting Directive ("CSRD") as well as material topics identified through a stakeholder materiality assessment. Our three-pillar ESG strategy has evolved to Climate & Environmental Action, Societal & Workforce Progress, and Governance & Responsible Business. Under Societal & Workforce progress the Group principle is to strive to make a positive economic contribution and to be a positive influence on society, improving the lives of people and their communities and helping to build a brighter and fairer future. The Group will seek to: • Continue to proactively contribute to a robust and sustainable future economy and society. • Put our customers first, always treating them fairly and with respect. • Empower own workforce and foster a safe, inclusive and supportive work environment. • Positively support sustainable communities and local initiatives. Progressing the sustainability agenda is a strategic priority for AIB and is a core tenant of the corporate strategy. We have placed sustainability at the heart of our business, embedding it into our everyday, including our engagement with our customers. Our strategic focus on climate and housing is consistent with the 2023 Materiality Exercise. The focus on these two areas was reinforced through our assessment using the UNEP FI Portfolio Impact Analysis Tool, where we found Climate had also been identified as a Level 3 national need in Ireland, while Housing was identified as a Level 2 national need. For more information please refer to the Societal and Economic progress section of the Sustainability Report.

(b)	Objectives, targets and limits to assess and address social risk in short-term, medium-term and long-term, and performance assessment against these objectives, targets and limits, including forward-looking information in the design of business strategy and processes	To ensure progress is made against the Sustainability agenda, the Group has set clear targets and objectives which are actively monitored and measured and set out annually in the Sustainability Report. Our material topics under societal and workforce progress are highlighted below: Housing Housing is a key strategic priority for AIB and as a pillar bank in Ireland it represents 52% of the loan portfolio. AIB's housing strategy is aligned to SDG 11 'Sustainable Cities and Communities'. This is relevant in a national context because a lack of housing supply to buy or rent in the private sector, high cost of building and affordability of house prices has led to a high need nationally and has led to negative economic and social implications for Ireland, as those on low income, youth and non-homeowners are most affected. Finance for social housing, a sector where AIB has a key role to play in funding vital additional capacity. The Group has a target of €800m finance for social housing by 2024. The purpose of this fund is to support Government initiatives to provide subsidised housing for those on lower incomes. To date AIB has allocated €548m, funding the development of 3,500 homes. AIB's performance against the Social Housing Fund of €800m is tracked on the Capital Markets Scorecard, to the relevant management forums on a quarterly basis. Financial Inclusion and wellbeing AIB set a target of supporting 500,000 customers through their financial literacy by the end of 2023. We exceeded this target, reaching a total of c.550,000 customers through a series of initiatives in Ireland, including our educational and awareness programmes, since we set the target in 2020. A large element of this figure was activated through our AIB Future Sparks programme, a skills-based interdisciplinary programme for post-primary schools. It joins the dots for young people and their teachers as they navigate major transitions and key life moments by providing rich educational resources across multiple subject areas, such as guidance-related learning, wellbeing, business, economics, accounting, financial education, and home economics. In March 2023, as part of a general survey to participating schools, we found that 72% of students felt they knew more about banking and finances after participating in the AIB Future Sparks Programme and that 98% of teachers surveyed agreed the programme delivers added value to their teaching. Customer banking experience AIB aim to continually adapt our service and product offering to meet the needs of our customers, throughout their life-stages, at all times being fair and consistently delivering the best value we can offer. When designing new products and propositions, AIB factor in regulatory requirements and ensure compliance with same. AIB monitor customer experience via the 'Voice of the Customer' programme, using Net Promoter Scores ("NPS") to measure satisfaction. The ROI Transactional NPS improved from +39 in 2022 to +45 in 2023. To ensure best practices are adopted and maintained, and that our customers experience the best outcomes, relevant policies and frameworks are in place, which are subject to regular review. The Group Conduct Risk Framework, the Group Conduct Risk policy and our Code of Conduct set out roles and responsibilities in this regard across the three lines of defence. In 2024, the focus for customer banking experience will include the following: • Appoint a Chief Customer Officer to drive improved customer experience using customer insights and data, and to align strategy, channels and propositions to develop and market future solutions. • Continue the Customer First Recharge programme, aiming to reinvigorate customer-centricity. • Continue work on improving the onboarding customer journey, removing paper-based applications. • Through a multi-channel engagement strategy, AIB will continue to encourage customer savings habits by increasing their awareness and understanding to take action to achieve a return on their deposits. For more information please refer to the Societal and Economic progress section of the Sustainability Report.

(c)	Policies and procedures relating to direct and indirect engagement with new or existing counterparties on their strategies to mitigate and reduce socially harmful activities	As per Table 1 (d) an ESG Questionnaire has been incorporated into the credit application process, for customers in high risk transition sectors on new lending over €/£300k, which have been identified as carrying increased transitional environmental, social and governance related risk. An ESG sectoral heat-map is used to identify the high risk sectors in scope for the questionnaire. The questionnaire has both generic and sector specific questions on a range of topics from Climate & Environmental risk specific matters to social considerations such as human rights and diversity to determine an ESG risk rating. The questionnaire gets a better understanding of the ESG risk associated with the borrower and creates awareness among customers of the data that will be required from them around where they are in their ESG journey and plans going forward. The Group Responsible Supplier Code sets out our expectation that our suppliers conduct their business in a fair, lawful, and honest manner with all their stakeholders, employees, subcontractors and any other third parties. It describes our expectations on human rights, health, safety and welfare, supply chain, and inclusion and diversity. Suppliers are expected to adhere to it, along with all applicable laws, regulations and standards in the countries in which their business is conducted. Our suppliers may be asked to provide a written attestation that they have read and understood the Code, and will adhere to it. Our code was endorsed by our Chief Executive Officer. It is publicly available on our suppliers portal at www.aib.ie/suppliers. The Group's Credit Risk team develop and maintain policies designed to establish responsible lending practices. Core principles are also enshrined in policies for customers in arrears and the management of distressed credit to ensure that customers are treated fairly, objectively, sympathetically, and consistently. Key credit risk policies governing the funding we provide for housing finance include our Group Residential Development Policy, our Residential Mortgage Policy and our Social Housing Policy. AIB's Human Rights Commitment outlines how we respect human rights in accordance with internationally accepted standards. Our commitment to human rights is being embedded in the culture and values that define our company, and is reflected in our policies and actions towards our customers, employees, suppliers and the communities and countries where we do business. It has been shaped by the United Nations Guiding Principles on Business and Human Rights. Our Human Rights Commitment operates alongside our Code of Conduct and Responsible Supplier Code, and our commitments are aligned with those laid out in the laws applicable to the jurisdictions in which we operate, the European Convention on Human Rights and, for our business in Ireland, the EU Charter of Fundamental Rights. Our commitment was approved by our Executive Committee and reviewed by our Sustainability Business Advisory Committee and Board in September 2023. It is publicly available at www.aib.ie/sustainability. AIB's Code of Conduct sets out clear expectations for how we behave and how we do business. The code guides our behaviours and emphasises our commitment to acting ethically, honestly and with integrity while demonstrating trustworthiness. It applies to anyone working in AIB. All employees are required to adhere to our code and complete a declaration of compliance with our code annually. In addition, annual e-learning on the code is mandatory for all employees. In addition, our wider policy suite exists to protect our employees and respect their rights. Additional supporting policies include: our Inclusion & Diversity Code; Anti-Bullying & Harassment Policy; Domestic Abuse Handbook; Speak Up Policy; and Grievance Policy. We ensure that we not only fulfil our legislative requirements, but that we seek to go above and beyond the minimum standards for the jurisdictions in which we operate. Our code was approved by our Board Audit Committee. AIB's Modern Slavery and Human Trafficking Statement is released annually. AIB recognises our responsibility to comply with all relevant legislation, including the UK Modern Slavery Act 2015. Our statement was approved by our Board It is available at https://aib.ie/group/modern-slavery-statement. As referenced in Table 1(d), in 2023, AIB created a new Continuing Professional Development ("CPD") Certificate in 'Understanding ESG for Business Customers' in association with the Institute of Bankers ("IOB"). The purpose of this training is to empower our colleagues to take action and build on their ESG knowledge. On social issues, the course equips AIB teams with information on salient human rights considerations, social regulations, voluntary international standards, and explains how these topics may impact AIB customers. AIB's Inclusion & Diversity Code is based on an ethos that respecting all our employees and developing and harnessing their talents, creates an inclusive and supportive organisation. It enables the Group to deliver a superior experience for all our customers, provides an inclusive place to work for our employees, and contributes to an appropriate financial return for our shareholders and the economies within which we operate. Our code was approved by our Executive Committee It is publicly available at www.aib.ie/sustainability. AIB's Financial Crime policy and standards encompass Anti-Money Laundering/Countering the Financing of Terrorism, Fraud, Anti-Bribery and Corruption and Sanctions. The policy and standards are embedded within business operating procedures, and subject to at least an annual content verification to ensure that they are kept up to date. All employees and Directors are made aware of our Financial Crime policy and standards. Employees must complete mandatory e-learning annually. Our Money Laundering Reporting Officer ("MLRO") provides comprehensive annual training to the Board. Bespoke training tailored to consider the financial crime risks relevant to specific roles is also provided to key employees. To further enhance awareness, we issue financial crime bulletins periodically to our employees, outlining key trends and other topical items. Our policy was approved by our Board Risk Committee. While this policy is not publicly available, a synopsis of its key aspects is set out in our Financial Crime Statement at www.aib.ie/sustainability.

		Governance
(d)	Responsibilities of the management body for setting the risk framework, supervising and managing the implementation of the objectives, strategy and policies in the context of social risk management covering counterparties' approaches to:	The AIB Group Board is responsible for approving the Group's strategy and the financial and investment plans which includes the consideration of ESG and climate factors. The Board is responsible for the approval of the Detailed Sustainability Report ("DSR") and considers and monitors performance against the sustainability targets for the Group. It ensures that an appropriate system of internal controls is maintained and established the Sustainable Business Advisory Committee ("SBAC") to assist it in fulfilling its independent oversight responsibilities in relation to ESG matters. The Board receives updates regarding the execution of the Group's sustainability strategy, including the quarterly Group Balanced Scorecard, bi-annual sustainability updates and updates on both green bond and social bond transactions. The Board Risk Committee ("BRC") receives updates regarding the effectiveness of the Group's policies and programmes, which relate to identifying, managing and mitigating ESG risks, in connection with the Group's operations and ensuring compliance with regulatory requirements and industry standards. Board Audit Committee ("BAC") assists and advises the Board in fulfilling its independent oversight responsibilities. Given the continued evolution of the ESG agenda, a detailed review of the approach to governance and oversight of ESG was completed as part of the ESG Framework with the Chairs of SBAC, BRC and BAC to support enhanced evidencing of decision-making and ownership of ESG matters at Board level. AIB's Board of Directors has established a number of Board and Board Advisory Committees to assist in in the discharge of its duties, and part of their role is to oversee and challenge the Group's sustainability strategy and performance while the Board retains ultimate responsibility, ensuring a robust approach. Please refer to Table 1 (g) and 2 (e) below for more on the allocation of tasks and responsibilities in the risk management framework.
(i)	Activities towards the community and society	
(ii)	Employee relationships and labour standards	
(iii)	Customer protection and product responsibility	
(iv)	Human rights	
(e)	Integration of measures to manage social factors and risks in internal governance arrangements, including the role of committees, the allocation of tasks and responsibilities, and the feedback loop from risk management to the management body	The Board is responsible for promoting the long-term sustainable performance of the Group, setting the Group's strategic aims and risk appetite to support the strategy. The Board is responsible for approving the Groups Strategic, investment and financial plans which includes the consideration of ESG factors. During 2023 a mapping exercise was conducted using the risk classifications as set out in SASB to identify the key first and second line policies which support the management of the social agenda across the organisation. The exercise concluded that social factors are currently covered by existing policies in place across both the first and second line of defence and has a cross cutting effect against a number of material risks and their corresponding risk management activities. The existing policies identified include the Excluded Activities List, Modern Day Slavery Statement, Code of Conduct, Vulnerable Customer Policy, Financial Crime Policy (inc Anti Bribery and Corruption), Conflicts of Interest and Data Protection Policy. The Group uses a comprehensive risk management approach across all risk types. This is outlined in the Group's risk management framework, including the key practices that are implemented in managing risks, both financial and non-financial. The framework is reviewed, updated and approved by the Board at least annually to reflect any changes to the Group's business or consideration of external regulations, corporate governance requirements and industry best practice. The Group's independent Risk function designs and maintains the framework. The Risk function is led by the Chief Risk Officer who provides oversight and monitoring of all risk management activities To oversee and embed sustainable practices across our business, an integrated approach is in place through our in-flight ESG Transformation programme. The programme includes delivery of key strategic objectives and regulatory expectations and is supported by teams across the business with regular updates provided to ExCo, the Sustainable Business Advisory Committee ("SBAC") and the Board.
(f)	Lines of reporting and frequency of reporting relating to social risk	The Group operates a Three Lines of Defence ("3LOD") Model, the principles of which are outlined in the Group Risk Management Framework. The First Line of Defence has the primary responsibility for the management of ESG business strategy and processes and the associated risks. This includes ESG business strategy setting and performance monitoring as well as identifying, assessing, managing, monitoring and reporting on ESG risks on a timely basis. The Second Line of Defence sets policy and oversees the risk management activities of the First Line while the Third Line provides independent assurance to the Board of Directors on the adequacy and effectiveness of the overall control environment. An update on the social agenda is provided to GSC and SBAC at a minimum on an annual basis to facilitate the oversight of the social agenda from a Group perspective.
(g)	Alignment of the remuneration policy in line with institution's social risk-related objectives	In 2023, AIB established a variable remuneration scheme in 2023 which is based on company performance. Three of the six measures within this scheme flow from ESG targets and measurements in the Group Balanced Scorecard. 40% of the outturn of the variable remuneration is linked to these ESG measures with specific targets linked to customer satisfaction and gender balance under the social agenda. Performance against the Group Balanced Scorecard is reviewed and challenged quarterly by ExCo and regularly by the Board. In addition, since 2021, senior executives have an ESG related performance goal, and a mandatory sustainability goal has been included in all employee performance reviews since 2022 .

Risk management		
(h)	Definitions, methodologies and international standards on which the social risk management framework is based	The current ESG Framework categorises Social risk drivers as: • Risk to decent work: Risks to fair working conditions, equality and non-discrimination at work, respect for human rights and workers' rights up and down the value chain etc. • Risk to adequate living standards and consumer rights and wellbeing: Risks to healthy and safe products and services, data protection, responsible marketing practices, access to education, housing etc. • Risk to inclusive and sustainable communities and societies: Risks that can hinder promoting equality and inclusive growth, supporting sustainable livelihoods and respect for human rights of communities etc. The above social risk driver definitions are informed by the EU's Final Report on Social Taxonomy (europa.eu). Our Human Rights Commitment outlines how we respect human rights in accordance with internationally accepted standards. Our Commitment is shaped by the UN Guiding Principles on Business and Human Rights. Our Human Rights Commitments operate alongside AIB's Code of Conduct and AIB's Responsible Supplier Code, and are aligned to the commitments laid out in the laws applicable to the jurisdictions in which we operate, the European Convention on Human Rights and for our business in Ireland the EU Charter of Fundamental Rights. We also comply with the UK Modern Slavery Act and publish a statement on an annual basis outlining how we mitigate Human Rights breaches in our Supply Chain. Social Bond Framework The purpose of our Social Bond Framework is to enable AIB, or its subsidiaries, to issue social bond instruments, which may include covered bonds, senior bonds (preferred or non-preferred), subordinated bonds and medium term notes, to finance and/or refinance social eligible loans with a positive societal benefit. Our Framework is based on the ICMA Social Bond Principles 2021, including the updated Appendix I of June 2022, and defines the portfolio of loans eligible to be funded by the proceeds of Social Bonds issued by AIB. Our Framework is approved by both the Group Sustainability Committee and Treasury Management Risk Board and is publicly available at https://aib.ie/investorrelations/debt-investor. Socially Responsible Investment Bond Framework The purpose of our Socially Responsible Investment Bond Framework is to fund domestic and international projects aimed at global sustainability, carbon emission reduction, and social improvement, all under the over-arching themes of ESG. As an established buy-to-hold bond investor, AIB can promote and support the transition to a more sustainable global economy and contribute to positive environmental and social change via the sustainable bond market. Our framework is approved by Treasury Management Risk Board and noted at Group Sustainability Committee. It is publicly available at www.aib.ie/sustainability. Equator principles In October 2021, AIB signed up to the Equator principles. As a signatory to the Equator Principles, all lending under AIB's Group Project Finance Policy is required to comply with the Equator Principles, and, therefore, the applicable procedures have been updated for in-scope project-related finance transactions to consider all aspects of Equator Principles in the identification, assessment, categorisation, management, and reporting requirements of the principles. Under the Equator Principles, projects can be categorised into A, B+, B or C. Projects that are deemed to be a Category A & B+ are projects with potential significant environmental and social risk, whereas Category B & C projects have limited adverse and minimal adverse environmental and social risk, respectively. AIB successfully implemented the Equator Principles across the relevant business units in the bank and submitted an Implementation Plan to the Equator Principles Association in July 2023.
(i)	Processes to identify, measure and monitor activities and exposures (and collateral where applicable) sensitive to social risk, covering relevant transmission channels	The Group uses a comprehensive risk management approach across all risk types. This is outlined in the Group's risk management framework, including the key practices that are implemented in managing risks, both financial and non-financial. The framework is reviewed, updated and approved by the Board at least annually to reflect any changes to the Group's business or consideration of external regulations, corporate governance requirements and industry best practice. The Group's independent Risk function designs and maintains the framework. The Risk function is led by the Chief Risk Officer who provides oversight and monitoring of all risk management activities. In addition, the Group undertake an annual MRA, identifying the Group's material risks in line with the Groups Risk Management Framework. There are several factors assessed to determine the materiality of these impacts across the Group's material risks including reputation, regulatory, financial losses and impact on business objectives. Regular monitoring of ESG-related regulatory and legal developments is in place across different areas of the Group to ensure suitable consideration and appropriate action is taken and the Regulatory Compliance team is responsible for independently identifying and assessing current and forward-looking compliance obligations, including regulation and guidelines in relation to ESG-related matters. ESG Sectoral Risk Heatmap is a qualitative approach to identifying priority risk sectors areas for ESG impact assessment. The ESG Questionnaire has been incorporated into the credit application process, for customers in high risk transition sectors on new lending over €/£300k, which have been identified as carrying increased transitional environmental, social and governance related risk. The ESG sectoral heat-map is used to identify the high risk sectors in scope for the questionnaire. The questionnaire has both generic and sector specific questions on a range of topics from Climate & Environmental risk specific matters to social considerations such as human rights and diversity to determine an ESG risk rating. The ESG questionnaire output is an additional factor for consideration in the credit decisioning process. In 2022 we broadened the parameters of our human rights due diligence pilot to cover Retail banking, HR, and IT alongside Corporate Lending and Procurement, recognising our responsibilities as an employer, procurer and provider of banking services. Information was gathered about potential human rights impacts documentation. Over a series of workshops, surveys and interviews with internal and external stakeholders a long list and then a short list of human rights issues was developed.

(j)	Activities, commitments and assets contributing to mitigate social risk	The following examples demonstrate the Group's activities and commitments to mitigate social risks: Supporting Housing Housing is a key strategic priority for AIB and as a pillar bank in Ireland it represents 52% of our loan portfolio. AIB's housing strategy is aligned to SDG 11 'Sustainable Cities and Communities'. This is relevant in a national context because a lack of housing supply to buy or rent in the private sector, high cost of building and affordability of house prices has led to a high need nationally and has led to negative economic and social implications for Ireland, as those on low income, youth and non-homeowners are most affected. Finance for social housing, a sector where AIB has a key role to play in funding vital additional capacity. We launched our € 800 m fund in 2021, which is due to close at the end of 2024. Customers in Vulnerable circumstances The goal of our Customer Vulnerability strategy at AIB is to take exceptional care of our customers when they need us most. To this end, we have developed a range of supports for customers who are in vulnerable circumstances using a five-step approach; recognise, engage, support, record and review. Our Additional Support Helpline allows expertly trained staff with the necessary skillset to navigate complex situations with compassion, understanding and empathy. Throughout the year, our Vulnerable Customer Support Team assisted with over 1,800 customer cases and we received over 8,700 calls to our Additional Support Helpline. Social Bond In 2021, AIB became the first Irish bank to publish a Social Bond Framework. In 2022, we became the first Irish bank to issue a social bond and have since issued another in January 2023, raising a total of € 1.75 bn. Social bond proceeds are allocated to financing projects with clear social benefits, such as social and affordable housing and healthcare infrastructure. Financing Healthcare Healthcare is a sector of strategic and social importance to AIB with dedicated healthcare teams in our ROI and UK businesses. Regularly publicly awarded and recognised for excellence in healthcare financial services delivery, AIB teams are focused on providing financial solutions that are helping to address healthcare needs and service access within our communities. AIB provides loans and services to support hospitals, primary care centres, residential care for the elderly and citizens with challenged healthcare needs. Supporting Businesses and Entrepreneurship AIB Group supports businesses of all sizes, supporting the economy and encouraging job growth in the communities in which we operate. Developments in 2023 include the launch of the SBCI Ukraine Credit Guarantee Scheme ("UCGS") in June and the Growth and Sustainability Loan Scheme ("GSLS") in November, both aimed at SMEs. AIB is an on-lender for UCGS, with an allocation of € 453 m to support our business customers. This low-cost loan scheme offers unsecured lending of up to € 250,000 and flexible repayment terms. For more information please refer to the Societal and Economic progress section of the Sustainability Report.
(k)	Implementation of tools for identification and management of social risk	ESG Risk Identification & Assessment Tools AIB considers ESG risk drivers and how they impact our business model. Risk is identified and assessed in the Group through a combination of top-down and bottom-up risk assessment processes. Top-down and bottom-up views of risk come together through a process of upward reporting of, and management response to, identified and emerging risks. This ensures that the Group's view of risk remains sensitive to emerging trends and common themes. In addition, the Group also uses heatmaps, scenario analysis and stress testing to inform the risk identification process and understand the short and long-term risks to the business model for a selection of ESG risk drivers. A range of quantitative and qualitative tools and metrics are used to monitor our exposure to ESG risks. The nature and depth of these tools and metrics are expected to evolve and mature over time. The UNEP FI Portfolio Impact Analysis Tool is used to help Bank's to identify the areas in which they have the most significant impact. It takes into consideration national needs across twenty impact areas. As Ireland is our most significant location of operation, we focused on the national needs of Ireland. The impact analysis completed points to a lack of housing supply to buy or rent in the private sector, high cost of building, and affordability of house prices as a high need nationally and has led to negative economic and social implications for Ireland, as low-income people, youth and non-homeowners are most affected. Considering the impact areas with highest or very highest need for Ireland, along with the profile of our business, we determined that where AIB can make the most significant impact, include climate change and housing. Under PRB we set two SMART targets - one for climate and the other for housing. Our housing target relates to providing lending approvals that support the provision of social housing in Ireland. Human Rights Risk Identification tools We are currently updating our training modules, policies and procedures to enhance our human rights processes. We will systematically engage stakeholders and conduct periodic reviews to risk map potential issues, as new information on potential impacts becomes available.

(l)	Description of setting limits to social risk and cases to trigger escalation and exclusion in the case of breaching these limits	The Group Credit Risk Policy includes a list of excluded business activities that are considered to be incompatible with Group strategy due to, amongst other things, negative impacts associated with surveillance / arms-related / military (including "any activity that adversely impacts Human Rights defined by the UN" as listed on the UN website: https://www.un.org/en/ universal-declaration-human-rights). The policy rule prohibits providing new money for any term lending facilities to businesses, or any of their subsidiaries, involved in the excluded business activities. This rule applies to all business customers with a Gross Connected Exposure of > €/£300k and who are relationship managed. Our policy was approved by our Board. The list of excluded activities is publicly available at www.aib.ie/ sustainability. Key performance indicators linked to social matters, respect Human Rights and anti-bribery and corruption include: • Diversity within AIB • Social housing finance • Breaches of data privacy • Personal data breaches • Conflicts of interest training completion rate • Incidents of corruption These KPIs are disclosed annually in the Non-Financial statement within the Annual Financial Report.
(m)	Description of the link (transmission channels) between social risks with credit risk, liquidity and funding risk, market risk, operational risk and reputational risk in the risk management framework	Enhanced risk management of climate, environmental and wider ESG risks is an important component of the Sustainability strategy. As outlined in (i) the Group undertake an annual Material Risk Assessment (MRA), identifying the Group's material risks in line with the Groups Risk Management Framework. Group Credit risk policy The Group continues to adapt its credit risk management processes and policies to capture ESG risks. In addition to a number of key initiatives introduced by the Group to date, throughout 2023, further sector specific rules and limitations were incorporated into credit policies within a defined climate-related and environmental risk appetite. The ESG Questionnaire continues to be used in credit applications for borrowers in high risk transition sectors where the new lending is over €/£300k. In 2023, work has continued on the ESG Questionnaire to further enhance and refine it, broadening the scope of coverage at both customer and sector level. In addition, ESG risk commentary is required in all credit applications for customers of our Capital Markets segment. Group Credit Risk Framework The Group Credit Risk Framework sets out the principles and governance arrangements for the identification and management of credit risk within the Group. The framework helps AIB to formulate, communicate and implement a comprehensive credit risk strategy, put in place effective controls, and develop and reinforce a strong credit risk focused culture. It is supported by the Group Credit Risk Policy and a suite of individual Credit Risk Management and Sanctioning Credit Policies by asset and subasset class, collectively forming the Credit Risk Policy Architecture. These policies help AIB to manage all lending activities – including personal loans, finance for buyers securing their first home, development finance for residential and commercial properties and finance to support SMEs and corporate businesses. Operational risk Over the course of 2023 the Risk Control Assessment guidelines were enhanced to support the consideration of ESG risk on AIB's operational risk profile. Work on integrating ESG risk into the Business Continuity and Third Party Management procedures and policies also continued. AIB has integrated the Responsible Supplier Code within our third-party management activities that sets out our expectations of suppliers, and includes the behaviours we look for. AIB will only do business with suppliers that adhere to our Responsible Supplier Code and we require evidence that they have an ESG plan in place or are working towards putting one in place. Funding and liquidity The Green and Social Bond programmes support the AIB's Capital and Minimum Requirements for own Funds and Eligible Liabilities ("MREL") issuance programmes - aligning our funding and liquidity plans with the AIB's sustainability agenda and having a Debt Capital Markets offering for socially responsible investors. The Green and Social Bond Frameworks commit that an amount equal to the net proceeds from Green and Social Bond instruments issued by AIB will be used to finance and/or refinance a portfolio of eligible loans as defined by the eligibility criteria of each framework respectively. AIB review, challenge and, where required, update the composition of our pools, to align with evolving standards.

78: Table 3 - Qualitative information on Governance risk

As per Article 449a CRR, the following table describes the integration of governance risks in AIB Group's governance and risk

Row number	Qualitative information	
	Governance	
(a)	Institution's integration in their governance arrangements of the governance performance of the counterparty, including committees of the highest governance body, committees responsible for decision-making on economic, environmental, and social topics	ESG Governance Structure The Board is responsible for promoting the long-term sustainable performance of the Group, setting the Group’s strategic aims and risk appetite to support the strategy. The Board is responsible for approving the Groups Strategic, investment and financial plans which includes the consideration of ESG factors. The Group has integrated the governance performance of counterparties in its governance arrangements through consideration of ESG impacts, risk and opportunities in its ESG governance structure. For more information please refer to Table 1(g). Counterparty and Supplier Management The Group continues to adapt its credit risk management policies, processes and risk management tools to capture ESG risks. Group Credit Policies have been updated throughout 2023 to incorporate sector specific rules and limitations within a defined climate-related and environmental risk appetite. This sector specific approach includes updates that are relevant to the governance performance of counterparties in higher risk sectors. The policy rules initiate engagement with customers on ESG risks, including Governance, to instigate consideration of risk mitigation and transition to net zero. The Group Credit Risk Policy includes a list of excluded business activities that are considered to be incompatible with Group strategy due to, amongst other things, negative environmental impacts associated with deforestation, nuclear power generation, natural gas fracking and the exploration, extraction or refining of oil or coal. The policy rule prohibits providing new money for any term lending facilities to businesses, or any of their subsidiaries, involved in the excluded business activities. This rule applies to all business customers with a Gross Connected Exposure of> €/£300k and who are relationship managed. From a due diligence perspective, the ESG Questionnaire continues to be used in credit applications for borrowers in high risk transition sectors where the new lending is over €/£300k. This questionnaire includes specific questions on ‘Governance’ which the relationship manger is required to assess to determine the counterparty’s overall transition risk rating. ESG risk commentary is required in all credit applications for customers of our Capital Markets segment. In addition, Group Credit Review provide reasonable and independent assurance on the management of credit risk, and its associated control environment, across the first and second lines of defence, on a risk prioritised basis. The Group Responsible Supplier Code sets out our expectation that our suppliers conduct their business in a fair, lawful, and honest manner with all their stakeholders, employees, subcontractors and any other third parties. It describes our expectations on human rights, health, safety and welfare, supply chain, and inclusion and diversity. Suppliers are expected to adhere to it, along with all applicable laws, regulations and standards in the countries in which their business is conducted. Our suppliers may be asked to provide a written attestation that they have read and understood the Code, and will adhere to it. Our code was endorsed by our Chief Executive Officer. It is publicly available on our suppliers portal at www.aib.ie/suppliers.
(b)	Institution's accounting of the counterparty's highest governance body’s role in non-financial reporting	The general governance arrangements of counterparties are assessed by the Group through the mechanisms outlined in (a) in addition to standard credit reviews on an ongoing basis. At present, this does not include a detailed review of a counterparty’s committee or functional position that formally reviews and approves the organisation’s sustainability report and ensures that all material topics are covered. The Group will continue to monitor regulatory and industry developments and will improve processes as appropriate.

(c)	Institution's integration in governance arrangements of the governance performance of their counterparties including:	The Board level Sustainable Business Advisory Committee supports the Board in overseeing and challenging the development and execution of the Group's sustainable business strategy in accordance with the approved Group strategic and financial plan. Additionally, the Group Sustainability Committee, chaired by our Chief Strategy & Sustainability Officer is responsible for the governance, oversight and approval of aspects of the Group's sustainable business strategy including Environmental, Social and Governance. Our Human Rights Commitment outlines how we respect human rights in accordance with internationally accepted standards. Our commitment to human rights is being embedded in the culture and values that define our company, and is reflected in our policies and actions towards our customers, employees, suppliers and the communities and countries where we do business. It has been shaped by the United Nations Guiding Principles on Business and Human Rights. Our Human Rights Commitment operates alongside our Code of Conduct and Responsible Supplier Code, and our commitments are aligned with those laid out in the laws applicable to the jurisdictions in which we operate, the European Convention on Human Rights and, for our business in Ireland, the EU Charter of Fundamental Rights. Our Code of Conduct is our central policy for the human rights of our employees. In addition, our wider policy suite exists to protect our employees and respect their rights. Additional supporting policies include: our Inclusion & Diversity Code; Anti-Bullying & Harassment Policy; Domestic Abuse Handbook; Speak Up Policy; and Grievance Policy. We ensure that we not only fulfil our legislative requirements, but that we seek to go above and beyond the minimum standards for the jurisdictions in which we operate. There are specific criterion of the counterparty assessed in the ESG Questionnaire to clients in high-risk climate sectors including ethical considerations, health and safety, inclusiveness, transparency etc. The output of the ESG Questionnaire, an ESG Commentary and the counterparty's strategy/risk management is included in the Credit paper to determine credit approval at the Group Credit Committee. The Credit Committee was established by, and is accountable to the Group Risk Committee to perform the functions set out in its Terms of Reference.
(i)	Ethical considerations	
(ii)	Strategy and risk management	
(iii)	Inclusiveness	
(iv)	Transparency	
(v)	Management of conflict of interest	
(vi)	Internal communication on critical concerns	
	Risk management	
(d)	Institution's integration in risk management arrangements the governance performance of their counterparties considering:	The Group operates a Three Lines of Defence ("3LOD") Model, the principles of which are outlined in the Group Risk Management Framework. The First Line of Defence has the primary responsibility for the management of ESG business strategy and processes and the associated risks. This includes ESG business strategy setting and performance monitoring as well as identifying, assessing, managing, monitoring and reporting on the short, medium and long term effects of ESG risks. The Second Line of Defence sets policy and oversees the risk management activities of the First Line while the Third Line provides independent assurance to the Board of Directors on the adequacy and effectiveness of the overall control environment. In addition to the ESG questionnaire referenced in (c) above AIB implements an anti-money laundering ("AML") and counter terrorist financing ("CTF") program that includes the following principles in all the jurisdictions in which AIB operates: • written policies and procedures • the appointment of a designated Money Laundering Reporting Officer ("MLRO") • establishing the purpose of business relationships • completing appropriate customer due diligence ("CDD") measures on customers and beneficial owners • undertaking ongoing monitoring of customer relationships • applying enhanced due diligence measures in relation to customers presenting a higher risk, including politically exposed persons ("PEPs") • reporting to the relevant authority where there are reasonable grounds to suspect that a money laundering or terrorist financing offence has been, or is being, committed and co-operate with the authority • retention of relevant records • regular staff training • prohibition on anonymous accounts and conducting business with 'shell' banks (as defined within the FATF 40 recommendations) The Group will continue to monitor regulatory and industry developments and will improve processes as appropriate.
(i)	Ethical considerations	
(ii)	Strategy and risk management	
(iii)	Inclusiveness	
(iv)	Transparency	
(v)	Management of conflict of interest	
(vi)	Internal communication on critical concerns	

79: Template 1 - Banking book - Indicators of potential climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity

As per Article 449a CRR, the following template provides information on exposures to sectors that are more prone to the risks that institutions may face from the transition to a low-carbon and climate resilient economy.

Exclusions from EU Paris- aligned benchmarks (column (b))
In order to identify counterparties that are excluded from the EU Paris-aligned Benchmarks as specified in Article 12(1), points (d) to (g), the Group completed a bottom up review of the portfolio in line with the relevant revenue and emissions thresholds. As of publication of this disclosure, no significant testing against the DNSH criteria has occurred and, as a result, Article 12(2) of Commission Delegated Regulation (EU) 2020/1818 exclusion criteria has not been taken into account during the counterparty identification process. The percentage of lending to non-financial corporates excluded from Paris-aligned benchmarks on this basis is <1% which is consistent with disclosure as at 30 June 2023.

GHG financed emissions scope 1,2 and 3 (columns (i)-(k))
Information on scope 1, 2 and 3 emissions of the Groups counterparties are not disclosed at this time. The Group is developing its capabilities for ongoing quantification and tracking of GHG emissions for non-financial counterparties and will disclose same in line with the phased in disclosure requirement of 30 June 2024.

	Sector/subsector	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Gross carrying amount (Mln EUR)					**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)**			**GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO_2 equivalent)****		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting**	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with Article 12(1) points (d) to (g) and in accordance with Article 12(2) of Regulation (EU) 2020/1818*	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions **						
1	**Exposures towards sectors that highly contribute to climate change***	21,373	157	0	3,895	930	(834)	(420)	(277)				15,882	3,311	1,994	187	3.72
2	A - Agriculture, forestry and fishing	727	—	—	127	51	(33)	(5)	(25)				353	154	220	1	6.25
3	B - Mining and quarrying	35	1	—	5	1	(1)	(0)	(1)				30	4	1	—	2.70
4	*B.05 - Mining of coal and lignite*	—	—	—	—	—	—	—	—				—	—	—	—	—
5	*B.06 - Extraction of crude petroleum and natural gas*	1	1	—	0	0	(0)	(0)	(0)				1	—	—	—	2.36
6	*B.07 - Mining of metal ores*	—	—	—	—	—	—	—	—				—	—	—	—	—
7	*B.08 - Other mining and quarrying*	34	0	—	5	1	(1)	(0)	(1)				28	4	1	—	2.72
8	*B.09 - Mining support service activities*	—	—	—	—	—	—	—	—				—	—	—	—	—
9	C - Manufacturing	2,857	0	—	307	31	(60)	(31)	(18)				2,387	390	81	—	2.98
10	*C.10 - Manufacture of food products*	899	—	—	33	6	(7)	(3)	(1)				805	79	15	—	2.46
11	*C.11 - Manufacture of beverages*	159	—	—	18	1	(3)	(2)	(0)				134	23	1	—	3.52
12	*C.12 - Manufacture of tobacco products*	—	—	—	—	—	—	—	—				0	—	—	—	—
13	*C.13 - Manufacture of textiles*	5	—	—	1	1	(0)	(0)	(0)				4	1	0	—	2.97
14	*C.14 - Manufacture of wearing apparel*	—	—	—	—	—	—	—	—				—	—	—	—	—
15	*C.15 - Manufacture of leather and related products*	—	—	—	—	—	—	—	—				—	—	—	—	—
16	*C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials*	43	—	—	1	0	(0)	(0)	(0)				40	2	0	—	2.99
17	*C.17 - Manufacture of paper and paper products*	38	—	0	11	2	(4)	(2)	(2)				19	19	1	—	3.73
18	*C.18 - Printing and reproduction of recorded media*	22	—	—	1	3	(2)	(0)	(2)				19	2	2	—	4.15
19	*C.19 - Manufacture of coke and refined petroleum products*	9	0	—	9	—	(1)	(1)	—				9	—	—	—	2.00
20	*C.20 - Manufacture of chemicals and chemical products*	204	—	—	56	0	(6)	(5)	(0)				182	22	0	—	2.67
21	*C.21 - Manufacture of basic pharmaceutical products and pharmaceutical preparations*	228	—	—	23	0	(4)	(3)	(0)				227	1	—	—	2.84
22	*C.22 - Manufacture of rubber products*	—	—	—	—	—	—	—	—				—	—	—	—	—
23	*C.23 - Manufacture of other non-metallic mineral products*	227	—	—	2	0	(2)	(0)	(0)				168	59	0	—	3.69
24	*C.24 - Manufacture of basic metals*	—	—	—	—	—	—	—	—				—	—	—	—	—

25	*C.25 - Manufacture of fabricated metal products, except machinery and equipment*	9	—	—	1	2	(0)	(0)	(0)				8	1	0	—	2.23
26	*C.26 - Manufacture of computer, electronic and optical products*	297	—	—	12	1	(2)	(1)	(0)				167	87	44	—	5.08
27	*C.27 - Manufacture of electrical equipment*	—	—	—	—	—	—	—	—				—	—	—	—	—
28	*C.28 - Manufacture of machinery and equipment n.e.c.*	230	—	—	38	3	(6)	(3)	(1)				182	45	3	—	2.83
29	*C.29 - Manufacture of motor vehicles, trailers and semi-trailers*	—	—	—	—	—	—	—	—				—	—	—	—	—
30	*C.30 - Manufacture of other transport equipment*	—	—	—	—	—	—	—	—				—	—	—	—	—
31	*C.31 - Manufacture of furniture*	—	—	—	—	—	—	—	—				—	—	—	—	—
32	*C.32 - Other manufacturing*	486	—	—	101	13	(22)	(11)	(9)				424	49	13	—	2.35
33	*C.33 - Repair and installation of machinery and equipment*	—	—	—	—	—	—	—	—				—	—	—	—	—
34	D - Electricity, gas, steam and air conditioning supply	3,511	153	—	82	0	(22)	(7)	(0)				1,314	798	1,213	186	8.35
35	*D35.1 - Electric power generation, transmission and distribution*	3,354	29	—	44	0	(18)	(5)	(0)				1,158	796	1,213	186	8.60
36	*D35.11 - Production of electricity*	—	—	—	—	—	—	—	—				—	—	—	—	—
37	*D35.2 - Manufacture of gas; distribution of gaseous fuels through mains*	157	125	—	38	—	(3)	(2)	—				156	1	—	—	3.01
38	*D35.3 - Steam and air conditioning supply*	—	—	—	—	—	—	—	—				—	—	—	—	—
39	E - Water supply; sewerage, waste management and remediation activities	250	—	—	24	21	(16)	(1)	(14)				250	0	—	—	2.58
40	F - Construction	1,251	—	—	399	71	(87)	(43)	(25)				1,209	37	5	—	1.40
41	*F.41 - Construction of buildings*	1,135	—	—	386	63	(84)	(43)	(23)				1,118	15	2	—	1.26
42	*F.42 - Civil engineering*	85	—	—	9	7	(2)	(0)	(1)				69	15	1	—	2.35
43	*F.43 - Specialised construction activities*	31	—	—	4	1	(1)	(0)	(1)				22	7	2	—	3.66
44	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	1,699	2	—	182	52	(52)	(26)	(18)				1,394	222	83	—	2.64
45	H - Transportation and storage	1,611	0	—	155	38	(27)	(10)	(9)				1,153	388	71	—	3.45
46	*H.49 - Land transport and transport via pipelines*	400	0	—	41	1	(6)	(4)	(0)				185	158	57	—	5.21
47	*H.50 - Water transport*	315	—	—	36	31	(10)	(1)	(6)				180	134	1	—	3.16
48	*H.51 - Air transport*	168	—	—	29	—	(3)	(2)	—				153	15	—	—	3.20
49	*H.52 - Warehousing and support activities for transportation*	719	—	—	48	5	(8)	(2)	(2)				629	77	13	—	2.65
50	*H.53 - Postal and courier activities*	10	—	—	1	0	(0)	(0)	(0)				6	4	0	—	3.94
51	I - Accommodation and food service activities	2,141	—	—	521	146	(146)	(104)	(29)				1,438	552	150	—	3.57
52	L - Real estate activities	7,290	—	—	2,092	518	(392)	(192)	(138)				6,354	766	170	0	2.29
53	**Exposures towards sectors other than those that highly contribute to climate change***	10,705	0	—	844	111	(208)	(87)	(55)				6,298	1,999	2,052	357	5.91
54	K - Financial and insurance activities	5,367	—	—	233	27	(59)	(25)	(26)				2,622	786	1,620	340	7.39
55	Exposures to other sectors (NACE codes J, M - U)	5,338	0	—	611	84	(149)	(61)	(29)				3,676	1,213	432	17	3.87
56	TOTAL	32,079	157	0	4,738	1,040	(1,042)	(507)	(331)				22,180	5,309	4,045	544	3.74

* In accordance with the Commission delegated regulation (EU) 2020/1818 supplementing regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks -Climate Benchmark Standards Regulation - Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006

** Note column is blank until disclosure is phased in

80: Template 2 - Banking book - Indicators of potential climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral

As per Article 449a CRR, this template shows the gross carrying amount, as referred to in Part 1 of Annex V to Implementing Regulation (EU) 2021/451, of loans collateralised with commercial and residential immovable property and of repossessed real estate collaterals, including information on the level of energy efficiency of the collaterals measured in terms of kWh/m² energy consumption (columns (b) to (g) of the template), in terms of the label of the energy performance certificate (EPC) of the collateral as referred to in Article 2, point (12), of Directive 2010/31/EU for Member States, or as defined in any relevant local regulation for those exposures outside the Union, where a mapping to the Union EPC label exists (columns (h) to (n)).

Energy efficiency (column (b)-(g)):
Energy efficiency has been derived from EPC labels where available. Where an EPC label was not available the energy efficiency rating of the collateral has been estimated using data variables including year of construction, dwelling type and small area location e.g. neighbourhood to a high level of precision. Our approach continues to evolve in line with industry developments and numbers may change with time. There have been no material changes to output in comparison to 30 June 2023 disclosure.

EPC label of collateral (column (h)-(n)):
The Group has used the latest EPC label available for collateral.

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Counterparty sector	Total gross carrying amount (in MEUR)															
			Level of energy efficiency (EP score in kWh/m² of collateral)						Level of energy efficiency (EPC label of collateral)							Without EPC label of collateral	
			0; <= 100	> 100; <= 200	> 200; <= 300	> 300; <= 400	> 400; <= 500	> 500	A	B	C	D	E	F	G		Of which level of energy efficiency (EP score in kWh/m² of collateral) estimated
1	**Total EU area**	41,646	7,638	12,891	11,471	2,382	2,084	3,962	5,006	2,642	1,650	787	487	171	173	30,731	96 %
2	Of which Loans collateralised by commercial immovable property	7,481	56	328	117	283	1,741	3,752	436	187	218	58	50	—	6	6,525	82 %
3	Of which Loans collateralised by residential immovable property	34,163	7,582	12,563	11,354	2,099	343	210	4,570	2,455	1,432	729	437	171	167	24,203	100 %
4	Of which Collateral obtained by taking possession: residential and commercial immovable properties	2	—	—	—	—	—	—	—	—	—	—	—	—	—	2	— %
5	Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	29,513	2,970	10,012	9,445	1,870	1,662	3,554								29,513	100 %
6	**Total non-EU area**	3,145	68	533	1,179	233	273	673	137	368	279	245	118	42	11	1,945	91 %
7	Of which Loans collateralised by commercial immovable property	1,700	50	63	421	78	237	667	133	205	120	74	14	4	6	1,144	84 %
8	Of which Loans collateralised by residential immovable property	1,445	19	470	758	155	36	6	5	162	158	171	104	37	6	801	100 %
9	Of which Collateral obtained by taking possession: residential and commercial immovable properties	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
10	Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	1,761	—	169	867	111	136	478								1,761	100 %

81: Template 3 - Banking book - Indicators of potential climate change transition risk: Alignment metrics

As per Article 449a CRR, this template provides information on the Groups alignment efforts with the objectives of the Paris Agreement for a selected number of sectors. The disclosures on the alignment capture the extent to which financial flows are consistent with a pathway towards low greenhouse gas emissions and climate-resilient development as referred to in the Paris Agreement. The economic scenario that describes that decarbonisation pathway is the International Energy Agency (IEA) Net Zero Emissions by 2050 Scenario (NZE2050) and the Group have taken into account that scenario. Given that the IEA provides scenarios at global level and some specific metrics at European level, AIB measure the distance from the IEA scenario benchmarks at global level and, where the specific European level metrics are available, at European level.

The Electricity Generation portfolio (Power sector) is primarily comprised of renewable energy assets and is therefore starting at a low level of intensity of emissions. The Group commits to maintain the emissions intensity of its electricity generation project finance portfolio at or below 21 gCO_2e/kWh from 2021 through 2030. The basis of compilation utilises power output projections and associated emissions based on individual counterparty data gathered as part of the project finance credit assessment process.

The Group plan to disclose metrics for the other relevant sectors in line with the phased in requirement of 30 June 2024.

	a	b	c	d	e	f	g
	Sector	NACE Sectors (a minima)	Portfolio gross carrying amount (Mn EUR)	Alignment metric	Year of reference	Distance to IEA NZE2050 in % *	Target (year of reference + 3 years)
1	Power	D35.1.3	€2,618	21g CO_2/ kWh	2021	— %	21g CO_2/ kWh
2	Fossil fuel combustion						
3	Automotive						
4	Aviation						
5	Maritime transport						
6	Cement, clinker and lime production						
7	Iron and steel, coke, and metal ore production						
8	Chemicals						

* PiT distance to 2030 NZE2050 scenario in % (for each metric)

82: Template 4 - Banking book - Indicators of potential climate change transition risk: Exposures to top 20 carbon-intensive firms

As per Article 449a CRR, this template provides aggregated and anonymised information on exposures (including banking book loans and advances, debt securities and equity instruments) towards the top 20 carbon-intensive companies in the world.

The Group used a number of data sources to investigate whether the Bank has any exposure to a top 20 carbon-intensive firm. Data sources used to confirm the list of top 20 carbon-intensive firms include; Carbon Disclosure Project (CDP), the Climate Accountability Institute Top 20 $C0_2$ emissions table (2018), S&P, Bloomberg and Refinitiv datasets.

The Group determined that it has no direct exposure to any top 20 carbon-intensive firm as at 31 December 2023. An exposure of less than €0.5m (less than €1m as at year end 2022) to a standalone joint venture to which one of the top 20 carbon-intensive firms is party to for the purposes of a non-Paris aligned benchmark activity was identified.

	a	b	c	d	e
	Gross carrying amount (aggregate)	Gross carrying amount towards the counterparties compared to total gross carrying amount (aggregate)*	Of which environmentally sustainable (CCM)	Weighted average maturity	Number of top 20 polluting firms included
1	—	—	—	—	—

*For counterparties among the top 20 carbon-intensive companies in the world.

83: Template 5 - Banking book - Indicators of potential climate change physical risk: Exposures subject to physical risk

As per Article 449a CRR, this template provides information on exposures in the banking book, including loans and advances, debt securities and equity instruments not held-for-trading and not held-for-sale, towards non-financial corporates, on loans collateralised with immovable property and on repossessed real estate collaterals, exposed to chronic and acute climate-related hazards. The Group have completed this template on a best efforts basis in line with Regulation (EU) 2022/2453.

The Group has Non Financial Corporate (NFC) exposures secured on immovable property of €8.8bn as at 31 December 2023, of which €0.28bn (3.2%) is sensitive to Physical Flood Risk. There have been no material changes to output in comparison to year end 2022 disclosure.

The gross carrying amount in column (b) is as defined in Part 1 of Annex V to Commission Implementing Regulation (EU) 2021/451 of those exposures towards non-financial corporates (including loans and advances, debt securities and equity instruments), classified under the accounting portfolios in the banking book according to that Regulation, excluding financial assets held for trading and held for sale assets. In addition, rows 10-12 of the template are not “of which” categories of rows 1-9 and should be viewed as standalone line items as per the guidance. For completeness, row 13 contains all other loans and advances, debt securities or equity instruments (including loans that are collateralised by immovable property and repossessed real estate collaterals) in non-financial corporates that have not been captured in the NACE codes across rows 1-9. All geographic areas in which AIB has exposures are covered by the template with material lending located in Ireland and United Kingdom.

In order to identify the appropriate climate change physical risk events for consideration in this disclosure, the Group were informed by internal climate risk heat maps. On that basis, it was determined that the portfolio was most sensitive to river flooding (acute) and coastal flooding (chronic). Other physical risks such as landslides, tsunamis, wildfires and extreme heat were identified as low risk for the portfolio and therefore discounted in the analysis.

The Group analysed sensitivity to impact from climate change physical risk (i.e. flood events) by reviewing JBA flood hazard location data, at return period 1-in-100yr under Representative Concentration Pathway (RCP) 8.5°C climate scenario for year period 2031-2035. As required by the regulatory guidance, column h shows the gross carrying amount of exposures sensitive to impact from chronic risk only, column i shows the gross carrying amount of exposures sensitive to impact from acute risk only and column j shows the gross carrying amount of only the exposures sensitive to impact from both chronic risk and acute physical risk. As such the columns (h)-(j) are mutually exclusive and the sum of these rows shows the total gross carrying amount of exposures sensitive to impact from climate change physical risk.

The methodology followed by the Group to determine the percentage of collateral sensitive to impact by climate change physical risk has been applied at portfolio level on a geographic basis and is not conducive for determining instrument level information such as maturity buckets, stage 2 or non-performing status. As such exposure has been applied on a pro-rata basis for columns (c)-(g) and (k)-(o).

Group exposures unsecured by collateral have not been included in the “of which sensitive to risk” section of the disclosure template (columns (c)-(o)) given the lack of suitable data available to determine whether an unsecured exposure would be impacted by climate change physical risk. The Group will continue to monitor availability of relevant data via industry forums and engagement with third party data providers on an ongoing basis for future reporting periods.

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
			Gross carrying amount (Mln EUR)												
			of which exposures sensitive to impact from climate change physical events												
			Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity							of which Stage 2 exposures	Of which non-performing exposures
1	A - Agriculture, forestry and fishing	727	4	2	3	0	6	3	4	2	2	1	0	0	0
2	B - Mining and quarrying	35	0	0	0	—	3	0	0	0	0	0	0	0	0
3	C - Manufacturing	2,857	6	1	0	—	3	2	4	1	1	0	0	0	—
4	D - Electricity, gas, steam and air conditioning supply	3,511	0	0	0	0	8	0	0	0	0	0	0	0	—
5	E - Water supply; sewerage, waste management and remediation activities	250	2	0	—	—	3	1	1	0	0	0	0	0	0
6	F - Construction	1,251	16	—	—	—	1	5	8	3	5	1	(1)	(1)	—
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	1,699	12	2	1	—	3	4	7	3	2	0	0	0	0
8	H - Transportation and storage	1,611	1	0	0	—	3	1	1	0	0	0	0	0	0
9	L - Real estate activities	7,290	134	16	4	—	2	47	77	30	44	11	(8)	(4)	(3)
10	Loans collateralised by residential immovable property	1,615	46	4	1	—	3	16	28	8	19	2	(2)	(1)	(1)
11	Loans collateralised by commercial immovable property	7,182	162	49	21	0	3	70	114	47	58	18	(12)	(6)	(5)
12	Repossessed collaterals	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Other relevant sectors (breakdown below where relevant)	12,846	47	15	13	2	5	23	39	15	8	2	(2)	(1)	(1)

84: Template 6 - Summary of key performance indicators (KPIs) on the Taxonomy-aligned exposures

As per Article 449a CRR, this template provides an overview of the KPIs calculated on the basis of templates 7 and 8, including the green asset ratio (GAR) as referred to in Commission Delegated Regulation (EU) 2021/2178. As required, this template discloses the GAR once, based on the turnover alignment of the counterparty for the general purpose lending part only.

	KPI			% coverage (over total assets) *
	Climate change mitigation	**Climate change adaptation**	**Total (Climate change mitigation + Climate change adaptation)**	
GAR Stock	5.94 %	— %	5.94 %	42.76 %
GAR Flow	1.68 %	— %	1.68 %	54.93 %

* % of assets covered by the KPI over banks´ total assets

85: Template 7 - Mitigating actions: Assets for the calculation of GAR

As per Article 449a CRR, this template provides information on gross carrying amount of institutions' loans and advances, debt securities and equity instruments on their banking book, with a breakdown of the information by type of counterparty, including financial corporations, non-financial corporations, households, local governments as well as real estate lending towards households, and the taxonomy eligibility and taxonomy alignment of the exposures with regard to the environmental objectives of climate change mitigation and climate change adaptation as referred to in Article 9, points (a) and (b), of Regulation (EU) 2020/852.

The criteria for EU Taxonomy is strict with many lending activities that contribute to the transition of a greener economy excluded as the activities do not meet this criteria. For AIB, EU Taxonomy aligned exposure identified materially comprises 1) lending to residential mortgages where the underlying assets meet the technical screening criteria for Climate Change Mitigation including an assessment of DNSH to Climate Change Adaptation and to a much less extent 2) lending to counterparties subject to the Non-Financial Reporting Directive (representing a small portion of total lending activity c.1%).

In determining alignment for residential mortgages we have utilised the BER or EPC of the property to identify assets contained in the Top 15% of national stock (constructed pre 2020) or aligned to the Nearly Zero Energy Building Standard – 10% (constructed post 2020). As in previous years, a screening exercise was performed to identify counterparties subject to the Non-Financial Reporting Directive and reporting for this cohort has been undertaken using 2023 published data by counterparties which relates to 2022 year end information. The EU Taxonomy regulation is subject to ongoing updates and refinements in taxonomy criteria may influence the calculation of the GAR over time.

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Disclosure reference date 31/12/2023															
			Climate Change Mitigation (CCM)					Climate Change Adaption (CCA)					Total (CCM + CCA)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			
	Million EUR	Total gross carrying amount			Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which adaption	Of which enabling			Of which specialised lending	Of which transitional/adaption	Of which enabling
	GAR - Covered assets in both numerator and denominator																
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	58,943	36,822	5,487	5,487	—	—	—	—	—	—	—	36,822	5,487	5,487	—	—
2	**Financial corporations**	17,990	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3	Credit institutions	12,623	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4	Loans and advances	5,937	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5	Debt securities, including UoP	6,686	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6	Equity instruments	—	—	—		—	—	—	—		—	—	—	—		—	—
7	Other financial corporations	5,367	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
8	of which investment firms	215	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	Loans and advances	189	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
10	Debt securities, including UoP	26	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
11	Equity instruments	—	—	—		—	—	—	—		—	—	—	—		—	—
12	of which management companies	15	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Loans and advances	15	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
15	Equity instruments	—	—	—		—	—	—	—		—	—	—	—		—	—
16	of which insurance undertakings	30	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Loans and advances	30	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
19	Equity instruments	—	—	—		—	—	—	—		—	—	—	—		—	—
20	**Non-financial corporations (subject to NFRD disclosure obligations)**	900	62	—	—	—	—	—	—	—	—	—	62	—	—	—	—
21	Loans and advances	900	62	—	—	—	—	—	—	—	—	—	62	—	—	—	—
22	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
23	Equity instruments	—	—	—		—	—	—	—		—	—	—	—		—	—
24	**Households**	40,028	36,760	5,487	5,487	—	—						36,760	5,487	5,487	—	—
25	of which loans collateralised by residential immovable property	33,992	33,947	5,487	5,487	—	—						33,947	5,487	5,487	—	—
26	of which building renovation loans	—	—	—	—	—	—						—	—	—	—	—
27	of which motor vehicle loans	711	711	—	—	—	—						711	—	—	—	—
28	**Local governments financing**	22	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
29	Housing financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
30	Other local governments financing	22	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
31	Collateral obtained by taking possession: residential and commercial immovable properties	2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
32	**TOTAL GAR ASSETS**	58,943	36,822	5,487	5,487	—	—	—	—	—	—	—	36,822	5,487	5,487	—	—
	Assets excluded from the numerator for GAR calculation (covered in the denominator)																
33	**EU Non-financial corporations (not subject to NFRD disclosure obligations**	16,540															
34	Loans and advances	15,956															
35	Debt securities	569															
36	Equity instruments	15															
37	**Non-EU Non-financial corporations (not subject to NFRD disclosure obligations)**	9,271															
38	Loans and advances	9,072															
39	Debt securities	198															
40	Equity instruments	—															
41	Derivatives	1,920															
42	On demand interbank loans	328															
43	Cash and cash-related assets	598															
44	Other assets (e.g. Goodwill, commodities etc.)	4,809															
45	**TOTAL ASSETS IN THE DENOMINATOR (GAR)**	92,409															

	Other assets excluded from both the numerator and denominator for GAR calculation																
46	Sovereigns	7,199															
47	Central banks exposure	37,701															
48	Trading book	550															
49	**TOTAL ASSETS EXCLUDED FROM NUMERATOR AND DENOMINATOR**	45,451															
50	**TOTAL ASSETS**	137,860															

86: Template 8 - GAR (%)

As per Article 449a CRR, this template uses the information included in template 7 to disclose the GAR as referred to in Delegated Regulation (EU) 2021/2178. As required, this template discloses the GAR once, based on the turnover alignment of the counterparty for the general purpose lending part only.

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Disclosure reference date 31/12/2023: KPIs on stock															
		Climate Change Mitigation (CCM)					Climate Change Adaption (CCA)					TOTAL (CCM + CCA)					
		Proportion of eligible assets funding taxonomy relevant sectors					Proportion of eligible assets funding taxonomy relevant sectors					Proportion of eligible assets funding taxonomy relevant sectors					Proportion of total assets covered
			Of which environmentally sustainable					Of which environmentally sustainable					Of which environmentally sustainable				
	% (compared to total covered assets in the denominator)			Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which adaption	Of which enabling			Of which specialised lending	Of which transitional /adaption	Of which enabling	
1	**GAR**	40 %	6 %	6 %	— %	— %	— %	— %	— %	— %	— %	40 %	6 %	6 %	— %	— %	43 %
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	62 %	9 %	9 %	— %	— %	— %	— %	— %	— %	— %	62 %	9 %	9 %	— %	— %	43 %
3	Financial corporations	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	13 %
4	Credit institutions	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	9 %
5	Other financial corporations	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	4 %
6	of which investment firms	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
7	of which management companies	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
8	of which insurance undertakings	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
9	Non-financial corporations subject to NFRD disclosure obligations	7 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	7 %	— %	— %	— %	— %	1 %
10	Households	92 %	14 %	14 %	— %	— %						92 %	14 %	14 %	— %	— %	29 %
11	of which loans collateralised by residential immovable property	100 %	16 %	16 %	— %	— %						100 %	16 %	16 %	— %	— %	25 %
12	of which building renovation loans	— %	— %	— %	— %	— %						— %	— %	— %	— %	— %	— %
13	of which motor vehicle loans	100 %	— %	— %	— %	— %						100 %	— %	— %	— %	— %	1 %
14	Local government financing	— %	— %	— %	— %	— %						— %	— %	— %	— %	— %	— %
15	Housing financing	— %	— %	— %	— %	— %						— %	— %	— %	— %	— %	— %
16	Other local governments financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
17	Collateral obtained by taking possession: residential and commercial immovable	— %	— %	— %	— %	— %						— %	— %	— %	— %	— %	— %

		q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af
		Disclosure reference date 31/12/2023: KPIs on flows															
		Climate Change Mitigation (CCM)					Climate Change Adaption (CCA)					TOTAL (CCM + CCA)					
		Proportion of new eligible assets funding taxonomy relevant sectors					Proportion of new eligible assets funding taxonomy relevant sectors					Proportion of new eligible assets funding taxonomy relevant sectors					Proportion of total new assets covered
			Of which environmentally sustainable					Of which environmentally sustainable					Of which environmentally sustainable				
	% (compared to total covered assets in the denominator)			Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which adaption	Of which enabling			Of which specialised lending	Of which transitional /adaption	Of which enabling	
1	**GAR**	19 %	2 %	2 %	— %	— %	— %	— %	— %	— %	— %	19 %	2 %	2 %	— %	— %	55 %
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	34 %	3 %	3 %	— %	— %	— %	— %	— %	— %	— %	34 %	3 %	3 %	— %	— %	55 %
3	Financial corporations	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	31 %
4	Credit institutions	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	29 %
5	Other financial corporations	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	2 %
6	of which investment firms	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	1 %
7	of which management companies	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
8	of which insurance undertakings	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
9	Non-financial corporations subject to NFRD disclosure obligations	3 %	— %	— %	— %	— %	— %	— %	— %	— %	— %	3 %	— %	— %	— %	— %	2 %
10	Households	86 %	8 %	8 %	— %	— %						86 %	8 %	8 %	— %	— %	22 %
11	of which loans collateralised by residential immovable property	100 %	11 %	11 %	— %	— %						100 %	11 %	11 %	— %	— %	16 %
12	of which building renovation loans	— %	— %	— %	— %	— %						— %	— %	— %	— %	— %	— %
13	of which motor vehicle loans	100 %	— %	— %	— %	— %						100 %	— %	— %	— %	— %	2 %
14	Local government financing	— %	— %	— %	— %	— %						— %	— %	— %	— %	— %	— %
15	Housing financing	— %	— %	— %	— %	— %						— %	— %	— %	— %	— %	— %
16	Other local governments financing	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %	— %
17	Collateral obtained by taking possession: residential and commercial immovable	— %	— %	— %	— %	— %						— %	— %	— %	— %	— %	— %

87: Template 10 - Other climate change mitigating actions that are not covered in the EU Taxonomy

As per Article 449a CRR, this template covers other climate change mitigating actions and includes exposures of the institutions that are not taxonomy-aligned as referred to in Regulation (EU) 2020/852 according to templates 7 and 8 but that still support counterparties in the transition and adaptation process for the objectives of climate change mitigation and climate change adaptation. Those mitigating actions and activities include bonds and loans issued under standards other than the Union standards, including green bonds; sustainable bonds that are linked to aspects on climate change; sustainability-linked bonds that are linked to aspects on climate change; green loans; sustainability-linked loans that are linked to aspects on climate change; sustainability-linked loans that are linked to aspects on climate change.

In 2023 the Group delivered €3.7bn of green lending against the agreed €10bn climate action fund through a comprehensive range of products and services to address environmental issues. The existing Climate Action Fund from €10bn (by end 2023) is increasing to a cumulative €30bn by 2030. In 2023 we issued our fifth green bond and second social bond, each raising €750m, bringing the total AIB has raised from ESG bonds so far to €5.75bn since 2020. Our bond frameworks are guided by industry experts including commissioning of second party opinions on both.

As at 31st December 2023, AIB does not distinguish between EU Taxonomy aligned or not aligned exposure across the total green lending and bond portfolio due to data limitations. As such this template has not been populated. AIB continues to work on closing data gaps and will endeavour to meet this requirement during H1 2024.

	a	b	c	d	e	f
	Type of financial instrument	Type of counterparty	Gross carrying amount (million EUR)	Type of risk mitigated (Climate change transition risk)	Type of risk mitigated (Climate change physical risk)	Qualitative information on the nature of the mitigating actions
1	Bonds (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations				
2		Non-financial corporations				
3		Of which Loans collateralised by commercial immovable property				
4		Other counterparties				
5	Loans (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations				
6		Non-financial corporations				
7		Of which Loans collateralised by commercial immovable property				
8		Households				
9		Of which Loans collateralised by residential immovable property				
10		Of which building renovation				
11		Other counterparties				

CRR Roadmap

CRR Ref	Article Name	AIB Group compliance reference
Article 431	**Article 431 Disclosure requirements and policies**	
Article 431(1)	Institutions shall publicly disclose the information referred to in Titles II and III in accordance with the provisions laid down in this Title, subject to the exceptions referred to in Article 432.	AIB Group plc Pillar 3 Disclosures at 31 December 2023 ("P3").
Article 431(2)	Institutions that have been granted permission by the competent authorities under Part Three for the instruments and methodologies referred to in Title III of this Part shall publicly disclose the information laid down therein.	AIB will publicly disclose the relevant information under Title III Qualifying Requirements for the Use of Particular Instruments or Methodologies that AIB has been granted permission by the competent authority under Part Three for the instruments and methodologies. See Article 452 - 455 below for details.
Article 431(3)	The management body or senior management shall adopt formal policies to comply with the disclosure requirements laid down in this Part and put in place and maintain internal processes, systems and controls to verify that the institutions' disclosures are appropriate and in compliance with the requirements laid down in this Part. At least one member of the management body or senior management shall attest in writing that the relevant institution has made the disclosures required under this Part in accordance with the formal policies and internal processes, systems and controls. The written attestation and the key elements of the institution's formal policies to comply with the disclosure requirements shall be included in institutions' disclosures. Information to be disclosed in accordance with this Part shall be subject to the same level of internal verification as that applicable to the management report included in the institution's financial report. Institutions shall also have policies in place to verify that their disclosures convey their risk profile comprehensively to market participants. Where institutions find that the disclosures required under this Part do not convey the risk profile comprehensively to market participants, they shall publicly disclose information in addition to the information required to be disclosed under this Part. Nonetheless, institutions shall only be required to disclose information that is material and not proprietary or confidential as referred to in Article 432.	Annual - Table EU CCRA – Qualitative disclosure related to CCR : Row (d). The Group maintains a formal Pillar 3 disclosure policy which is reviewed annually and subject to approval within the Group's internal governance framework. The Pillar 3 disclosures have been subject to internal review procedures and have not been audited by the Group's external auditors. Introduction: Attestation that disclosures are in accordance with formal policies and internal processes, systems and controls.
Article 431(4)	All quantitative disclosures shall be accompanied by a qualitative narrative and any other supplementary information that may be necessary in order for the users of that information to understand the quantitative disclosures, noting in particular any significant change in any given disclosure compared to the information contained in the previous disclosures.	AIB will ensure all quantitative disclosures will be accompanied by a qualitative narrative and any other supplementary information that may be necessary in order for the users of that information to understand the quantitative disclosures, noting in particular any significant change in any given disclosure compared to the information contained in the previous disclosures. Annual - Table EU CCRA – Qualitative disclosure related to CCR: Row (d).
Article 431(5)	Institutions shall, if requested, explain their rating decisions to SMEs and other corporate applicants for loans, providing an explanation in writing when asked. The administrative costs of that explanation shall be proportionate to the size of the loan.	AIB provides explanations of ratings decisions to SMEs whose loan applications were declined in writing, if requested. AIB participates in a formal appeals process, overseen by a Government appointed Head of Credit Review. In the case of larger corporates, written explanations are not usually requested as direct discussions with relationship managers takes place.
Article 432	**Article 432 Non-material, proprietary or confidential information**	
Article 432(1)	With the exception of the disclosures laid down in point (c) of Article 435(2) and in Articles 437 and 450, institutions may omit one or more of the disclosures listed in Titles II and III where the information provided by those disclosures is not regarded as material. Information in disclosures shall be regarded as material where its omission or misstatement could change or influence the assessment or decision of a user of that information relying on it for the purpose of making economic decisions. EBA shall issue guidelines, in accordance with Article 16 of Regulation (EU) No 1093/2010, on how institutions have to apply materiality in relation to the disclosure requirements of Titles II and III.	AIB complies with all relevant disclosure requirements with regards to materiality.
Article 432(2)	Institutions may also omit one or more items of information referred to in Titles II and III where those items include information that is regarded as proprietary or confidential in accordance with this paragraph, except for the disclosures laid down in Articles 437 and 450. Information shall be regarded as proprietary to institutions where disclosing it publicly would undermine their competitive position. Proprietary information may include information on products or systems that would render the investments of institutions therein less valuable, if shared with competitors. Information shall be regarded as confidential where the institutions are obliged by customers or other counterparty relationships to keep that information confidential. EBA shall issue guidelines, in accordance with Article 16 of Regulation (EU) No 1093/2010, on how institutions have to apply proprietary and confidentiality in relation to the disclosure requirements of Titles II and III.	AIB does not omit any information on the grounds that it may be proprietary or confidential.
Article 432(3)	In the exceptional cases referred to in paragraph 2, the institution concerned shall state in its disclosures the fact that specific items of information are not being disclosed and the reason for not disclosing those items, and publish more general information about the subject matter of the disclosure requirement, except where that subject matter is, in itself, proprietary or confidential.	Not applicable.
Article 433	**Article 433 Frequency and scope of disclosures**	

Article 433	Institutions shall publish the disclosures required under Titles II and III in the manner set out in Articles 433a, 433b and 433c. Annual disclosures shall be published on the same date as the date on which institutions publish their financial statements or as soon as possible thereafter. Semi-annual and quarterly disclosures shall be published on the same date as the date on which the institutions publish their financial reports for the corresponding period where applicable or as soon as possible thereafter. Any delay between the date of publication of the disclosures required under this Part and the relevant financial statements shall be reasonable and, in any event, shall not exceed the timeframe set by competent authorities pursuant to Article 106 of Directive 2013/36/EU.	This publication is in line with Article 433a. The Pillar 3 disclosures are published as soon as possible after the publication of the financial report for the corresponding period on an annual and semi-annual basis. The quarterly Pillar 3 disclosures are published as soon as possible after the submission of the quarterly returns to the regulator.
Article 433a	**Article 433a Disclosures by large institutions**	
Article 433a(1)	Large institutions shall disclose the information outlined below with the following frequency:	AIB Group as a large institution prepares disclosures in line with this article.
Article 433a(1)(a)	(a) all the information required under this Part on an annual basis;	See below for applicable disclosure requirements. Not Applicable. Annual Template EU INS1 Insurance participations. Article 49 is not applicable. Not Applicable. Annual Template EU INS2 Financial conglomerates - Information on own funds and capital adequacy ratio. AIB is not a financial conglomerate. Not Applicable. Annual Template EU MRB Qualitative disclosure requirements for institutions using the internal Market Risk Models. All market risk is treated under standardised approach.
Article 433a(1)(b)	(b) on a semi-annual basis the information referred to in:	See below for applicable disclosure requirements.
Article 433a(1)(b)(i)	(i) point (a) of Article 437;	Semi-annual - Template EU CC1 - Composition of regulatory own funds. Semi-annual - EU CC2 - Reconciliation of regulatory own funds to balance sheet in the audited financial statements.
Article 433a(1)(b)(ii)	(ii) point (e) of Article 438;	Not applicable. Semi-annual - Template EU CR10 - Specialised lending and equity exposures under the simple risk weighted approach. AIB does not use the simple risk weight approach for specialised lending or equity exposures.
Article 433a(1)(b)(iii)	(iii) points (e) to (l) of Article 439;	Semi annual - Template EU CCR1 – Analysis of CCR exposure by approach. Semi annual - Template EU CCR2 – Transactions subject to own funds requirements for CVA risk. Semi annual - Template EU CCR3 – Standardised approach – CCR exposures by regulatory exposure class and risk weights. Semi annual - Template EU CCR4 – IRB approach – CCR exposures by exposure class and PD scale. Semi annual - Template EU CCR5 – Composition of collateral for CCR exposures Semi annual - Template EU CCR6 – Credit derivatives exposures. Semi annual - Template EU CCR8 – Exposures to CCPs.
Article 433a(1)(b)(iv)	(iv) Article 440;	Semi annual - Template EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer. Semi annual - Template EU CCyB2 - Amount of institution-specific countercyclical capital buffer.

Article 433a(1)(b)(v)	(v) points (c), (e), (f) and (g) of Article 442;	Semi annual - Template EU CR1 - Performing and non-performing exposures and related provisions. Semi annual - Template EU CR1-A - Maturity of exposures. Semi annual - Template EU CR2 - Changes in the stock of non-performing loans and advances, (Note at year end if publishing EU CR2-a, AIB will not publish EU CR2); Note due to AIB Group plc NPL ratio lower than 5% at Dec22, AIB published Template EU CR2 for Dec22. Not applicable. Annual & threshold - Template EU CR2a - Changes in the stock of non-performing loans and advances and related net accumulated recoveries. AIB Group plc's NPL ratio is lower than 5%. Semi annual - Template EU CQ1 - Credit quality of forborne exposures. Not applicable. Annual & threshold - Template EU CQ2 - Quality of forbearance. AIB Group plc's NPL ratio is lower than 5%. Annual - Template EU CQ3 - Credit quality of performing and non-performing exposures by past due days. Annual & threshold based (cols b and d); Semi annual (cols a, c, e, f and g only)- Template EU CQ4 - Quality of non-performing exposures by geography. Note column (b) and (d) are not applicable, because AIB Group plc's NPL ratio is lower than 5%. Annual & threshold based (cols b and d); Semi annual (cols a, c, e and f) - Template EU CQ5 - Credit quality of loans and advances by industry. Note column (b) and (d) are not applicable, because AIB Group plc's NPL ratio is lower than 5%. Not applicable. Annual & threshold - Template EU CQ6 - Collateral valuation - loans and advances. AIB Group plc's NPL ratio is lower than 5%. Semi annual - Template EU CQ7 - Collateral obtained by taking possession and execution processes. Not applicable. Annual & threshold - Template EU CQ8 - Collateral obtained by taking possession and execution processes – vintage breakdown. AIB Group plc's NPL ratio is lower than 5%.
Article 433a(1)(b)(vi)	(vi) point (e) of Article 444;	Semi annual - Template EU CR5 – standardised approach.
Article 433a(1)(b)(vii)	(vii) Article 445;	Semi annual - Template EU MR1 – Market risk under the standardised approach.
Article 433a(1)(b)(viii)	(viii) point (a) and (b) of Article 448(1);	Semi annual - Template EU IRRBB1 - Interest rate risks of non-trading book activities.
Article 433a(1)(b)(ix)	(ix) point (j) to (l) of Article 449;	Semi annual - Template EU SEC1 - Securitisation exposures in the non-trading book. Not Applicable. Semi-annual - Template EU SEC2 - Securitisation exposures in the trading book. AIB does not have securitised exposures in the trading book. Not Applicable. Semi-annual - Template EU SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor. AIB does not act as originator or as sponsor. Semi annual - Template EU SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor. Not Applicable. Semi-annual - Template EU SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments. AIB does not have exposures securitised that are in default or have specific credit risk adjustments.
Article 433a(1)(b)(x)	(x) points (a) and (b) of Article 451(1);	Semi annual - Template EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures. Semi annual - Template EU LR2 - LRCom: Leverage ratio common disclosure. Semi annual - Template EU LR3 - LRSpl: Split-up of on-balance sheet exposures (excluding derivatives, SFTs and exempted exposures).
Article 433a(1)(b)(xi)	(xi) Article 451a(3);	Semi annual - Template EU LIQ2 - Net Stable Funding Ratio.
Article 433a(1)(b)(xii)	(xii) point (g) of Article 452;	Semi annual - Template EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range. Semi annual - Template EU CCR4 – IRB approach – CCR exposures by exposure class and PD scale.
Article 433a(1)(b)(xiii)	(xiii) points (f) to (j) of Article 453;	Semi annual - Template EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques. Semi annual - Template EU CR4 – standardised approach – Credit risk exposure and CRM effects. Semi annual - Template EU CR7 – IRB approach – Effect on the RWEAs of credit derivatives used as CRM techniques. Semi annual - Template EU CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques.
Article 433a(1)(b)(xii)	(xiv) points (d), (e) and (g) of Article 455;	Semi annual - Template EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range. Semi annual - Template EU CCR4 – IRB approach – CCR exposures by exposure class and PD scale.
Article 433a(1)(c)	(c) on a quarterly basis the information referred to in:	See below for applicable disclosure requirements.

Article 433a(1)(c)(i)	(i) points (d) and (h) of Article 438;	Quarterly - Template EU OV1 – Overview of risk weighted exposure amounts. Quarterly - Template EU CR8 – RWEA flow statements of credit risk exposures under the IRB approach. Not applicable. Quarterly - Template EU CCR7 – RWEA flow statements of CCR exposures under the IMM. AIB does not use the IMM and instead use SA-CCR for derivatives under counterparty credit risk. Not applicable. Quarterly - Template EU MR2–B - RWEA flow statements of market risk exposures under the IMA. All market risk is treated under standardised approach.
Article 433a(1)(c)(ii)	(ii) the key metrics referred to in Article 447;	Quarterly - Template EU KM1 - Key metrics template.
Article 433a(1)(c)(iii)	(iii) Article 451a(2).	Quarterly - Template EU LIQ1 - Quantitative information of LCR. Quarterly - Table EU LIQB on qualitative information on LCR, which complements template EU LIQ1.
Article 433a(2)	By way of derogation from paragraph 1, large institutions other than G-SIIs that are non-listed institutions shall disclose the information outlined below with the following frequency:	Not applicable.
Article 433a(2)(a) & (b)	(a) all the information required under this Part on an annual basis; (b) the key metrics referred to in Article 447 on a semi-annual basis.	Not applicable.
Article 433a(3)	Large institutions that are subject to Article 92a or 92b shall disclose the information required under Article 437a on a semi-annual basis, except for the key metrics referred to in point (h) of Article 447, which are to be disclosed on a quarterly basis.	Not applicable.
Article 433b	**Article 433b Disclosures by small and non-complex institutions**	Not applicable.
Article 433b(1)	Small and non-complex institutions shall disclose the information outlined below with the following frequency:	Not applicable.
Article 433b(1)(a)	(a) on an annual basis the information referred to in:	Not applicable.
Article 433b(1)(a)(i)	(i) points (a), (e) and (f) of Article 435(1);	Not applicable.
Article 433b(1)(a)(ii)	(ii) point (d) of Article 438;	Not applicable.
Article 433b(1)(a)(iii)	(iii) points (a) to (d), (h), (i), (j) of Article 450(1);	Not applicable.
Article 433b(1)(b)	(b) on a semi-annual basis the key metrics referred to in Article 447.	Not applicable.
Article 433b(2)	By way of derogation from paragraph 1 of this Article, small and non-complex institutions that are non- listed institutions shall disclose the key metrics referred to in Article 447 on an annual basis.	Not applicable.
Article 433c	**Article 433c Disclosures by other institutions**	Not applicable.
Article 433c(1)	Institutions that are not subject to Article 433a or 433b shall disclose the information outlined below with the following frequency:	Not applicable.
Article 433c(1)(a)	(a) all the information required under this Part on an annual basis;	Not applicable.
Article 433c(1)(a)	(b) the key metrics referred to in Article 447 on a semi-annual basis.	Not applicable.
Article 433c(2)	By way of derogation from paragraph 1 of this Article, other institutions that are non-listed institutions shall disclose the following information on an annual basis:	Not applicable.
Article 433c(2)(a)	(a) points (a), (e) and (f) of Article 435(1);	Not applicable.
Article 433c(2)(b)	(b) points (a, (b) and (c) of Article 435(2);	Not applicable.
Article 433c(2)(c)	(c) point (a) of Article 437;	Not applicable.
Article 433c(2)(d)	(d) points (c) and (d) of Article 438;	Not applicable.
Article 433c(2)(e)	(e) the key metrics referred to in Article 447;	Not applicable.
Article 433c(2)(f)	(f) points (a) to (d), (h) to (k) of Article 450(1).	Not applicable.
Article 434	**Article 434 Means of disclosures**	
Article 434(1)	Institutions shall disclose all the information required under Titles II and III in electronic format and in a single medium or location. The single medium or location shall be a standalone document that provides a readily accessible source of prudential information for users of that information or a distinctive section included in or appended to the institutions' financial statements or financial reports containing the required disclosures and being easily identifiable to those users.	The Pillar 3 disclosures are published on AIB Group's website (https://aib.ie/investorrelations).
Article 434(2)	Institutions shall make available on their website or, in the absence of a website, in any other appropriate location an archive of the information required to be disclosed in accordance with this Part. That archive shall be kept accessible for a period of time that shall be no less than the storage period set by national law for information included in the institutions' financial reports.	The Pillar 3 disclosures are published on AIB Group's website (https://aib.ie/investorrelations). Pillar 3 disclosures from previous years and Allied Irish Banks, p.l.c. disclosures are also available on this website.
Article 434a	**Article 434a Uniform disclosure formats**	

Article 434a	EBA shall develop draft implementing technical standards specifying uniform disclosure formats, and associated instructions in accordance with which the disclosures required under Titles II and III shall be made. Those uniform disclosure formats shall convey sufficiently comprehensive and comparable information for users of that information to assess the risk profiles of institutions and their degree of compliance with the requirements laid down in Parts One to Seven. To facilitate the comparability of information, the implementing technical standards shall seek to maintain consistency of disclosure formats with international standards on disclosures. Uniform disclosure formats shall be tabular where appropriate. EBA shall submit those draft implementing technical standards to the Commission by 28 June 2020. Power is conferred on the Commission to adopt those implementing technical standards in accordance with Article 15 of Regulation (EU) No 1093/2010.	EBA published the final version of the ITS on 21/04/2021: Commission Implementing Regulation (EU) 2021/637 of 15 March 2021 laying down implementing technical standards with regard to public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 of the European Parliament and of the Council and repealing Commission Implementing Regulation (EU) No 1423/2013, Commission Delegated Regulation (EU) 2015/1555, Commission Implementing Regulation (EU) 2016/200 and Commission Delegated Regulation (EU) 2017/2295. AIB is compliant with the amended version as per EU official journal.
Article 435	**Article 435 Disclosure of risk management objectives and policies**	
Article 435(1)	Institutions shall disclose their risk management objectives and policies for each separate category of risk, including the risks referred to in this Title. Those disclosures shall include:	Annual - Table EU OVA - Institution risk management approach. Annual - Table EU LIQA - Liquidity risk management. Annual - Table EU ORA - Qualitative information on operational risk.
Article 435(1)(a)	(a) the strategies and processes to manage those categories of risks;	Annual - Table EU OVA - Institution risk management approach. Annual - Table EU LIQA - Liquidity risk management. Annual - Table EU CRA - General qualitative information about credit risk. Annual - Table EU MRA - Qualitative disclosure requirements related to market risk. Annual Table EU ORA - Qualitative information on operational risk.
Article 435(1)(b)	(b) the structure and organisation of the relevant risk management function including information on the basis of its authority, its powers and accountability in accordance with the institution's incorporation and governing documents;	Annual - Table EU OVA - Institution risk management approach. Annual - Table EU LIQA - Liquidity risk management. Annual - Table EU CRA - General qualitative information about credit risk. Annual - Table EU MRA - Qualitative disclosure requirements related to market risk. Annual - Table EU ORA - Qualitative information on operational risk.
Article 435(1)(c)	(c) the scope and nature of risk reporting and measurement systems;	Annual - Table EU OVA - Institution risk management approach. Annual - Table EU LIQA - Liquidity risk management. Annual - Table EU MRA - Qualitative disclosure requirements related to market risk. Annual - Table EU ORA - Qualitative information on operational risk.
Article 435(1)(d)	(d) the policies for hedging and mitigating risk, and the strategies and processes for monitoring the continuing effectiveness of hedges and mitigants;	Annual - Table EU OVA - Institution risk management approach. Annual - Table EU LIQA - Liquidity risk management. Annual - Table EU CRA - General qualitative information about credit risk. Annual - Table EU MRA - Qualitative disclosure requirements related to market risk. Annual - Table EU ORA - Qualitative information on operational risk.
Article 435(1)(e)	(e) a declaration approved by the management body on the adequacy of the risk management arrangements of the relevant institution providing assurance that the risk management systems put in place are adequate with regard to the institution's profile and strategy;	Annual - Table EU OVA - Institution risk management approach. Annual - Table EU LIQA - Liquidity risk management.
Article 435(1)(f)	(f) a concise risk statement approved by the management body succinctly describing the relevant institution's overall risk profile associated with the business strategy; that statement shall include:	Annual - Table EU OVA - Institution risk management approach. Annual - Table EU LIQA - Liquidity risk management. Annual - Table EU CRA - General qualitative information about credit risk.
Article 435(1)(f)(i)	(i) key ratios and figures providing external stakeholders a comprehensive view of the institution's management of risk, including how the risk profile of the institution interacts with the risk tolerance set by the management body;	Annual - Table EU OVA - Institution risk management approach. Annual - Table EU LIQA - Liquidity risk management.
Article 435(1)(f)(ii)	(ii) information on intragroup transactions and transactions with related parties that may have a material impact of the risk profile of the consolidated group.	Annual - Table EU OVA - Institution risk management approach. Annual - Table EU LIQA - Liquidity risk management.
Article 435(2)	Institutions shall disclose the following information regarding governance arrangements:	Annual - Table EU OVB - Disclosure on governance arrangements.
Article 435(2)(a)	(a) the number of directorships held by members of the management body;	Annual - Table EU OVB - Disclosure on governance arrangements.
Article 435(2)(b)	(b) the recruitment policy for the selection of members of the management body and their actual knowledge, skills and expertise;	Annual - Table EU OVB - Disclosure on governance arrangements.
Article 435(2)(c)	(c) the policy on diversity with regard to selection of members of the management body, its objectives and any relevant targets set out in that policy, and the extent to which those objectives and targets have been achieved;	Annual - Table EU OVB - Disclosure on governance arrangements.
Article 435(2)(d)	(d) whether or not the institution has set up a separate risk committee and the number of times the risk committee has met;	Annual - Table EU OVB - Disclosure on governance arrangements.
Article 435(2)(e)	(e) the description of the information f low on risk to the management body.	Annual - Table EU OVB - Disclosure on governance arrangements.

Article 436	**Article 436 Disclosure of the scope of application**	
Article 436	Institutions shall disclose the following information regarding the scope of application of this Regulation as follows:	See below for applicable disclosure requirements.
Article 436(a)	(a) the name of the institution to which this Regulation applies;	AIB Group plc.
Article 436(b)	(b) a reconciliation between the consolidated financial statements prepared in accordance with the applicable accounting framework and the consolidated financial statements prepared in accordance with the requirements on regulatory consolidation pursuant to Sections 2 and 3 of Title II of Part One; that reconciliation shall outline the differences between the accounting and regulatory scopes of consolidation and the legal entities included within the regulatory scope of consolidation where it differs from the accounting scope of consolidation; the outline of the legal entities included within the regulatory scope of consolidation shall describe the method of regulatory consolidation where it is different from the accounting consolidation method, whether those entities are fully or proportionally consolidated and whether the holdings in those legal entities are deducted from own funds;	Annual - Template EU LI3 - Outline of the differences in the scopes of consolidation (entity by entity). Annual - Table EU LIA - Explanations of differences between accounting and regulatory exposure amounts.
Article 436(c)	(c) a breakdown of assets and liabilities of the consolidated financial statements prepared in accordance with the requirements on regulatory consolidation pursuant to Sections 2 and 3 of Title II of Part One, broken down by type of risks as referred to under this Part;	Annual - Template EU LI1 – Differences between the accounting scope and the scope of prudential consolidation and mapping of financial statement categories with regulatory risk categories.
Article 436(d)	(d) a reconciliation identifying the main sources of differences between the carrying value amounts in the financial statements under the regulatory scope of consolidation as defined in Sections 2 and 3 of Title II of Part One, and the exposure amount used for regulatory purposes; that reconciliation shall be supplemented by qualitative information on those main sources of differences;	Annual - Template EU LI2 – Main sources of differences between regulatory exposure amounts and carrying values in financial statements. Annual - Table EU LIA - Explanations of differences between accounting and regulatory exposure amounts.
Article 436(e)	(e) for exposures from the trading book and the non-trading book that are adjusted in accordance with Article 34 and Article 105, a breakdown of the amounts of the constituent elements of an institution's prudent valuation adjustment, by type of risks, and the total of constituent elements separately for the trading book and non-trading book positions;	Annual - Template EU PV1 - Prudent valuation adjustments (PVA).
Article 436(f)	(f) any current or expected material practical or legal impediment to the prompt transfer of own funds or to the repayment of liabilities between the parent undertaking and its subsidiaries;	Annual - Table EU LIB - Other qualitative information on the scope of application.
Article 436(g)	(g) the aggregate amount by which the actual own funds are less than required in all subsidiaries that are not included in the consolidation, and the name or names of those subsidiaries;	Annual - Table EU LIB - Other qualitative information on the scope of application.
Article 436(h)	(h) where applicable, the circumstances under which use is made of the derogation referred to in Article 7 or the individual consolidation method laid down in Article 9.	Annual - Table EU LIB - Other qualitative information on the scope of application.
Article 437	**Article 437 Disclosure of own funds**	
Article 437	Institutions shall disclose the following information regarding their own funds:	See below for applicable disclosure requirements.
Article 437(a)	(a) a full reconciliation of Common Equity Tier 1 items, Additional Tier 1 items, Tier 2 items and the filters and deductions applied to own funds of the institution pursuant to Articles 32 to 36, 56, 66 and 79 with the balance sheet in the audited financial statements of the institution;	Semi annual - Template EU CC1 - Composition of regulatory own funds. Semi annual - Template EU CC2 - reconciliation of regulatory own funds to balance sheet in the audited financial statements.
Article 437(b)	(b) a description of the main features of the Common Equity Tier 1 and Additional Tier 1 instruments and Tier 2 instruments issued by the institution;	Annual - Template EU CCA - Main features of regulatory own funds instruments and eligible liabilities instruments.
Article 437(c)	(c) the full terms and conditions of all Common Equity Tier 1, Additional Tier 1 and Tier 2 instruments;	Annual - Template EU CCA - Main features of regulatory own funds instruments and eligible liabilities instruments.
Article 437(d)	(d) a separate disclosure of the nature and amounts of the following:	Semi annual - Template EU CC1 - Composition of regulatory own funds.
Article 437(d)(i)	(i) each prudential filter applied pursuant to Articles 32 to 35;	Semi annual - Template EU CC1 - Composition of regulatory own funds.
Article 437(d)(ii)	(ii) items deducted pursuant to Articles 36, 56 and 66;	Semi annual - Template EU CC1 - Composition of regulatory own funds.
Article 437(d)(iii)	(iii) items not deducted pursuant to Articles 47, 48, 56, 66 and 79;	Semi annual - Template EU CC1 - Composition of regulatory own funds.
Article 437(e)	(e) a description of all restrictions applied to the calculation of own funds in accordance with this Regulation and the instruments, prudential filters and deductions to which those restrictions apply;	Semi annual - Template EU CC1 - Composition of regulatory own funds.
Article 437(f)	(f) a comprehensive explanation of the basis on which capital ratios are calculated where those capital ratios are calculated by using elements of own funds determined on a basis other than the basis laid down in this Regulation.	Semi annual - Template EU CC1 - Composition of regulatory own funds.
Article 437a	**Article 437a Disclosure of own funds and eligible liabilities**	Not applicable.
Article 437a	Institutions that are subject to Article 92a or 92b shall disclose the following information regarding their own funds and eligible liabilities:	Not applicable.
Article 437a(a)	(a) the composition of their own funds and eligible liabilities, their maturity and their main features;	Not applicable.
Article 437a(b)	(b) the ranking of eligible liabilities in the creditor hierarchy;	Not applicable.
Article 437a(c)	(c) the total amount of each issuance of eligible liabilities instruments referred to in Article 72b and the amount of those issuances that is included in eligible liabilities items within the limits specified in Article 72b(3) and (4);	Not applicable.
Article 437a(d)	(d) the total amount of excluded liabilities referred to in Article 72a(2).	Not applicable.
Article 438	**Article 438 Disclosure of own funds requirements and risk-weighted exposure amounts**	
Article 438	Institutions shall disclose the following information regarding their compliance with Article 92 of this Regulation and with the requirements laid down in Article 73 and in point (a) of Article 104(1) of Directive 2013/36/EU:	See below for applicable disclosure requirements.
Article 438(a)	(a) a summary of their approach to assessing the adequacy of their internal capital to support current and future activities;	Annual - Table EU OVC – ICAAP information.

Article 438(b)	(b) the amount of the additional own funds requirements based on the supervisory review process as referred to in point (a) of Article 104(1) of Directive 2013/36/EU and its composition in terms of Common Equity Tier 1, additional Tier 1 and Tier 2 instruments;	Annual disclosure requirement on Template EU KM1 – Key metrics template.
Article 438(c)	(c) upon demand from the relevant competent authority, the result of the institution's internal capital adequacy assessment process;	Annual - Table EU OVC – ICAAP information.
Article 438(d)	(d) the total risk-weighted exposure amount and the corresponding total own funds requirement determined in accordance with Article 92, to be broken down by the different risk categories set out in Part Three and, where applicable, an explanation of the effect on the calculation of own funds and risk-weighted exposure amounts that results from applying capital floors and not deducting items from own funds;	Quarterly - Template EU OV1 – Overview of total risk exposure amounts. Additional explanation is currently not relevant.
Article 438(e)	(e) the on- and off-balance-sheet exposures, the risk-weighted exposure amounts and associated expected losses for each category of specialised lending referred to in Table 1 of Article 153(5) and the on- and off-balance- sheet exposures and risk-weighted exposure amounts for the categories of equity exposures set out in Article 155(2);	Not applicable. Semi-annual - Template EU CR10 - Specialised lending and equity exposures under the simple risk weighted approach. AIB does not use the simple risk weight approach for specialised lending or equity exposures.
Article 438(f)	(f) the exposure value and the risk-weighted exposure amount of own funds instruments held in any insurance undertaking, reinsurance undertaking or insurance holding company that the institutions do not deduct from their own funds in accordance with Article 49 when calculating their capital requirements on an individual, sub-consolidated and consolidated basis;	Not applicable. Annual - Template EU INS1 - Insurance participations. Article 49 is not applicable.
Article 438(g)	(g) the supplementary own funds requirement and the capital adequacy ratio of the financial conglomerate calculated in accordance with Article 6 of Directive 2002/87/EC and Annex I to that Directive where method 1 or 2 set out in that Annex is applied;	Not applicable. Annual- Template EU INS2 - Financial conglomerates - Information on own funds and capital adequacy ratio. AIB is not a financial conglomerate.
Article 438(h)	(h) the variations in the risk-weighted exposure amounts of the current disclosure period compared to the immediately preceding disclosure period that result from the use of internal models, including an outline of the key drivers explaining those variations.	Quarterly - Template EU CR8 – RWEA flow statements of credit risk exposures under the IRB approach. Not applicable. Quarterly - Template EU CCR7 – RWEA flow statements of CCR exposures under the IMM. AIB does not use the IMM and instead use SA-CCR for derivatives under counterparty credit risk. Not applicable. Quarterly - Template EU MR2–B - RWEA flow statements of market risk exposures under the IMA. All market risk is treated under standardised approach.
Article 439	**Article 439 Disclosure of exposures to counterparty credit risk**	
Article 439	Institutions shall disclose the following information regarding their exposure to counterparty credit risk as referred to in Chapter 6 of Title II of Part Three:	See below for applicable disclosure requirements.
Article 439(a)	(a) a description of the methodology used to assign internal capital and credit limits for counterparty credit exposures, including the methods to assign those limits to exposures to central counterparties;	Annual - Table EU CCRA – Qualitative disclosure related to CCR.
Article 439(b)	(b) a description of policies related to guarantees and other credit risk mitigants, such as the policies for securing collateral and establishing credit reserves;	Annual - Table EU CCRA – Qualitative disclosure related to CCR.
Article 439(c)	(c) a description of policies with respect to General Wrong-Way risk and Specific Wrong-Way risk as defined in Article 291;	Annual - Table EU CCRA – Qualitative disclosure related to CCR.
Article 439(d)	(d) the amount of collateral the institution would have to provide if its credit rating was downgraded;	Annual - Table EU CCRA – Qualitative disclosure related to CCR.
Article 439(e)	(e) the amount of segregated and unsegregated collateral received and posted per type of collateral, further broken down between collateral used for derivatives and securities financing transactions;	Semi annual - Template EU CCR5 – Composition of collateral for CCR exposures.
Article 439(f)	(f) for derivative transactions, the exposure values before and after the effect of the credit risk mitigation as determined under the methods set out in Sections 3 to 6 of Chapter 6 of Title II of Part Three, whichever method is applicable, and the associated risk exposure amounts broken down by applicable method;	Semi annual - Template EU CCR1 – Analysis of CCR exposure by approach.
Article 439(g)	(g) for securities financing transactions, the exposure values before and after the effect of the credit risk mitigation as determined under the methods set out in Chapters 4 and 6 of Title II of Part Three, whichever method is used, and the associated risk exposure amounts broken down by applicable method;	Semi annual - Template EU CCR1 – Analysis of CCR exposure by approach.
Article 439(h)	(h) the exposure values after credit risk mitigation effects and the associated risk exposures for credit valuation adjustment capital charge, separately for each method as set out in Title VI of Part Three;	Semi annual - Template EU CCR2 – Transactions subject to own funds requirements for CVA risk.
Article 439(i)	(i) the exposure value to central counterparties and the associated risk exposures within the scope of Section 9 of Chapter 6 of Title II of Part Three, separately for qualifying and non-qualifying central counterparties, and broken down by types of exposures;	Semi annual - Template EU CCR8 – Exposures to CCPS.
Article 439(j)	(j) the notional amounts and fair value of credit derivative transactions; credit derivative transactions shall be broken down by product type; within each product type, credit derivative transactions shall be broken down further by credit protection bought and credit protection sold;	Semi annual - Template EU CCR6 – Credit derivatives exposures.
Article 439(k)	(k) the estimate of alpha where the institution has received the permission of the competent authorities to use its own estimate of alpha in accordance with Article 284(9);	Semi annual - Template EU CCR1 – Analysis of CCR exposure by approach.
Article 439(l)	(l) separately, the disclosures included in point (e) of Article 444 and point (g) of Article 452;	Semi annual - Template EU CCR3 – standardised approach - CCR exposures by regulatory exposure class and risk weights. Semi annual - Template EU CCR4 – IRB approach – CCR exposures by exposure class and PD scale.
Article 439(m)	(m) for institutions using the methods set out in Sections 4 to 5 of Chapter 6 of Title II Part Three, the size of their on- and off-balance-sheet derivative business as calculated in accordance with Article 273a(1) or (2), as applicable.	Semi annual - Template EU CCR1 – Analysis of CCR exposure by approach.

Article 439	Where the central bank of a Member State provides liquidity assistance in the form of collateral swap transactions, the competent authority may exempt institutions from the requirements in points (d) and (e) of the first subparagraph where that competent authority considers that the disclosure of the information referred to therein could reveal that emergency liquidity assistance has been provided. For those purposes, the competent authority shall set out appropriate thresholds and objective criteria.	Not applicable. This would impact the following two templates if it were applicable to AIB: Semi annual - Template EU CCR1 – Analysis of CCR exposure by approach. Semi annual - Template EU CCR5 – Composition of collateral for CCR exposures.
Article 440	**Article 440 Disclosure of countercyclical capital buffers**	
Article 440	Institutions shall disclose the following information in relation to their compliance with the requirement for a countercyclical capital buffer as referred to in Chapter 4 of Title VII of Directive 2013/36/EU:	See below for applicable disclosure requirements.
Article 440(a)	(a) the geographical distribution of the exposure amounts and risk-weighted exposure amounts of its credit exposures used as a basis for the calculation of their countercyclical capital buffer;	Semi annual - Template EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer.
Article 440(b)	(b) the amount of their institution-specific countercyclical capital buffer.	Semi annual - Template EU CCyB2 - Amount of institution-specific countercyclical capital buffer.
Article 441	**Article 441 Disclosure of indicators of global systemic importance**	Not applicable. AIB is an O-SII.
Article 441	G-SIIs shall disclose, on an annual basis, the values of the indicators used for determining their score in accordance with the identification methodology referred to in Article 131 of Directive 2013/36/EU.	Not applicable. AIB is an O-SII.
Article 442	**Article 442 Disclosure of exposures to credit risk and dilution risk**	
Article 442	Institutions shall disclose the following information regarding their exposures to credit risk and dilution risk:	See below for applicable disclosure requirements.
Article 442(a)	(a) the scope and definitions that they use for accounting purposes of 'past due' and 'impaired' and the differences, if any, between the definitions of 'past due' and 'default' for accounting and regulatory purposes;	Annual - Table EU CRB - Additional disclosure related to the credit quality of assets.
Article 442(b)	(b) a description of the approaches and methods adopted for determining specific and general credit risk adjustments;	Annual - Table EU CRB - Additional disclosure related to the credit quality of assets.
Article 442(c)	(c) information on the amount and quality of performing, non-performing and forborne exposures for loans, debt securities and off-balance-sheet exposures, including their related accumulated impairment, provisions and negative fair value changes due to credit risk and amounts of collateral and financial guarantees received;	Semi annual - Template EU CR1- Performing and non-performing exposures and related provisions. Not applicable. Annual & threshold - Template EU CR2a - Changes in the stock of non-performing loans and advances and related net accumulated recoveries. AIB Group plc's NPL ratio is lower than 5%. Semi annual - Template EU CQ1 - Credit quality of forborne exposures. Not applicable. Annual & threshold - Template EU CQ2 - Quality of forbearance. AIB Group plc's NPL ratio is lower than 5%. Annual & threshold based (cols b and d); Semi annual (cols a, c, e, f and g only)- Template EU CQ4 - Quality of non-performing exposures by geography. Note column (b) and (d) are not applicable, because AIB Group plc's NPL ratio is lower than 5%. Annual & threshold based (cols b and d); Semi annual (cols a, c, e and f) - Template EU CQ5 - Credit quality of loans and advances by industry. Note column (b) and (d) are not applicable, because AIB Group plc's NPL ratio is lower than 5%. Not applicable. Annual & threshold - Template EU CQ6 - Collateral valuation - loans and advances. AIB Group plc's NPL ratio is lower than 5%. Semi annual - Template EU CQ7 - Collateral obtained by taking possession and execution processes. Not applicable. Annual & threshold - Template EU CQ8 - Collateral obtained by taking possession and execution processes – vintage breakdown. AIB Group plc's NPL ratio is lower than 5%.
Article 442(d)	(d) an ageing analysis of accounting past due exposures;	Annual - Template EU CQ3 - Credit quality of performing and non-performing exposures by past due days.
Article 442(e)	(e) the gross carrying amounts of both defaulted and non-defaulted exposures, the accumulated specific and general credit risk adjustments, the accumulated write-offs taken against those exposures and the net carrying amounts and their distribution by geographical area and industry type and for loans, debt securities and off- balance-sheet exposures;	Semi-annual - Template EU CR1 - Performing and non-performing exposures and related provisions. Annual & threshold based (columns b and d); Semi-annual (columns a, c, e, f and g only) - Template EU CQ4 - Quality of non-performing exposures by geography. Note column (b) and (d) are not applicable as AIB Group plc's NPL ratio is lower than 5%. Annual & threshold based (columns b and d); Semi annual (columns a, c, e and f) - Template EU CQ5 - Credit quality of loans and advances by industry. Note column (b) and (d) are not applicable as AIB Group plc's NPL ratio is lower than 5%.
Article 442(f)	(f) any changes in the gross amount of defaulted on- and off-balance-sheet exposures, including, as a minimum, information on the opening and closing balances of those exposures, the gross amount of any of those exposures reverted to non-defaulted status or subject to a write-off;	Semi annual - Template EU CR2 - Changes in the stock of non-performing loans and advances, (Note at year end if publishing EU CR2-a, AIB will not publish EU CR2); Note due to AIB Group plc NPL ratio lower than 5% at Dec22, AIB published Template EU CR2 for Dec22. Not applicable. Annual & threshold - Template EU CR2a: Changes in the stock of non-performing loans and advances and related net accumulated recoveries. AIB Group plc's NPL ratio is lower than 5%.
Article 442(g)	(g) the breakdown of loans and debt securities by residual maturity.	Semi annual - Template EU CR1-A - Maturity of exposures.
Article 443	**Article 443 Disclosure of encumbered and unencumbered assets**	

Article 443	Institutions shall disclose information concerning their encumbered and unencumbered assets. For those purposes, institutions shall use the carrying amount per exposure class broken down by asset quality and the total amount of the carrying amount that is encumbered and unencumbered. Disclosure of information on encumbered and unencumbered assets shall not reveal emergency liquidity assistance provided by central banks.	Annual - Template EU AE1 - Encumbered and unencumbered assets. Annual - Template EU AE2 - Collateral received and own debt securities issued. Annual - Template EU AE3 - Sources of encumbrance. Annual - Table EU AE4 - Accompanying narrative information.
Article 444	**Article 444 Disclosure of the use of the Standardised Approach**	
Article 444	Institutions calculating their risk-weighted exposure amounts in accordance with Chapter 2 of Title II of Part Three shall disclose the following information for each of the exposure classes set out in Article 112:	See below for applicable disclosure requirements.
Article 444(a)	(a) the names of the nominated ECAIs and ECAs and the reasons for any changes in those nominations over the disclosure period;	Annual - Table EU CRD – Qualitative disclosure requirements related to standardised approach.
Article 444(b)	(b) the exposure classes for which each ECAI or ECA is used;	Annual - Table EU CRD – Qualitative disclosure requirements related to standardised approach.
Article 444(c)	(c) a description of the process used to transfer the issuer and issue credit ratings onto items not included in the trading book;	Annual - Table EU CRD – Qualitative disclosure requirements related to standardised approach.
Article 444(d)	(d) the association of the external rating of each nominated ECAI or ECA with the risk weights that correspond to the credit quality steps as set out in Chapter 2 of Title II of Part Three, taking into account that it is not necessary to disclose that information where the institutions comply with the standard association published by EBA;	Annual - Table EU CRD – Qualitative disclosure requirements related to standardised approach.
Article 444(e)	(e) the exposure values and the exposure values after credit risk mitigation associated with each credit quality step as set out in Chapter 2 of Title II of Part Three, by exposure class, as well as the exposure values deducted from own funds.	Semi annual - Template EU CR4 – standardised approach - Credit risk exposure and CRM effects. Semi annual - Template EU CR5 – standardised approach. Semi annual - Template EU CCR3 – standardised approach - CCR exposures by regulatory exposure class and risk weights.
Article 445	**Article 445 Disclosure of exposure to market risk**	
Article 445	Institutions calculating their own funds requirements in accordance with points (b) and (c) of Article 92(3) shall disclose those requirements separately for each risk referred to in those points. In addition, own funds requirements for the specific interest rate risk of securitisation positions shall be disclosed separately.	Semi annual - Template EU MR1 – Market risk under the standardised approach.
Article 446	**Article 446 Disclosure of operational risk management**	
Article 446	Institutions shall disclose the following information about their operational risk management:	Annual - Table EU ORA - Qualitative information on operational risk. Annual - Template EU OR1 - Operational risk own funds requirements and risk-weighted exposure amounts.
Article 446(a)	(a) the approaches for the assessment of own funds requirements for operation risk that the institution qualifies for;	Annual - Table EU ORA - Qualitative information on operational risk. Annual - Template EU OR1 - Operational risk own funds requirements and risk-weighted exposure amounts.
Article 446(b)	(b) where the institution makes use of it, a description of the methodology set out in Article 312(2), which shall include a discussion of the relevant internal and external factors being considered in the institution's advanced measurement approach;	Not applicable. AIB does not have approval for advanced measurement approach. AIB Group uses the Standardised Approach (TSA) to assess the minimum own fund requirements. This would impact the following two disclosures if it were applicable to AIB: Annual - Table EU ORA - Qualitative information on operational risk. Annual - Template EU OR1 - Operational risk own funds requirements and risk-weighted exposure amounts.
Article 446(c)	(c) in the case of partial use, the scope and coverage of the different methodologies used.	Not applicable. AIB does not have approval to combine different approaches. AIB Group uses the Standardised Approach (TSA) to assess the minimum own fund requirements. This would impact the following two disclosures if it were applicable to AIB: Annual - Table EU ORA - Qualitative information on operational risk. Annual - Template EU OR1 - Operational risk own funds requirements and risk-weighted exposure amounts.
Article 447	**Article 447 Disclosure of key metrics**	
Article 447	Institutions shall disclose the following key metrics in a tabular format:	See below for applicable disclosure requirements.
Article 447(a)	(a) the composition of their own funds and their own funds requirements as calculated in accordance with Article 92;	Quarterly - Template EU KM1 – Key metrics template.
Article 447(b)	(b) the total risk exposure amount as calculated in accordance with Article 92(3);	Quarterly - Template EU KM1 – Key metrics template.
Article 447(c)	(c) where applicable, the amount and composition of additional own funds which the institutions are required to hold in accordance with point (a) of Article 104(1) of Directive 2013/36/EU;	Quarterly - Template EU KM1 – Key metrics template.
Article 447(d)	(d) their combined buffer requirement which the institutions are required to hold in accordance with Chapter 4 of Title VII of Directive 2013/36/EU;	Quarterly - Template EU KM1 – Key metrics template.
Article 447(e)	(e) their leverage ratio and the total exposure measure as calculated in accordance with Article 429;	Quarterly - Template EU KM1 – Key metrics template.
Article 447(f)	(f) the following information in relation to their liquidity coverage ratio as calculated in accordance with the delegated act referred to in Article 460(1):	Quarterly - Template EU KM1 – Key metrics template.
Article 447(f)(i)	(i) the average or averages, as applicable, of their liquidity coverage ratio based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period;	Quarterly - Template EU KM1 – Key metrics template.
Article 447(f)(ii)	(ii) the average or averages, as applicable, of total liquid assets, after applying the relevant haircuts, included in the liquidity buffer pursuant to the delegated act referred to in Article 460(1), based on end-of-the- month observations over the preceding 12 months for each quarter of the relevant disclosure period;	Quarterly - Template EU KM1 – Key metrics template.

Article 447(f)(iii)	(iii) the averages of their liquidity outflows, inflows and net liquidity outflows as calculated pursuant to the delegated act referred to in Article 460(1), based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period;	Quarterly - Template EU KM1 – Key metrics template.
Article 447(g)	(g) the following information in relation to their net stable funding requirement as calculated in accordance with Title IV of Part Six:	Quarterly - Template EU KM1 – Key metrics template.
Article 447(g)(i)	(i) the net stable funding ratio at the end of each quarter of the relevant disclosure period;	Quarterly - Template EU KM1 – Key metrics template.
Article 447(g)(ii)	(ii) the available stable funding at the end of each quarter of the relevant disclosure period;	Quarterly - Template EU KM1 – Key metrics template.
Article 447(g)(iii)	(iii) the required stable funding at the end of each quarter of the relevant disclosure period;	Quarterly - Template EU KM1 – Key metrics template.
Article 447(h)	(h) their own funds and eligible liabilities ratios and their components, numerator and denominator, as calculated in accordance with Articles 92a and 92b and broken down at the level of each resolution group, where applicable.	Not applicable AIB is not a G-SII.
Article 448	**Article 448 Disclosure of exposures to interest rate risk on positions not held in the trading book**	
Article 448(1)	As from 28 June 2021, institutions shall disclose the following quantitative and qualitative information on the risks arising from potential changes in interest rates that affect both the economic value of equity and the net interest income of their non-trading book activities referred to in Article 84 and Article 98(5) of Directive 2013/36/EU:	Semi annual - Template EU IRRBB1 - Interest rate risks of non-trading book activities. Annual - Table EU IRRBBA - Qualitative Information on interest rate risks of non-trading book activities.
Article 448(1)(a)	(a) the changes in the economic value of equity calculated under the six supervisory shock scenarios referred to in Article 98(5) of Directive 2013/36/EU for the current and previous disclosure periods;	Semi annual - Template EU IRRBB1 - Interest rate risks of non-trading book activities.
Article 448(1)(b)	(b) the changes in the net interest income calculated under the two supervisory shock scenarios referred to in Article 98(5) of Directive 2013/36/EU for the current and previous disclosure periods;	Semi annual - Template EU IRRBB1 - Interest rate risks of non-trading book activities.
Article 448(1)(c)	(c) a description of key modelling and parametric assumptions, other than those referred to in points (b) and (c) of Article 98(5a) of Directive 2013/36/EU used to calculate changes in the economic value of equity and in the net interest income required under points (a) and (b) of this paragraph;	Annual - Table EU IRRBBA - Qualitative Information on interest rate risks of non-trading book activities.
Article 448(1)(d)	(d) an explanation of the significance of the risk measures disclosed under points (a) and (b) of this paragraph and of any significant variations of those risk measures since the previous disclosure reference date;	Semi annual - Template EU IRRBB1 - Interest rate risks of non-trading book activities. Annual - Table EU IRRBBA - Qualitative Information on interest rate risks of non-trading book activities.
Article 448(1)(e)	(e) the description of how institutions define, measure, mitigate and control the interest rate risk of their non- trading book activities for the purposes of the competent authorities' review in accordance with Article 84 of Directive 2013/36/EU, including:	Annual - Table EU IRRBBA - Qualitative Information on interest rate risks of non-trading book activities.
Article 448(1)(e)(i)	(i) a description of the specific risk measures that the institutions use to evaluate changes in their economic value of equity and in their net interest income;	Annual - Table EU IRRBBA - Qualitative Information on interest rate risks of non-trading book activities.
Article 448(1)(e)(ii)	(ii) a description of the key modelling and parametric assumptions used in the institutions' internal measurement systems that would differ from the common modelling and parametric assumptions referred to in Article 98(5a) of Directive 2013/36/EU for the purpose of calculating changes to the economic value of equity and to the net interest income, including the rationale for those differences;	Annual - Table EU IRRBBA - Qualitative Information on interest rate risks of non-trading book activities.
Article 448(1)(e)(iii)	(iii) a description of the interest rate shock scenarios that institutions use to estimate the interest rate risk;	Annual - Table EU IRRBBA - Qualitative Information on interest rate risks of non-trading book activities.
Article 448(1)(e)(iv)	(iv) the recognition of the effect of hedges against those interest rate risks, including internal hedges that meet the requirements laid down in Article 106(3);	Annual - Table EU IRRBBA - Qualitative Information on interest rate risks of non-trading book activities.
Article 448(1)(e)(v)	(v) an outline of how often the evaluation of the interest rate risk occurs;	Annual - Table EU IRRBBA - Qualitative Information on interest rate risks of non-trading book activities.
Article 448(1)(f)	(f) the description of the overall risk management and mitigation strategies for those risks;	Annual - Table EU IRRBBA - Qualitative Information on interest rate risks of non-trading book activities.
Article 448(1)(g)	(g) average and longest repricing maturity assigned to non-maturity deposits.	Annual - Table EU IRRBBA - Qualitative Information on interest rate risks of non-trading book activities.
Article 448(2)	By way of derogation from paragraph 1 of this Article, the requirements set out in points (c) and (e)(i) to (e) (iv) of paragraph 1 of this Article shall not apply to institutions that use the standardised methodology or the simplified standardised methodology referred to in Article 84(1) of Directive 2013/36/EU.	Paragraph 1 is fully complied with, no derogation applicable.
Article 449	**Article 449 Disclosure of exposures to securitisation positions**	
Article 449	Institutions calculating risk-weighted exposure amounts in accordance with Chapter 5 of Title II of Part Three or own funds requirements in accordance with Article 337 or 338 shall disclose the following information separately for their trading book and non-trading book activities:	See below for applicable disclosure requirements.
Article 449(a)	(a) a description of their securitisation and re-securitisation activities, including their risk management and investment objectives in connection with those activities, their role in securitisation and re-securitisation transactions, whether they use the simple, transparent and standardised securitisation (STS) as defined in point (10) of Article 242, and the extent to which they use securitisation transactions to transfer the credit risk of the securitised exposures to third parties with, where applicable, a separate description of their synthetic securitisation risk transfer policy;	Annual - Table EU SECA - Qualitative disclosure requirements related to securitisation exposures.
Article 449(b)	(b) the type of risks they are exposed to in their securitisation and re-securitisation activities by level of seniority of the relevant securitisation positions providing a distinction between STS and non-STS positions and:	Annual - Table EU SECA - Qualitative disclosure requirements related to securitisation exposures.
Article 449(b)(i)	(i) the risk retained in own-originated transactions;	Annual - Table EU SECA - Qualitative disclosure requirements related to securitisation exposures.

Article 449(b)(ii)	(ii) the risk incurred in relation to transactions originated by third parties;	Annual - Table EU SECA - Qualitative disclosure requirements related to securitisation exposures.
Article 449(c)	(c) their approaches for calculating the risk-weighted exposure amounts that they apply to their securitisation activities, including the types of securitisation positions to which each approach applies and with a distinction between STS and non-STS positions;	Annual - Table EU SECA - Qualitative disclosure requirements related to securitisation exposures.
Article 449(d)	(d) a list of SSPEs falling into any of the following categories, with a description of their types of exposures to those SSPEs, including derivative contracts:	Annual - Table EU SECA - Qualitative disclosure requirements related to securitisation exposures.
Article 449(d)(i)	(i) SSPEs which acquire exposures originated by the institutions;	Annual - Table EU SECA - Qualitative disclosure requirements related to securitisation exposures.
Article 449(d)(ii)	(ii) SSPEs sponsored by the institutions;	Annual - Table EU SECA - Qualitative disclosure requirements related to securitisation exposures.
Article 449(d)(iii)	(iii) SSPEs and other legal entities for which the institutions provide securitisation-related services, such as advisory, asset servicing or management services;	Annual - Table EU SECA - Qualitative disclosure requirements related to securitisation exposures.
Article 449(d)(iv)	(iv) SSPEs included in the institutions' regulatory scope of consolidation;	Annual - Table EU SECA - Qualitative disclosure requirements related to securitisation exposures.
Article 449(e)	(e) a list of any legal entities in relation to which the institutions have disclosed that they have provided support in accordance with Chapter 5 of Title II of Part Three;	Annual - Table EU SECA - Qualitative disclosure requirements related to securitisation exposures.
Article 449(f)	(f) a list of legal entities affiliated with the institutions and that invest in securitisations originated by the institutions or in securitisation positions issued by SSPEs sponsored by the institutions;	Annual - Table EU SECA - Qualitative disclosure requirements related to securitisation exposures.
Article 449(g)	(g) a summary of their accounting policies for securitisation activity, including where relevant a distinction between securitisation and re-securitisation positions;	Annual - Table EU SECA - Qualitative disclosure requirements related to securitisation exposures.
Article 449(h)	(h) the names of the ECAIs used for securitisations and the types of exposure for which each agency is used;	Annual - Table EU SECA - Qualitative disclosure requirements related to securitisation exposures.
Article 449(i)	(i) where applicable, a description of the Internal Assessment Approach as set out in Chapter 5 of Title II of Part Three, including the structure of the internal assessment process and the relation between internal assessment and external ratings of the relevant ECAI disclosed in accordance with point (h), the control mechanisms for the internal assessment process including discussion of independence, accountability, and internal assessment process review, the exposure types to which the internal assessment process is applied and the stress factors used for determining credit enhancement levels;	Annual - Table EU SECA - Qualitative disclosure requirements related to securitisation exposures.
Article 449(j)	(j) separately for the trading book and the non-trading book, the carrying amount of securitisation exposures, including information on whether institutions have transferred significant credit risk in accordance with Articles 244 and 245, for which institutions act as originator, sponsor or investor, separately for traditional and synthetic securitisations, and for STS and non-STS transactions and broken down by type of securitisation exposures;	Semi annual - Template EU SEC1 - Securitisation exposures in the non-trading book. Not Applicable. Semi-annual - Template EU SEC2 - Securitisation exposures in the trading book. AIB does not have securitised exposures in the trading book.
Article 449(k)	(k) for the non-trading book activities, the following information:	See below for applicable disclosure requirements.
Article 449(k)(i)	(i) the aggregate amount of securitisation positions where institutions act as originator or sponsor and the associated risk-weighted assets and capital requirements by regulatory approaches, including exposures deducted from own funds or risk weighted at 1 250 %, broken down between traditional and synthetic securitisations and between securitisation and re-securitisation exposures, separately for STS and non-STS positions, and further broken down into a meaningful number of risk-weight or capital requirement bands and by approach used to calculate the capital requirements;	This paragraph requires the following template to be disclosed: Template EU SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor. Not applicable. AIB does not act as originator or as sponsor.
Article 449(k)(ii)	(ii) the aggregate amount of securitisation positions where institutions act as investor and the associated risk- weighted assets and capital requirements by regulatory approaches, including exposures deducted from own funds or risk weighted at 1 250 %, broken down between traditional and synthetic securitisations, securitisation and re-securitisation positions, and STS and non-STS positions, and further broken down into a meaningful number of risk weight or capital requirement bands and by approach used to calculate the capital requirements;	Semi annual - Template EU SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor.
Article 449(l)	(l) for exposures securitised by the institution, the amount of exposures in default and the amount of the specific credit risk adjustments made by the institution during the current period, both broken down by exposure type.	This paragraph requires the following template to be disclosed: Template EU SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments Not applicable. AIB does not have exposures securitised that are in default or have specific credit risk adjustments.
Article 449a	**Article 449a Disclosure of environmental, social and governance risks (ESG risks)**	

Article 449a	From 28 June 2022, large institutions which have issued securities that are admitted to trading on a regulated market of any Member State, as defined in point (21) of Article 4(1) of Directive 2014/65/EU, shall disclose information on ESG risks, including physical risks and transition risks, as defined in the report referred to in Article 98(8) of Directive 2013/36/EU. The information referred to in the first paragraph shall be disclosed on an annual basis for the first year and biannually thereafter.	Semi-annual - Table 1 - Qualitative information on Environmental risk. Semi-annual - Table 2 - Qualitative information on Social risk. Semi-annual - Table 3 - Qualitative information on Governance risk. Semi-annual - Template 1 - Banking book- Indicators of potential climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity. Semi-annual - Template 2 - Banking book - Indicators of potential climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral. Semi-annual - Template 3 - Banking book - Indicators of potential climate change transition risk: Alignment metrics. Semi-annual - Template 4 - Banking book - Indicators of potential climate change transition risk: Exposures to top 20 carbon-intensive firms. Semi-annual - Template 5 - Banking book - Indicators of potential climate change physical risk: Exposures subject to physical risk. Semi-annual - Template 6 - Summary of key performance indicators (KPIs) on the Taxonomy-aligned exposures. Semi-annual - Template 7 - Mitigating actions: Assets for the calculation of GAR. Semi-annual - Template 8 - GAR %. Semi-annual - Template 9 - Mitigating Actions: BTAR (Not applicable - first disclosure reference date 31st December 2024). Semi-annual - Template 10 - Other climate change mitigating actions that are not covered in Regulation (EU) 2020/852.
Article 450	**Article 450 Disclosure of remuneration policy**	
Article 450(1)	Institutions shall disclose the following information regarding their remuneration policy and practices for those categories of staff whose professional activities have a material impact on the risk profile of the institutions:	See below for applicable disclosure requirements.
Article 450(1)(a)	(a) information concerning the decision-making process used for determining the remuneration policy, as well as the number of meetings held by the main body overseeing remuneration during the financial year, including, where applicable, information about the composition and the mandate of a remuneration committee, the external consultant whose services have been used for the determination of the remuneration policy and the role of the relevant stakeholders;	Annual - Table EU REMA - Remuneration policy.
Article 450(1)(b)	(b) information about the link between pay of the staff and their performance;	Annual - Table EU REMA - Remuneration policy.
Article 450(1)(c)	(c) the most important design characteristics of the remuneration system, including information on the criteria used for performance measurement and risk adjustment, deferral policy and vesting criteria;	Annual - Table EU REMA - Remuneration policy.
Article 450(1)(d)	(d) the ratios between fixed and variable remuneration set in accordance with point (g) of Article 94(1) of Directive 2013/36/EU;	Annual - Table EU REMA - Remuneration policy.
Article 450(1)(e)	(e) information on the performance criteria on which the entitlement to shares, options or variable components of remuneration is based;	Annual - Table EU REMA - Remuneration policy.
Article 450(1)(f)	(f) the main parameters and rationale for any variable component scheme and any other non-cash benefits;	Annual - Table EU REMA - Remuneration policy.
Article 450(1)(g)	(g) aggregate quantitative information on remuneration, broken down by business area;	Annual - Template EU REM5 - Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff).
Article 450(1)(h)	(h) aggregate quantitative information on remuneration, broken down by senior management and members of staff whose professional activities have a material impact on the risk profile of the institutions, indicating the following:	See below for applicable disclosure requirements.
Article 450(1)(h)(i)	(i) the amounts of remuneration awarded for the financial year, split into fixed remuneration including a description of the fixed components, and variable remuneration, and the number of beneficiaries;	Annual - Template EU REM1 - Remuneration awarded for the financial year.
Article 450(1)(h)(ii)	(ii) the amounts and forms of awarded variable remuneration, split into cash, shares, share-linked instruments and other types separately for the part paid upfront and the deferred part;	Annual - Template EU REM1 - Remuneration awarded for the financial year.
Article 450(1)(h)(iii)	(iii) the amounts of deferred remuneration awarded for previous performance periods, split into the amount due to vest in the financial year and the amount due to vest in subsequent years;	Annual - Template EU REM3 - Deferred remuneration.
Article 450(1)(h)(iv)	(iv) the amount of deferred remuneration due to vest in the financial year that is paid out during the financial year, and that is reduced through performance adjustments;	Annual - Template EU REM3 - Deferred remuneration.
Article 450(1)(h)(v)	(v) the guaranteed variable remuneration awards during the financial year, and the number of beneficiaries of those awards;	Annual - Template EU REM2 - Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff).
Article 450(1)(h)(vi)	(vi) the severance payments awarded in previous periods, that have been paid out during the financial year;	Annual - Template EU REM2 - Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff).
Article 450(1)(h)(vii)	(vii) the amounts of severance payments awarded during the financial year, split into paid upfront and deferred, the number of beneficiaries of those payments and highest payment that has been awarded to a single person;	Annual - Template EU REM2 - Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff).

Article 450(1)(i)	(i) the number of individuals that have been remunerated EUR 1 million or more per financial year, with the remuneration between EUR 1 million and EUR 5 million broken down into pay bands of EUR 500 000 and with the remuneration of EUR 5 million and above broken down into pay bands of EUR 1 million;	Annual - Template EU REM4 - Remuneration of 1 million EUR or more per year.
Article 450(1)(j)	(j) upon demand from the relevant Member State or competent authority, the total remuneration for each member of the management body or senior management;	Annual - Not applicable. AIB will disclose relevant information on request.
Article 450(1)(k)	(k) information on whether the institution benefits from a derogation laid down in Article 94(3) of Directive 2013/36/EU. For the purposes of point (k) of the first subparagraph of this paragraph, institutions that benefit from such a derogation shall indicate whether they benefit from that derogation on the basis of point (a) or (b) of Article 94(3) of Directive 2013/36/EU. They shall also indicate for which of the remuneration principles they apply the derogation(s), the number of staff members that benefit from the derogation(s) and their total remuneration, split into fixed and variable remuneration.	Annual - Table EU REMA - Remuneration policy.
Article 450(2)	For large institutions, the quantitative information on the remuneration of institutions' collective management body referred to in this Article shall also be made available to the public, differentiating between executive and non-executive members. Institutions shall comply with the requirements set out in this Article in a manner that is appropriate to their size, internal organisation and the nature, scope and complexity of their activities and without prejudice to Regulation (EU) 2016/679 of the European Parliament and of the Council (*).	Annual - Table EU REMA - Remuneration policy.
Article 451	**Article 451 Disclosure of the leverage ratio**	
Article 451(1)	Institutions that are subject to Part Seven shall disclose the following information regarding their leverage ratio as calculated in accordance with Article 429 and their management of the risk of excessive leverage:	See below for applicable disclosure requirements.
Article 451(1) (a)	(a) the leverage ratio and how the institutions apply Article 499(2);	Annual (for rows 28 to 31a), Semi annual (for rows up to row 28) - Template EU LR2 - LRCom: Leverage ratio common disclosure.
Article 451(1)(b)	(b) a breakdown of the total exposure measure referred to in Article 429(4), as well as a reconciliation of the total exposure measure with the relevant information disclosed in published financial statements;	Semi annual - Template EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposure. Annual(for rows 28 to 31a), Semi annual (for rows up to row 28) - Template EU LR2 - LRCom: Leverage ratio common disclosure. Semi annual - Template EU LR3 - LRSpl: Split-up of on-balance sheet exposures (excluding derivatives, SFTs and exempted exposures).
Article 451(1)(c)	(c) where applicable, the amount of exposures calculated in accordance with Articles 429(8) and 429a(1) and the adjusted leverage ratio calculated in accordance with Article 429a(7);	Annual (for rows 28 to 31a), Semi annual (for rows up to row 28) - Template EU LR2 - LRCom: Leverage ratio common disclosure.
Article 451(1)(d)	(d) a description of the processes used to manage the risk of excessive leverage;	Annual - Table EU LRA: Free format text boxes for disclosure on qualitative items.
Article 451(1)(e)	(e) a description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers.	Annual - Table EU LRA: Free format text boxes for disclosure on qualitative items.
Article 451(2)	Public development credit institutions as defined in Article 429a(2) shall disclose the leverage ratio without the adjustment to the total exposure measure determined in accordance with point (d) of the first subparagraph of Article 429a(1).	Not applicable. AIB is not a public development credit institutions. This would impact the following table if it were applicable to AIB: Template EU LR2 - LRCom: Leverage ratio common disclosure.
Article 451(3)	In addition to points (a) and (b) of paragraph 1 of this Article, large institutions shall disclose the leverage ratio and the breakdown of the total exposure measure referred to in Article 429(4) based on averages calculated in accordance with the implementing act referred to in Article 430(7).	Annual (for rows 28 to 31a), Semi annual (for rows up to row 28) - Template EU LR2 - LRCom: Leverage ratio common disclosure.
Article 451a	**Article 451a Disclosure of liquidity requirements**	
Article 451a(1)	Institutions that are subject to Part Six shall disclose information on their liquidity coverage ratio, net stable funding ratio and liquidity risk management in accordance with this Article.	See below for applicable disclosure requirements.
Article 451a(2)	Institutions shall disclose the following information in relation to their liquidity coverage ratio as calculated in accordance with the delegated act referred to in Article 460(1):	Quarterly - Template EU LIQ1 - Quantitative information of LCR. Quarterly - Table EU LIQB on qualitative information on LCR, which complements template EU LIQ1.
Article 451a(2) point (a)	(a) the average or averages, as applicable, of their liquidity coverage ratio based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period;	Quarterly - Template EU LIQ1 - Quantitative information of LCR. Quarterly - Table EU LIQB on qualitative information on LCR, which complements template EU LIQ1.
Article 451a(2) point (b)	(b) the average or averages, as applicable, of total liquid assets, after applying the relevant haircuts, included in the liquidity buffer pursuant to the delegated act referred to in Article 460(1), based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period, and a description of the composition of that liquidity buffer;	Quarterly - Template EU LIQ1 - Quantitative information of LCR. Quarterly - Table EU LIQB on qualitative information on LCR, which complements template EU LIQ1.
Article 451a(2) point (c)	(c) the averages of their liquidity outflows, inflows and net liquidity outflows as calculated in accordance with the delegated act referred to in Article 460(1), based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period and the description of their composition.	Quarterly - Template EU LIQ1 - Quantitative information of LCR. Quarterly - Table EU LIQB on qualitative information on LCR, which complements template EU LIQ1.
Article 451a(3)	Institutions shall disclose the following information in relation to their net stable funding ratio as calculated in accordance with Title IV of Part Six:	Semi annual - Template EU LIQ2 - Net Stable Funding Ratio.
Article 451a(3)(a)	(a) quarter-end figures of their net stable funding ratio calculated in accordance with Chapter 2 of Title IV of Part Six for each quarter of the relevant disclosure period;	Semi annual - Template EU LIQ2 - Net Stable Funding Ratio.
Article 451a(3)(b)	(b) an overview of the amount of available stable funding calculated in accordance with Chapter 3 of Title IV of Part Six;	Semi annual - Template EU LIQ2 - Net Stable Funding Ratio.
Article 451a(3)(c)	(c) an overview of the amount of required stable funding calculated in accordance with Chapter 4 of Title IV of Part Six.	Semi annual - Template EU LIQ2 - Net Stable Funding Ratio.

Article 451a(4)	Institutions shall disclose the arrangements, systems, processes and strategies put in place to identify, measure, manage and monitor their liquidity risk in accordance with Article 86 of Directive 2013/36/EU.	Annual - Table EU LIQA - Liquidity risk management.
	TITLE III QUALIFYING REQUIREMENTS FOR THE USE OF PARTICULAR INSTRUMENTS OR METHODOLOGIES	
Article 452	**Article 452 Disclosure of the use of the IRB Approach to credit risk**	
Article 452	Institutions calculating the risk-weighted exposure amounts under the IRB Approach to credit risk shall disclose the following information:	See below for applicable disclosure requirements.
Article 452(a)	(a) the competent authority's permission of the approach or approved transition;	Annual - Table EU CRE – Qualitative disclosure requirements related to IRB approach.
Article 452(b)	(b) for each exposure class referred to in Article 147, the percentage of the total exposure value of each exposure class subject to the Standardised Approach laid down in Chapter 2 of Title II of Part Three or to the IRB Approach laid down in Chapter 3 of Title II of Part Three, as well as the part of each exposure class subject to a roll-out plan; where institutions have received permission to use own LGDs and conversion factors for the calculation of risk-weighted exposure amounts, they shall disclose separately the percentage of the total exposure value of each exposure class subject to that permission;	Annual - Table EU CRE – Qualitative disclosure requirements related to IRB approach. Annual - Template EU CR6-A – Scope of the use of IRB and SA approaches.
Article 452(c)	(c) the control mechanisms for rating systems at the different stages of model development, controls and changes, which shall include information on:	Annual - Table EU CRE – Qualitative disclosure requirements related to IRB approach.
Article 452(c)(i)	(i) the relationship between the risk management function and the internal audit function;	Annual - Table EU CRE – Qualitative disclosure requirements related to IRB approach.
Article 452(c)(ii)	(ii) the rating system review;	Annual - Table EU CRE – Qualitative disclosure requirements related to IRB approach.
Article 452(c)(iii)	(iii) the procedure to ensure the independence of the function in charge of reviewing the models from the functions responsible for the development of the models;	Annual - Table EU CRE – Qualitative disclosure requirements related to IRB approach.
Article 452(c)(iv)	(iv) the procedure to ensure the accountability of the functions in charge of developing and reviewing the models;	Annual - Table EU CRE – Qualitative disclosure requirements related to IRB approach.
Article 452(d)	(d) the role of the functions involved in the development, approval and subsequent changes of the credit risk models;	Annual - Table EU CRE – Qualitative disclosure requirements related to IRB approach.
Article 452(e)	(e) the scope and main content of the reporting related to credit risk models;	Annual - Table EU CRE – Qualitative disclosure requirements related to IRB approach.
Article 452(f)	(f) a description of the internal ratings process by exposure class, including the number of key models used with respect to each portfolio and a brief discussion of the main differences between the models within the same portfolio, covering:	Annual - Table EU CRE – Qualitative disclosure requirements related to IRB approach.
Article 452(f)(i)	(i) the definitions, methods and data for estimation and validation of PD, which shall include information on how PDs are estimated for low default portfolios, whether there are regulatory floors and the drivers for differences observed between PD and actual default rates at least for the last three periods;	Annual - Table EU CRE – Qualitative disclosure requirements related to IRB approach.
Article 452(f)(ii)	(ii) where applicable, the definitions, methods and data for estimation and validation of LGD, such as methods to calculate downturn LGD, how LGDs are estimated for low default portfolio and the time lapse between the default event and the closure of the exposure;	Annual - Table EU CRE – Qualitative disclosure requirements related to IRB approach.
Article 452(f)(iii)	(iii) where applicable, the definitions, methods and data for estimation and validation of conversion factors, including assumptions employed in the derivation of those variables;	Annual - Table EU CRE – Qualitative disclosure requirements related to IRB approach.
Article 452(g)	(g) as applicable, the following information in relation to each exposure class referred to in Article 147:	Semi annual - Template EU CR6 - IRB approach - Credit risk exposures by exposure class and PD range.
Article 452(g)(i)	(i) their gross on-balance-sheet exposure;	Semi annual - Template EU CR6 - IRB approach - Credit risk exposures by exposure class and PD range.
Article 452(g)(ii)	(ii) their off-balance-sheet exposure values prior to the relevant conversion factor;	Semi annual - Template EU CR6 - IRB approach - Credit risk exposures by exposure class and PD range.
Article 452(g)(iii)	(iii) their exposure after applying the relevant conversion factor and credit risk mitigation;	Semi annual - Template EU CR6 - IRB approach - Credit risk exposures by exposure class and PD range.
Article 452(g)(iv)	(iv) any model, parameter or input relevant for the understanding of the risk weighting and the resulting risk exposure amounts disclosed across a sufficient number of obligor grades (including default) to allow for a meaningful differentiation of credit risk;	Semi annual - Template EU CR6 - IRB approach - Credit risk exposures by exposure class and PD range.
Article 452(g)(v)	(v) separately for those exposure classes in relation to which institutions have received permission to use own LGDs and conversion factors for the calculation of risk-weighted exposure amounts, and for exposures for which the institutions do not use such estimates, the values referred to in points (i) to (iv) subject to that permission;	Semi annual - Template EU CR6 - IRB approach - Credit risk exposures by exposure class and PD range.
Article 452(h)	(h) institutions' estimates of PDs against the actual default rate for each exposure class over a longer period, with separate disclosure of the PD range, the external rating equivalent, the weighted average and arithmetic average PD, the number of obligors at the end of the previous year and of the year under review, the number of defaulted obligors, including the new defaulted obligors, and the annual average historical default rate.	Annual - Template EU CR9 – IRB approach – Backtesting of PD per exposure class (fixed PD scale).
Article 452(h)	For the purposes of point (b) of this Article, institutions shall use the exposure value as defined in Article 166.	Annual - Template EU CR9 – IRB approach – Backtesting of PD per exposure class (fixed PD scale).
Article 453	**Article 453 Disclosure of the use of credit risk mitigation techniques**	
Article 453	Institutions using credit risk mitigation techniques shall disclose the following information:	See below for applicable disclosure requirements.
Article 453(a)	(a) the core features of the policies and processes for on- and off-balance-sheet netting and an indication of the extent to which institutions make use of balance sheet netting;	Annual - Table EU CRC – Qualitative disclosure requirements related to CRM techniques.
Article 453(b)	(b) the core features of the policies and processes for eligible collateral evaluation and management;	Annual - Table EU CRC – Qualitative disclosure requirements related to CRM techniques.
Article 453(c)	(c) a description of the main types of collateral taken by the institution to mitigate credit risk;	Annual - Table EU CRC – Qualitative disclosure requirements related to CRM techniques.

Article 453(d)	(d) for guarantees and credit derivatives used as credit protection, the main types of guarantor and credit derivative counterparty and their creditworthiness used for the purpose of reducing capital requirements, excluding those used as part of synthetic securitisation structures;	Annual - Table EU CRC – Qualitative disclosure requirements related to CRM techniques.
Article 453(e)	(e) information about market or credit risk concentrations within the credit risk mitigation taken;	Annual - Table EU CRC – Qualitative disclosure requirements related to CRM techniques.
Article 453(f)	(f) for institutions calculating risk-weighted exposure amounts under the Standardised Approach or the IRB Approach, the total exposure value not covered by any eligible credit protection and the total exposure value covered by eligible credit protection after applying volatility adjustments; the disclosure set out in this point shall be made separately for loans and debt securities and including a breakdown of defaulted exposures;	Semi annual - Template EU CR3 - CRM techniques overview: Disclosure of the use of credit risk mitigation techniques.
Article 453(g)	(g) the corresponding conversion factor and the credit risk mitigation associated with the exposure and the incidence of credit risk mitigation techniques with and without substitution effect;	Semi annual - Template EU CR4 – standardised approach - Credit risk exposure and CRM effects. Semi annual - Template EU CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques.
Article 453(h)	(h) for institutions calculating risk-weighted exposure amounts under the Standardised Approach, the on- and off-balance-sheet exposure value by exposure class before and after the application of conversion factors and any associated credit risk mitigation;	Semi annual - Template EU CR4 – standardised approach - Credit risk exposure and CRM effects.
Article 453(i)	(i) for institutions calculating risk-weighted exposure amounts under the Standardised Approach, the risk- weighted exposure amount and the ratio between that risk-weighted exposure amount and the exposure value after applying the corresponding conversion factor and the credit risk mitigation associated with the exposure; the disclosure set out in this point shall be made separately for each exposure class;	Semi annual - Template EU CR4 – standardised approach - Credit risk exposure and CRM effects.
Article 453(j)	(j) for institutions calculating risk-weighted exposure amounts under the IRB Approach, the risk-weighted exposure amount before and after recognition of the credit risk mitigation impact of credit derivatives; where institutions have received permission to use own LGDs and conversion factors for the calculation of risk- weighted exposure amounts, they shall make the disclosure set out in this point separately for the exposure classes subject to that permission.	Semi annual - Template EU CR7 – IRB approach – Effect on the RWEAs of credit derivatives used as CRM techniques.
Article 454	**Article 454 Disclosure of the use of the Advanced Measurement Approaches to operational risk**	
Article 454	The institutions using the Advanced Measurement Approaches set out in Articles 321 to 324 for the calculation of their own funds requirements for operational risk shall disclose a description of their use of insurance and other risk-transfer mechanisms for the purpose of mitigating that risk.	Annual - Table EU ORA - Qualitative information on operational risk. Annual - Template EU OR1 - Operational risk own funds requirements and risk-weighted exposure amounts.
Article 455	**Article 455 Use of internal market risk models**	Not applicable. All market risk is treated under standardised approach.
Article 455	Institutions calculating their capital requirements in accordance with Article 363 shall disclose the following information:	Not applicable. All market risk is treated under standardised approach.
Article 455(a)	(a) for each sub-portfolio covered:	Not Applicable. Annual Template EU MRB Qualitative disclosure requirements for institutions using the internal Market Risk Models. All market risk is treated under standardised approach.
Article 455(a)(i)	(i) the characteristics of the models used;	Not applicable. All market risk is treated under standardised approach.
Article 455(a)(ii)	(ii) where applicable, for the internal models for incremental default and migration risk and for correlation trading, the methodologies used and the risks measured through the use of an internal model including a description of the approach used by the institution to determine liquidity horizons, the methodologies used to achieve a capital assessment that is consistent with the required soundness standard and the approaches used in the validation of the model;	Not applicable. All market risk is treated under standardised approach.
Article 455(a)(iii)	(iii) a description of stress testing applied to the sub-portfolio;	Not applicable. All market risk is treated under standardised approach.
Article 455(a)(iv)	(iv) a description of the approaches used for back-testing and validating the accuracy and consistency of the internal models and modelling processes;	Not applicable. All market risk is treated under standardised approach.
Article 455(b)	(b) the scope of permission by the competent authority;	Not Applicable. Annual Template EU MRB Qualitative disclosure requirements for institutions using the internal Market Risk Models. All market risk is treated under standardised approach.
Article 455(c)	(c) a description of the extent and methodologies for compliance with the requirements set out in Articles 104 and 105;	Not Applicable. Annual Template EU MRB Qualitative disclosure requirements for institutions using the internal Market Risk Models. All market risk is treated under standardised approach.
Article 455(d)	(d) the highest, the lowest and the mean of the following:	Not applicable. Semi annual - Template EU MR3 IMA values for trading portfolios. All market risk is treated under standardised approach.
Article 455(d)(i)	(i) the daily value-at-risk measures over the reporting period and at the end of the reporting period;	Not applicable. All market risk is treated under standardised approach.
Article 455(d)(ii)	(ii) the stressed value-at-risk measures over the reporting period and at the end of the reporting period;	Not applicable. All market risk is treated under standardised approach.
Article 455(d)(iii)	(iii) the risk numbers for incremental default and migration risk and for the specific risk of the correlation trading portfolio over the reporting period and at the end of the reporting period;	Not applicable. All market risk is treated under standardised approach.
Article 455(e)	(e) the elements of the own funds requirement as specified in Article 364;	Not applicable. Semi annual - Template EU MR2–A Market risk under the Internal Model Approach (IMA). All market risk is treated under standardised approach.
Article 455(f)	(f) the weighted average liquidity horizon for each sub-portfolio covered by the internal models for incremental default and migration risk and for correlation trading;	Not Applicable. Annual Template EU MRB Qualitative disclosure requirements for institutions using the internal Market Risk Models. All market risk is treated under standardised approach.
Article 455(g)	(g) a comparison of the daily end-of-day value-at-risk measures to the one-day changes of the portfolio's value by the end of the subsequent business day together with an analysis of any important overshooting during the reporting period.	Not applicable. Semi annual - Template EU MR4 Comparison of VaR estimates with gains/losses. All market risk is treated under standardised approach.

CRR 468	**Temporary treatment of unrealised gains and losses measured at fair value through other comprehensive income in view of the COVID-19 pandemic**	Quarterly - Table IFRS 9/Article 468-FL: Comparison of institutions' own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs, and with and without the application of the temporary treatment in accordance with Article 468 of the CRR. The Group is not applying the temporary treatment specified in Article 468. Own funds, capital and leverage ratios reflect the full impact of unrealised gains and losses measured at fair value through other comprehensive income. Note this derogation ended on the 31 December 2022.
CRR 473a (8)	**Introduction to IFRS 9**	Quarterly - Table IFRS 9/Article 468-FL: Comparison of institutions' own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs, and with and without the application of the temporary treatment in accordance with Article 468 of the CRR. AIB Group applies the IFRS9 transitional capital arrangements. See above template for details. Note the static transitional scaling factor ended on 31 December 2022. The dynamic transitional scaling factor per Regulation (EU) 2020/873 will continue to be effective until 31 December 2024.