

AIB Group



Remuneration Policy

February 2026

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1. Introduction

The AIB Group plc (the “Group”) Remuneration Policy (the “Policy” or the “Remuneration Policy”) sets the framework for all remuneration related policies, procedures and practices for all employees of the Group. The principal aim of the Remuneration Policy is to support AIB’s purpose, culture and values. The Remuneration Policy is designed to foster a truly customer focused culture; to create long term sustainable value for our customers and shareholders; to attract, develop and retain the best people and to safeguard the bank’s capital, liquidity and risk positions. The Remuneration Policy sets out its objectives in line with the overall business and risk strategy of the bank and those of its key stakeholders. A key principle of the Remuneration Policy is to reward employees fairly and competitively in order to attract, motivate and retain the right calibre of individuals to grow and sustain the bank’s business.

2. Scope & Applicability

The scope of the Remuneration Policy includes all financial benefits available to all employees of the Group and extends to all individual subsidiaries, entities and branches, including all employees of the Group at consolidated and sub-consolidated levels. Directors are covered under the separate Directors Remuneration Policy, which is published within the Annual Financial Report [[link to aib.ie](#)]. Subsidiaries are within the scope of the Policy, but where they are subject to different regulatory regimes, the respective Policy or approaches to remuneration will reflect the relevant regulatory regime. Goodbody has a separate Remuneration Policy. Variable remuneration schemes, operated by Joint Ventures of AIB Group, are not governed under this Policy and are subject to the Joint Ventures own governance arrangements.

There is an EBS Tied Agency Remuneration Scheme, which is not subject to this Policy, that is monitored by the EBS d.a.c. Senior Management Team. This ensures that payments made do not provide any incentive for excessive risk taking or the mis-selling of products. Details of the EBS Tied Agency Remuneration Scheme are reported to the Board of EBS d.a.c.

3. Regulatory Compliance

Remuneration policies, procedures and practices reflect the provisions, where applicable, of national and EU legislation, continuing Irish Government restrictions, the Capital Requirements Directive (CRD), the Shareholder Rights Directive II (“SRD II”), the Investment Firms Directive (IFD), corporate governance requirements issued by the Central Bank of Ireland and relevant guidelines issued by the European Banking Authority (EBA) and other regulatory authorities). The Group will provide public disclosures relating to qualitative and quantitative information as required.

4. Remuneration Philosophy

The Group Board of Directors recognises that the long-term success of the Group is dependent on the talent of employees, in particular, the ability to consistently perform at the highest level in the best interests of our customers. The Group’s remuneration philosophy aims to ensure that remuneration is aligned with performance and that employees are rewarded fairly and competitively for their contribution to the Group’s success and growth.

5. Remuneration Principles

AIB is committed to a simple, transparent and affordable reward structure incorporating the following key principles:

- i. **Fair:** AIB aims to reward employees fairly and transparently for their contribution and to ensure that all employees have equal opportunity to progress their careers and enhance their earning potential irrespective of gender, civil status, family status, age, religion, disability, sexual orientation, political affiliation, ethnic background, or any other protected grounds.
- ii. **Performance Based:** Performance management plays a critical role in aligning individual objectives with AIB's overall strategy, financial and non-financial goals and brand values. Performance outcomes, using a combination of "What" objectives and "How" behaviours, impact annual salary increases and provide a clear link between performance and remuneration.
- iii. **Externally Aligned:** AIB considers industry peers and competitors for talent in each of AIB's principal geographical locations, and assesses remuneration against market benchmarks from recognised providers of benchmarking data.
- iv. **Risk Aligned:** Remuneration is designed to promote high performance, a strong risk management culture and risk-taking which is aligned to AIB's Risk Appetite Statement. All employees are required to have a risk objective in their performance management plan. Increases in remuneration and the potential awarding of variable remuneration will at all times be predicated on the Group's ability to pay and on maintaining strong capital and liquidity levels.

6. Remuneration Constraints

The Irish Government has eased most remuneration restrictions impacting the Group, while retaining the limit on variable remuneration of €20,000 per employee in each twelve-month period. The Government's consent is required for payments above these amounts and the Excess Bank Remuneration Charge continues to apply. AIB's inability to offer senior management variable remuneration on an equal footing with competitors for talent in the market represents a key risk to the Group. The Remuneration Committee (the "Committee") monitors and endeavours to address this risk on an ongoing basis.

7. Individual Remuneration

Individual remuneration consists of all forms of fixed and variable payments, including base salary, allowances, employer pension contributions, short-term incentive plans and other benefits, including healthcare and non-financial benefits. The combination of all reward elements comprises the total remuneration to the individual. Each individual is paid a base salary which reflects their role, skills and responsibilities.

Increases in remuneration are typically performance based, determined by performance against objectives which reflect AIB's strategy, goals and values and typically occur as part of the annual pay review process. Increases may also arise through progression and promotion and, in exceptional cases only, through out-of-course salary increases to retain key talent and skills.

It is the bank's policy to engage in ongoing dialogue and negotiations with staff representatives, notably the Financial Services Union, and to comply with agreed pay outcomes and the recommendations of State bodies such as the Labour Court and the Workplace Relations Committee.

8. Remuneration Structure

8.1 Fixed Remuneration

AIB's current remuneration structure predominantly consists of fixed pay elements, encompassing base salary, allowances, benefits (including healthcare) and employer pension contributions.

8.1.1 Base Salary

Base salary is the principal component of fixed remuneration and is designed to be fair and competitive and set according to appropriate salary ranges which reflect the size, skills and level of responsibilities attached to each role.

8.1.2 Pension

AIB places considerable emphasis on the need for employees to plan for an appropriate standard of living in retirement and an appropriate pension scheme is available to all employees for that purpose. In Ireland and the UK, AIB offers employees a highly competitive defined contribution pension benefit. Employees are entitled to participate in one of the Group's defined contribution schemes with a monthly contribution based on a percentage of base salary. For most employees, a standard contribution of 10% of base salary is made plus an additional matching contribution of up to 8%, depending on the age of the employee. In the US, a similarly competitive defined contribution benefit is offered to employees. Death-in-service cover is also provided under the schemes. All of the Group's defined benefit pension schemes were closed to future accrual by 31 December 2013 and all Group employees accrue pension benefits on a defined contribution basis from 1 January 2014. For employees whose accumulated pension benefits have exceeded or are likely to exceed the Standard Fund Threshold (SFT) or local equivalent, the following alternative is offered. Any such employees have the option to replace the current contractual employer pension contribution of base salary, with a 15% of salary non-pensionable allowance in lieu of pension contribution. ELT (Executive Leadership Team) members receive employer contributions of 20% of pensionable salary and those whose accumulated pension benefits have exceeded or are likely to exceed the Standard Fund Threshold (SFT) have the option of a 20% non-pensionable allowance in lieu of employer pension contribution. The non-pensionable allowance in lieu of employer pension contribution will be reduced, where necessary, by an auto-enrolment offset.

8.1.3 Benefits and Wellbeing

AIB provides affordable benefits (as determined by the Committee) in accordance with local market practice, including income protection, death-in-service cover and transaction fee free banking services. AIB offers healthcare benefits to employees in all locations. A functional car policy is in place based on role requirements. AIB does not provide company cars outside of the functional car policy and does not provide preferential interest rates on new employee borrowings or deposits. AIB ROI and UK employees can participate in a SAYE (Save As You Earn Scheme).

AIB takes the wellbeing of employees very seriously and provides access to a variety of health and wellbeing initiatives.

8.1.4 Allowances

Allowances mainly consist of non-pensionable cash allowances which are payable to eligible senior employees which recognise equivalent benefits and allowances available in the market.

8.2 Variable Remuneration

AIB employees are eligible for inclusion in a variable remuneration scheme based on company performance. Variable remuneration arrangements are designed in a way that promotes the interests of AIB's stakeholders and comply with applicable regulatory requirements.

Awards are assessed on a combination of financial and non-financial performance. Awards are granted in cash. Employees can choose to use their awards to purchase AIB shares under an Approved

Profit Sharing Scheme (“APSS”) in the Republic of Ireland and a Share Incentive Plan (“SIP”) in the UK. Additionally, employees in the Republic of Ireland can acquire AIB shares in a tax-efficient manner using Salary Foregone, a subsidiary element of APSS. 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, including but not limited to conduct risk and awards are subject to the Group's Policy on malus and clawback (further details are outlined in the appendix to this Policy), including where participants leave the Group during the year. Variable remuneration incorporates policies and practices to stimulate behaviour consistent with AIB’s Sustainability Strategy and commitments.

The Group also operates ‘Appreciate’, a non-cash employee-led peer-to-peer staff recognition programme for employees.

8.2.1 Business Specific Commission Schemes

AIB currently operates three business specific variable commission schemes applicable to:

- i. Customer Financial Planning
- ii. Finance & Leasing
- iii. Payzone

These schemes are designed to protect the rights and interests of customers via robust customer centric performance criteria, the prevention of conflicts of interest and the assessment and mitigation of risks to the customer. For those limited numbers of employees who currently participate in business specific commission schemes, sustainability risk is considered as part of the determination of final award outcomes. The maximum amount payable to any individual per year is €20,000.

9. Remuneration of Key Groups

9.1 Non-Executive Directors

Remuneration for Non-Executive Directors is covered as part of the shareholder approved Directors’ Remuneration Policy. This policy is published as part of the Annual Financial Report [[link to aib.ie](#)]

9.2 Executive Directors

Remuneration for Executive Directors is covered as part of the shareholder approved Directors’ Remuneration Policy. This policy is published as part of the Annual Financial Report [[link to aib.ie](#)]

9.3 Material Risk Takers

AIB is required to maintain a list of employees whose professional activities have a material impact on the Bank’s risk profile. The list of Material Risk Takers is prepared using a combination of qualitative and quantitative criteria in accordance with the relevant EU regulations and guidelines together with additional criteria specific to the Group’s structure, business activities and risk profile. The list is prepared at Group and subsidiary levels. This follows an annual assessment carried out by Human Resources, in conjunction with the Chief Risk Officer and each business area, in accordance with a documented process for the identification of Material Risk Takers.

Due to their potential impact on the Bank’s risk profile, there are more stringent rules governing the remuneration of Material Risk Takers, principally in relation to variable remuneration, to ensure that this does not encourage excessive risk taking. These include the application of a maximum ratio of variable to fixed remuneration, the application of deferral, malus and clawback arrangements and the

payment of variable remuneration in shares or equivalent instruments. These rules, as applicable, are incorporated by Group Reward in the design elements of AIB variable remuneration schemes as outlined in section 8.2 in conjunction with Group Risk and are reviewed by Group Compliance. The variable remuneration of Material Risk Takers will not exceed 100% of fixed remuneration unless approved by shareholders.

The remuneration components of all Material Risk Takers are reviewed annually by the Committee to ensure that variable remuneration, where applicable, does not encourage excessive risk taking. With the exception of members of the ELT and Group Heads of Risk, Compliance and Audit, the Committee delegates authority to management to approve individual remuneration proposals within agreed policy, as considered appropriate, for Material Risk Takers.

Regulatory impacts arising from the Material Risk Taker process are managed in line with the advisory role of Compliance as detailed in the Regulatory Compliance Risk Management Policy and Framework.

9.4 All Other Employees

AIB aims to provide all employees with fair and competitive remuneration in order to facilitate long term commitment of employees at all levels within the Group. Salary ranges are determined for each career level within the principal geographic locations of Republic of Ireland, Great Britain (excluding Central London), Central London, Northern Ireland and US (New York specific).

To facilitate ongoing market alignment of salary ranges, Group Reward carry out periodic benchmarking exercises using a combination of at least two external benchmarking surveys in each of the principal locations in which AIB operates. As appropriate, Group Reward will advise the Committee of the findings, including key remuneration issues, trends and market pressures, and make recommendations of changes to existing salary ranges.

10. Employees in 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.

The remuneration of Group Heads of Risk, Compliance and Audit is directly overseen by the Committee. The remuneration of Heads of Risk, Compliance and Audit of subsidiaries is overseen by management, notwithstanding the Committee's general responsibility to approve annually the remuneration approach for MRTs.

11. Sign-On Payments & Guaranteed Variable Remuneration

Remuneration packages to compensate employees for loss of income from previous employments are made in exceptional cases only to attract and retain highly specialised key staff and are subject to Committee approval. Such awards are limited to the first year of employment but payments may be deferred over a number of years. The awards will incorporate retention, deferral, performance, malus and clawback provisions, where considered appropriate and taking into consideration the terms of the awards being foregone from the previous employer.

AIB does not offer guaranteed variable remuneration to new or existing employees.

12. Severance Payments

Severance payments are made in accordance with approved criteria and exit framework for all staff and do not reward failure or misconduct. In particular, severance payments are not awarded where there is obvious failure which allows for the immediate cancellation of a contract or the dismissal of an employee. Under the terms of the current scheme, a maximum of four weeks' salary per year of service (up to a total of 2 years' salary) is paid up to a maximum of €300,000 or £270,000 for UK employees. US employees can receive severance payments up to four weeks salary per year of service, with those individuals with less than twenty years of service eligible to receive a maximum of twelve months salary and individuals with more than twenty years of service eligible to receive a maximum of eighteen months salary.

AIB has a dedicated team and exit framework for the determination and approval of severance pay, including agreed responsibilities, decision forums and inputs from other functions such as Group Reward, Pensions & Employee Relations. All severance proposals are reviewed individually in accordance with approved criteria and exit framework to ensure appropriate suitability within the criteria. The Committee will be made aware of any severance payments made to Material Risk Takers.

13. Related Parties

AIB's Related Party Lending policy is aligned to the Central Bank of Ireland Related Party Lending Code. Rule 4 'Staff Minimum Control Standard' requires business units to ensure they have procedures in place to ensure members of staff do not benefit from lending to a Related Party other than the receipt of standard remuneration also available in lending to a non-Related Party.

14. Governance

The Remuneration Policy is governed by the Committee on behalf of the Board.

The Committee is responsible for determining the Remuneration Policy and for overseeing its implementation. No individual is involved in the decision-making process around their own remuneration. 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 executive directors. The annual review is informed by appropriate input from the Group's Risk, Compliance 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.

Group Reward, in conjunction with Group Risk and Compliance, is directly involved in the design, implementation and evaluation of the Remuneration Policy, including incentive schemes. Group Reward monitors compliance with relevant EU and national legislation and guidelines and advises the Committee on new and upstream regulatory issues.

Group Risk provide an assessment of the risks impacting the Group and performance against the Group's Risk Appetite Statement to ensure that the Remuneration Policy is aligned with the Group's risk profile. The Chief Risk Officer will review the list of Material Risk Takers in conjunction with Group Reward and provides the Committee with an annual assessment of the risks facing the Group to ensure that policies and practices are consistent with and promote sound and effective risk management.

Group Compliance will assess the Remuneration Policy's compliance with legislation and regulations.

Group Internal Audit will carry out an independent annual review of the design, implementation and management of AIB's remuneration policies.

Policy Sponsor: Head of Reward, Benefits & Pay Services

Implementation date: 27.02.2013

Last updated: 25.02.2026

To be reviewed: Annual review by Group Reward and Group Risk and Compliance, with approval by the Committee

Appendix 1 Malus & Clawback

The circumstances under which the Committee may consider it appropriate to apply clawback and/or malus to the variable remuneration scheme include, but are not limited to those summarised below:

- Behaviour by a participant which fails to reflect AIB's governance and business values;
- The extent to which any condition satisfied was based on an error, or on inaccurate or misleading information or assumptions which resulted either directly or indirectly in an award being granted or vesting to a greater extent than would have been the case had that error not been made;
- Material adverse change in the financial performance of AIB or any division in which the participant works and/or worked;
- A material financial misstatement of AIB's audited financial accounts (other than as a result of a change in accounting practice);
- Any action which results in or is reasonably likely to result in reputational damage to AIB;
- A material failure in risk management;
- Corporate failure;
- Negligence or gross misconduct of a participant; and/or
- Fraud effected by or with the knowledge of a participant.

Other elements of remuneration are not subject to malus and clawback provisions.

Appendix 2 (Regulatory References)

- EBA Guidelines on sound remuneration policies under Directive 2013/36/EU
- Capital Requirements Directives (2013/36/EU and 2019 /878/EU)
- CRR II (Article 450) -Regulation (EU) 2019/876
- Commission Delegated Regulation (EU) 2021/923
- EBA Guidelines on internal governance under Directive 2013/36/EU
- Irish Companies Act 2014
- Shareholders Rights Directive II
- Irish Corporate Governance Annex - Remuneration
- EBA Guidelines on the benchmarking exercises on remuneration practices, the gender pay gap and approved higher ratios under Directive 2013/36/EU
- Final report on Guidelines on the data-collection exercises regarding high earners under Directive 2013/36/EU and Directive (EU) 2019/2034
- Final Report on the Guidelines on benchmarking of diversity practices, including diversity policies and gender pay gap, under Directive 2013/36/EU and Directive (EU) 2019/2034
- The UK Corporate Governance Code
- PRA Policy Statement - Remuneration: identification of Material Risk Takers
- PRA Supervisory Statement - Remuneration
- PRA Rulebook - Remuneration Part
- European Securities and Markets Authority (ESMA) Guidelines on certain aspects of the MiFID II remuneration requirements
- CBI Guidelines on Variable Remuneration Arrangements for Sales Staff
- Directive (EU) 2019/2034 on the prudential supervision of investment firms
- EBA Guidelines on sound remuneration policies under Directive (EU) 2019/2034
- EBA Guidelines on internal governance under Directive (EU) 2019/2034 (prudential supervision of investment firms)
- Commission Delegated Regulation (EU) 2021/2154

Appendix 3 (Other Relevant Documents)

- AIB Remuneration Committee Terms of Reference
- AIB Pillar 3 Remuneration Disclosures
- AIB Annual Financial Report
- AIB website (www.aib.ie)
- AIB Republic of Ireland and UK Gender Pay Gap Reports
- AIB MRT Identification Process
- AIB Board Risk Committee Terms of Reference
- AIB Regulatory Accountability Policy
- AIB Minimum Competency Code Policy
- AIB Board Governance Manual
- AIB Code of Conduct
- AIB Conflicts of Interest Policy
- AIB Inside Information Policy
- AIB Exit Framework
- AIB Group Board Diversity Policy
- AIB Group Subsidiary Governance Framework
- Goodbody Remuneration Policy
- Goodbody MRT Identification Process