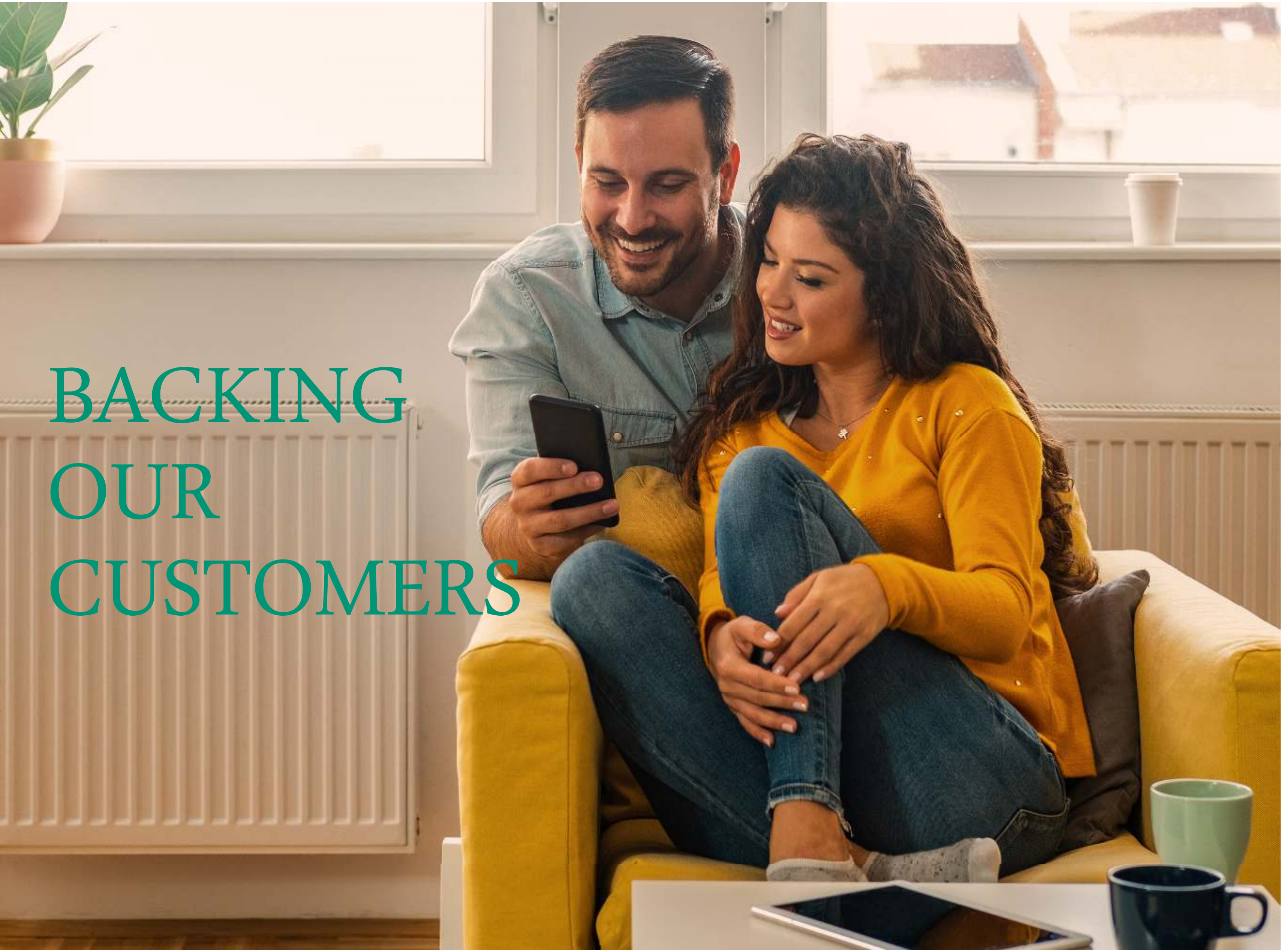


BACKING OUR CUSTOMERS

Half-Yearly Financial Results
For the six months ended
30 June 2022

AIB Group plc

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 Principal risks on pages 28 to 30 of the Annual Financial Report 2021 and updated on page 37 of the Half-Yearly Financial Report 2022. In addition to matters relating to the Group’s business, future performance will be impacted by the direct and indirect impacts of the COVID-19 pandemic, the direct and indirect consequences of the Russia-Ukraine War on European and global macroeconomic conditions, the impact of higher inflation on customer sentiment and by Irish, UK and wider European and global economic and financial market considerations. 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 pages 28 to 30 of the Annual Financial Report 2021 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.

Figures presented in the presentation may be subject to rounding and thereby differ to the Half-Yearly Financial Report 2022.

H1 2022 Highlights

Supporting our customers as the Irish economy remains resilient

- Irish economic growth of 4-5% expected in 2022, c. 4% expected in 2023 and 2024
- New lending up 20% to €5.4bn; Green lending €1.3bn representing 23%; >200k new accounts opened

Strong profitability underpinned by robust capital base

- PBT: €537m driven by momentum in income and ECL writeback
- CET1: 15.3%; +90bps organic capital generation; c. -130bps impact for the Ulster Bank (UB) corporate and commercial loans

Delivering on our strategy

- UB corporate and commercial loan book migration underway; agreed acquisition of UB tracker mortgages
- Implementing transformation plan to future proof our business model and reduce costs by c. €230m

Closing out legacy items

- €0.4bn portfolio sale in H1 effectively resolves legacy NPEs; NPE ratio at end June: 4.2%, legacy NPEs: 0.6%
- Conclusion of CBI's enforcement actions regarding tracker mortgages

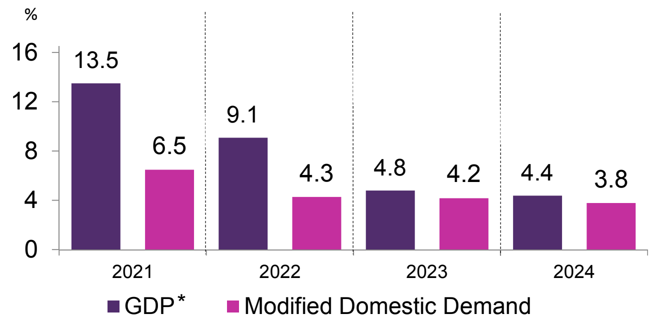
Sustainability leader

- Science-based targets set for 75% of lending portfolio; issuance of inaugural social bond and 3rd green bond
- Sustainalytics improved ESG rating; top 5% ranking at 44 out of 1,001 Banks

Open and resilient Irish economy

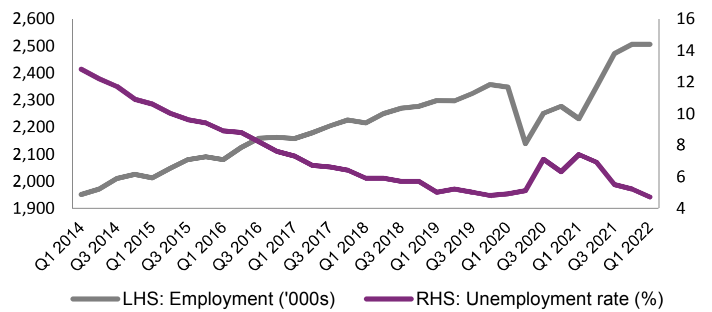
Supported by favourable demographics, low unemployment, low leverage and high deposits

Strong growth forecast for 2022-24 despite clear headwinds



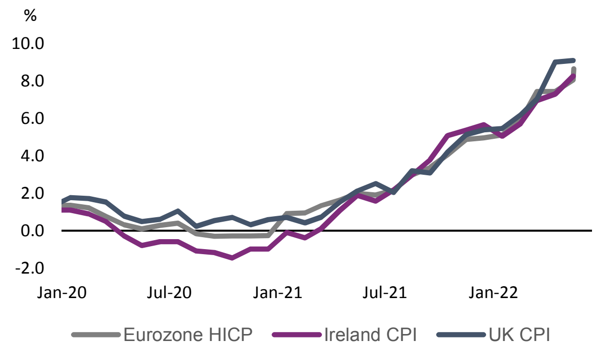
Source: CBI 'Quarterly Bulletin Q3 2022'

Employment levels rise sharply while unemployment falls



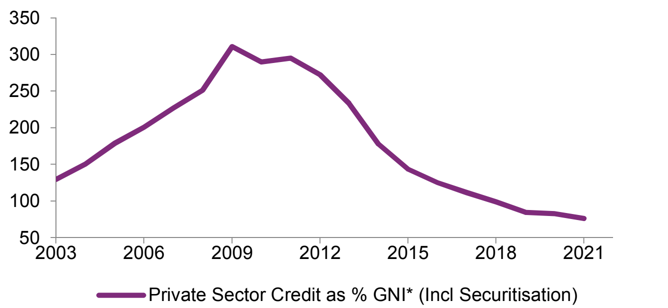
Source: CSO

Inflation increases in Ireland in-line with elsewhere



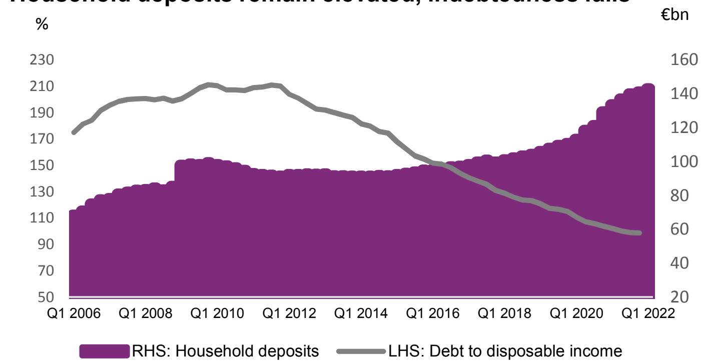
Source: CSO, ONS, EuroStat

Private Sector Credit as % GNI continues to decline



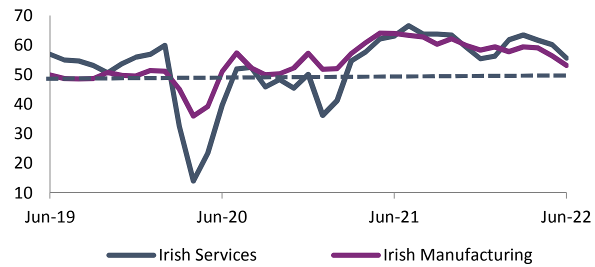
Source: CBI, CSO

Household deposits remain elevated, indebtedness falls



Source: CSO, Central Bank, AIB ERU

PMIs remain consistent with growth but trending lower



Source: S&P Global via Refinitiv Datastream

** GDP can be distorted due to the impact of multi-national sector in Ireland.*

Delivering on our strategic priorities

Halfway through three-year plan

2 Dec 2020

Plan to accelerate strategy through transformation

H1 2022

- ✓ Legacy items
- ✓ Cost-savings plan
- ✓ Customer product gaps
- ✓ Organic & inorganic growth
- ✓ Customer recruitment

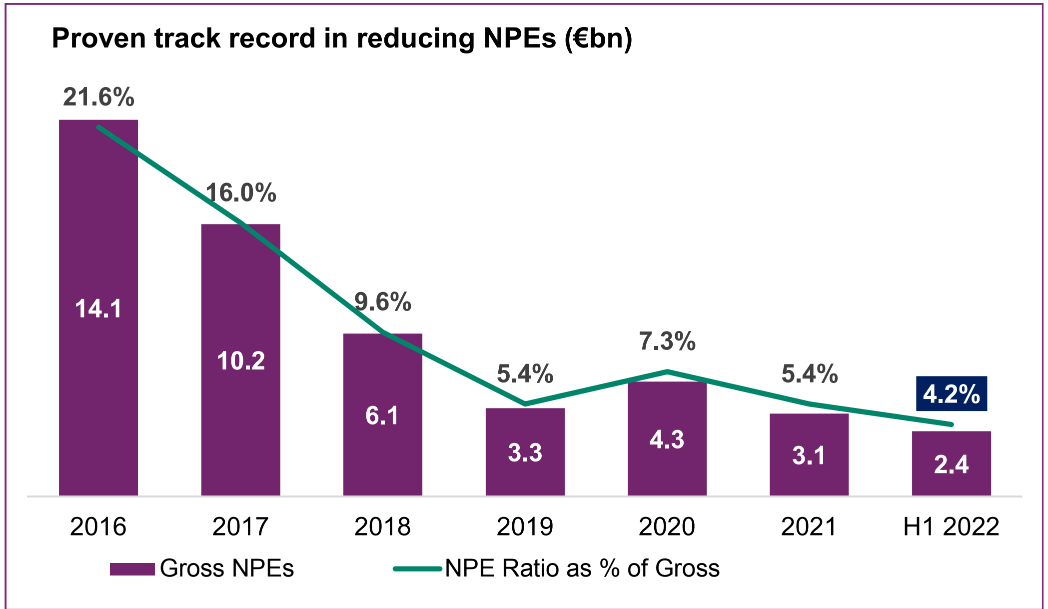
Underpinned by modern technology & guided by Sustainability agenda

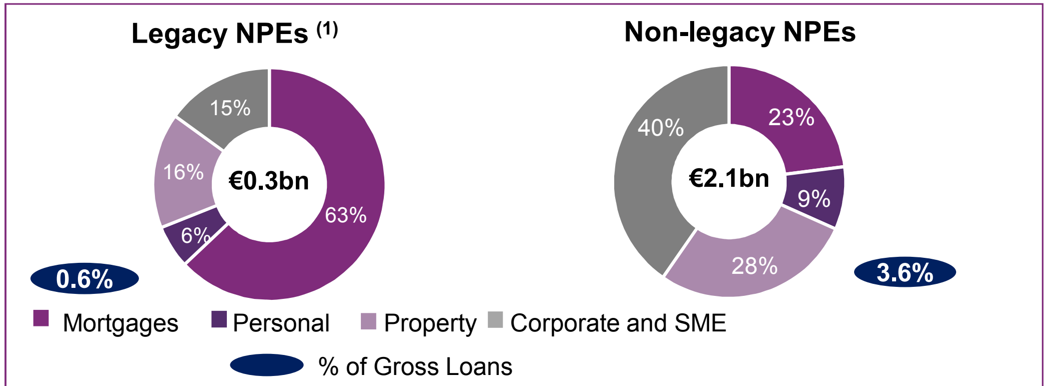
2023

Reshaped business delivering sustainable returns

Closing out legacy issues

Key milestone passed with a clear path to c. 3% by 2023





(1) *Exposures that entered into default prior to 31 Dec 2018 are classified as legacy*

NPEs 4.2% of gross loans; on track to meet c. 3% target by 2023

- Track record of resolving NPEs
  - 80% reduction in five years to €2.4bn or 4.2%
- Legacy NPEs effectively addressed
  - H1 €0.4bn portfolio sale
  - June 22: €0.3bn or 0.6% of gross loans
- Non-legacy NPEs were primarily impacted by COVID-19 restrictions
  - Good signs of self-cure and/or recovery
- Progressing to c. 3% target by 2023 delivering:
  - Balance sheet resilience with lower risk profile
  - Lever for cost reduction and lower calendar provisioning

Tracker mortgage examination

- Conclusion of CBI's enforcement investigation
- Agreed to pay fine of €96.7m
  - €70m provision previously taken
- Brings the CBI's investigation into tracker mortgages at AIB to a close

Focus on c. €230m cost-savings plan against inflationary backdrop

Continued progress notwithstanding changing market dynamics and need for agility as two banks exit

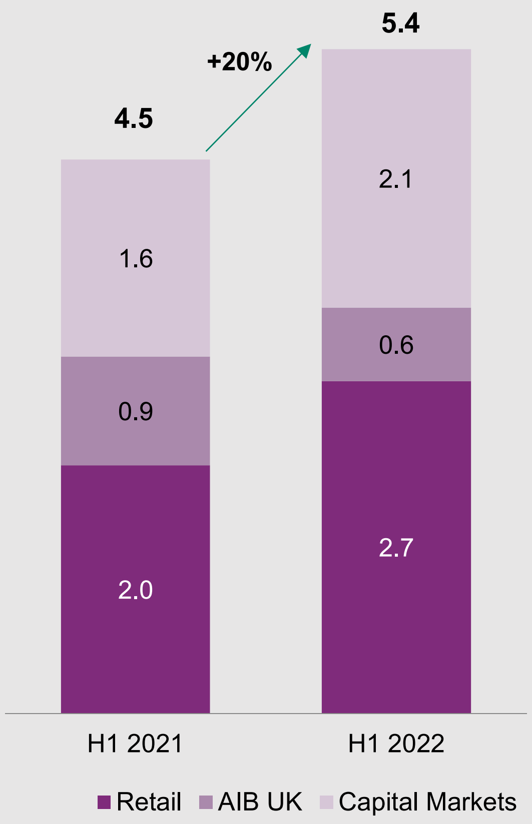
	Progress in H1 2022	Project Status	Annual Savings
Refocused network	**An Post:** Enhanced long-standing agreement to expand "AIB at An Post" across c. 920 locations to complement our branch network model **Digital:** Delivered new range of digital account opening solutions during H1 2022		€65m
End-to-end credit	**Enterprise Credit:** Strong progress being made on customer, staff and core banking system changes, with phased delivery underway. Rollout of future target operating model to commence in H2 2022		€35m
Future of work	**Dublin Head Offices:** Revised footprint; 3 office exits in total, one relocation announced **Hybrid working model**: Centred on average of 2 days per week in office	Complete	€15m
Change delivery	**Insourcing**: Over 350 digital, data and change specialist roles now filled		€15m
AIB UK	**UK Transformation programme successfully concluded**		€35m
Legacy / Simplification	**Portfolio sales**: Legacy NPEs effectively addressed; Headcount in FSG workout unit halved since 2017 **Zero Based Budgeting:** New cost management methodology embedded		€65m

Organic growth - new lending of €5.4bn in H1 2022

20% increase in new lending; leading market shares

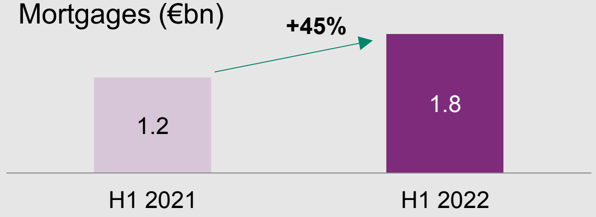
ROI driving strong new lending growth

Drawdowns (€bn)

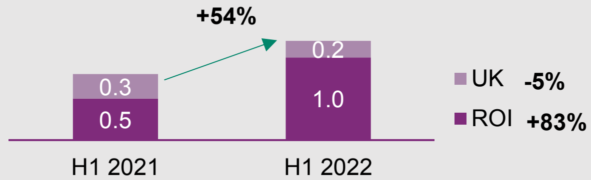


New lending across asset classes*

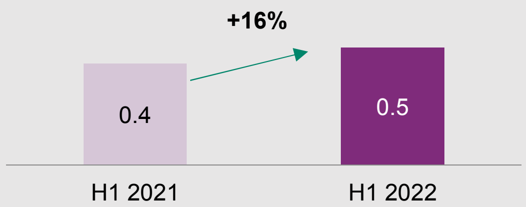
Mortgages (€bn)



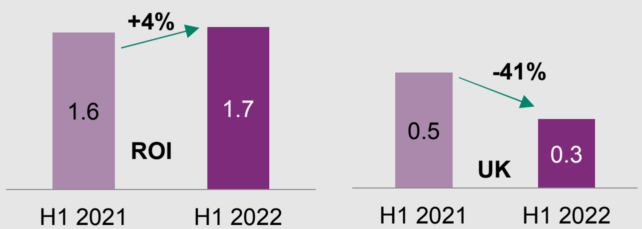
Property (€bn)



Personal lending (€bn)

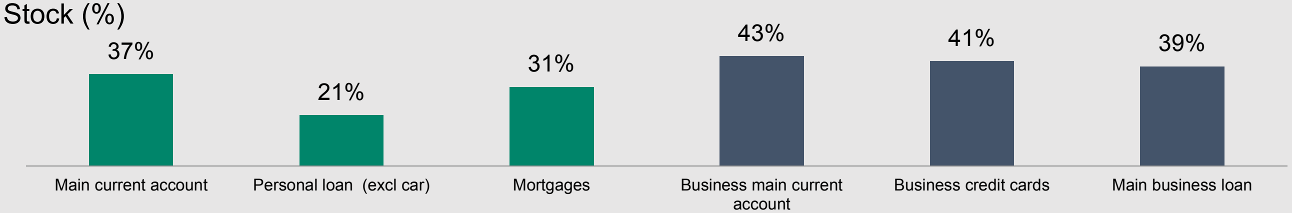


Corporate & SME Non Property (€bn)



Leading market shares in key segments

Stock (%)



Mortgage new lending flow based on BPFI industry drawdown data to end June 2022

Source: Ipsos MRBI Personal Finance Market Pulse Q2 2022; Ipsos MRBI Retail SME and Large Mediums Financial Market Monitor 2022 on behalf of AIB

*Includes UK

M&A helping to fill product gaps and provide growth opportunities

Leading financial services provider

Acquisitions and joint ventures significantly enhance our wealth management, investments and capital markets propositions

Goodbody | GREAT-WEST LIFECO INC. | NiFTi

Expanding the product range

2020

Mortgages	Credit cards
Loans	Transaction services
Payments	Deposits

2023

Mortgages	Savings & Investments	Credit cards
Loans		Transaction services
Payments		Deposits
Life	Wealth management	Capital markets
Pensions		

Ulster Bank loan book acquisitions provide earnings-accretive loan book growth opportunities

Ulster Bank

Corporate & Commercial loans

- €3.7bn loan book, c. 5,000 customers
- Migration underway following CCPC approval
- €180m loans transferred by end June
- Staff transfers commenced
- Completion expected Q1 2023
- Price at discount at 97.63% of par value

Positions AIB as #1 corporate bank in Ireland

Performing tracker mortgage portfolio

- €5.7bn loan book; c 47,000 customers
- Awaiting regulatory approval
- Cost-effective, third party servicing
- Transfer of economic interest in H2 2022
- Priced at discount at 95.15% of par value

Confirms AIB as #1 mortgage provider in Ireland

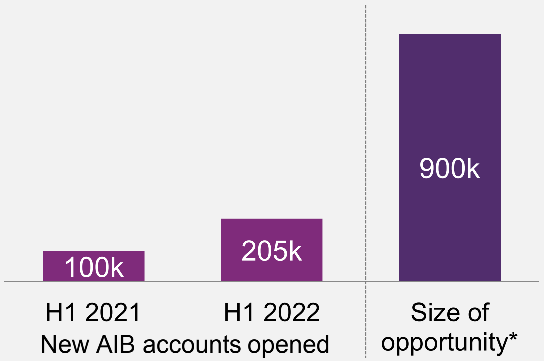
AIB Group plc

AIB | EBS | haven | Goodbody | AIB Merchant Services | Payzone | NiFTi

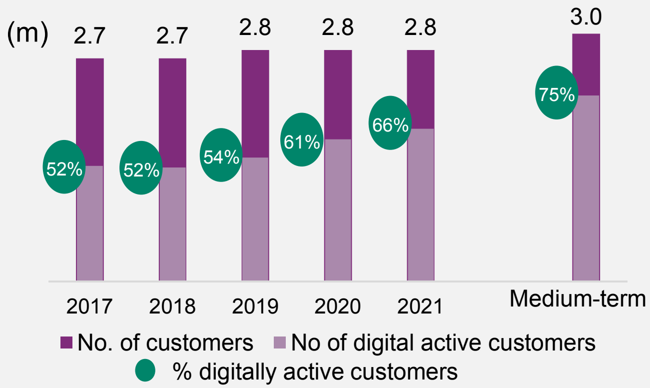
Changing banking landscape provides unique opportunity

Growing our customer base with increased digital adoption

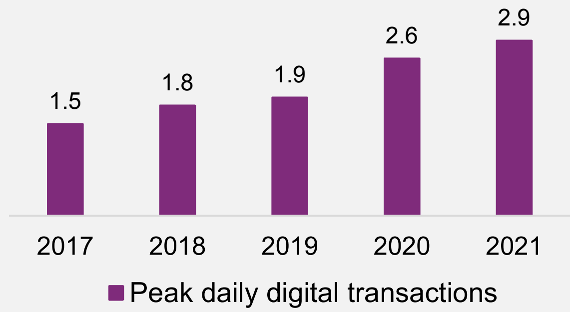
Account openings



Customer base to grow to c. 3 million



Growth in digital transactions (m)



Onboarding new customers

- c. 900k retail accounts to relocate due to two banks exiting
- c. 205k accounts opened YTD , a 110% increase since the start of 2022
- 11k accounts being opened weekly on average (v avg. 5k per week in 2021)
- Hiring up to 700 temporary staff to support onboarding

Supporting all customers

- Branches in 95% of the exiting banks' locations
- Enhanced '*AIB at An Post*'; 920 Post Offices
  - Personal: €1,500 cash withdrawal daily and up to €5,000 weekly lodgement
  - Business: €50,000 lodgement

Leading digital solutions

- Digital on-boarding - 70% of personal customers now eligible to open account online
- 74% of our personal customers are digitally active
- 15% increase in daily average usage of the AIB mobile app YoY
- +120% increase YTD in mobile digital wallet v same period in 2021

**Circa 900,000 retail accounts are forecasted to move from the withdrawing banks between April 2022 and April 2023; Source: CBI Dear CEO letter 27 April 2022*

Continuous investment in technology

Delivering a simplified, modern, resilient and customer-focused IT infrastructure

	2012-2014	2015-2017	2018-2020	Strategy 2023: 2021 -2023	Strategy 2023+ onwards
Investment approach:	Rationalisation of infrastructure	€870m 'modular approach' investment programme	Annual investment c. €300m	Annual average investment c. €300m	Annual average investment c. €250m
Focus area:	Digital & direct channels investment	Digitalisation of architecture	Operating platforms – treasury, payments & business banking	Enhanced customer experience & efficiency	Continuous CX development & technology simplification

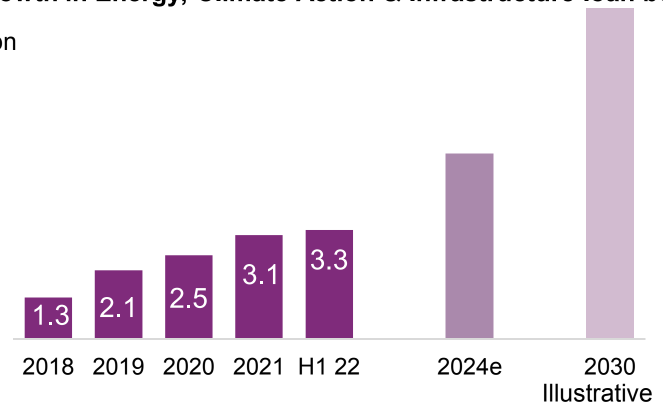
Our hybrid cloud strategy simplifies our technological infrastructure, enabling us to deliver new digital services in an agile, flexible and secure manner

Mainframe architecture amongst the most modern globally placing AIB at the forefront of digital transformation in Irish banking

Pacesetter for the ESG agenda

70% reduction in CO_2 emissions from 2009 base

Assets:
Growth in Energy, Climate Action & Infrastructure loan book



Liabilities:
Leading Irish bank in ESG bond issuance

- €3.5bn raised to date from ESG bonds over four issuances
- 1 Social bond and 3 Green bond issuances
- AIB was the 19th bank globally to issue both Social and Green bonds

	Focus area	2022 Progress
E	**€10bn** new climate & environment lending by 2023	**€5.9bn** green lending since 2019
E	**70%** of new lending to be green / transition by 2030	**23%** of new lending in H1 2022 is green
E	**Net Zero ambition** Customer portfolio lending by 2040 (Agri 2050)	**75%** (up from 63%) lending portfolio analysed with internal science-based targets set (50-65% reduction by 2030)
S	**10%** of bond portfolio allocated to Socially Responsible Investment in the medium term	**9%** At end June 2022, up from 3% in Dec 2019
S	**€800m** finance for social housing by 2023	**€400m** approved since 2019
S	**€1bn social bond issued**	**€1.7bn eligible assets** Allocated primarily to healthcare (52%), social housing (21%) and education (17%)
G	**Improved ESG ratings** Sustainalytics	**ESG Industry Top Rated Company** 44 out of 1,001 Banks ESG risk rating 11.0 / low end
G	**New Senior Independent Director (SID)** appointed	**Sustainable Business Advisory Committee Chair,** Helen Normoyle, appointed SID
G	**Staff I&D training**	**>8,000 AIB staff** have completed refreshed mandatory training

Our H2 2022 priorities

Delivering our strategy to simplify, streamline and strengthen AIB

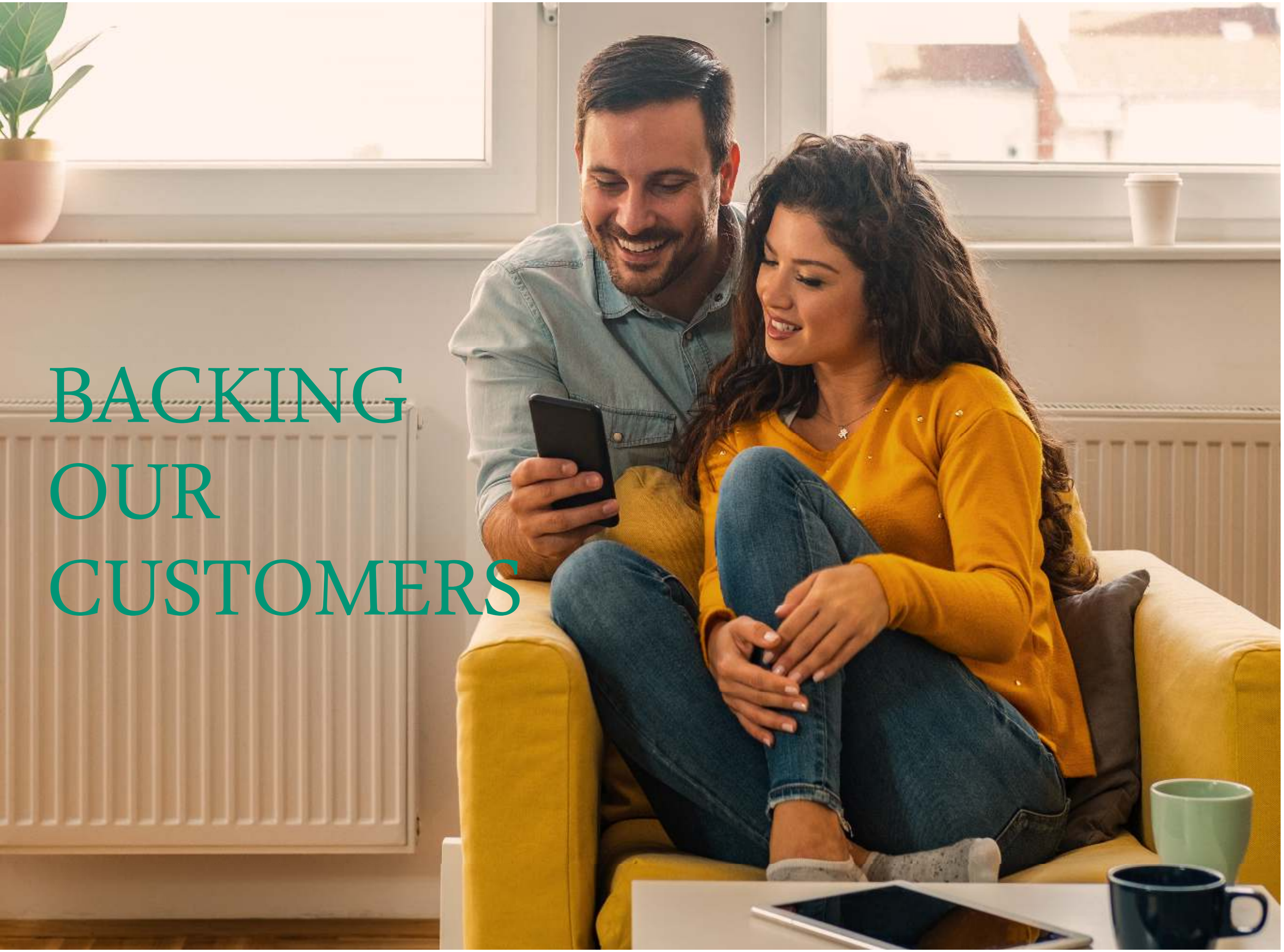
Changing landscape and operating environment

- Two banks exiting
- Rising interest rates
- Inflationary pressures
- Geo-political risks
- Global macro economic uncertainty

Priorities for the remainder of the year

- Grow our loan book
- On-board new customers
- Implement transformation plan at pace
- Maintain discipline in an uncertain environment
- Embed the inorganic initiatives

Enhance shareholder value and deliver sustainable returns
Medium-term targets under review, upside potential to >9% RoTE target



Financial performance

AIB Group plc

Financial performance H1 2022

Profit after tax of €477m, increase of 74% on H1 2021

- Includes 8% increase in total income; €309m ECL writeback

Total income €1,274m

- Net interest income €895m (+2%) and other income €379m (+26%)

Costs €782m(1) up 6%, FTEs at H1 2022 9,027 flat versus H1 2021

- Costs up 1% and FTEs reduced by 4% versus H1 2021 on an underlying basis(2)

Performing loans €56.1bn up €0.8bn from Dec 2021 €55.3bn

- New lending €5.4bn up 20% versus H1 2021, exceeded redemptions of €4.9bn

NPEs €2.4bn (4.2% of gross loans) decreased 22% versus Dec 2021

- Reduction includes €0.4bn long-term default NPE portfolio sale

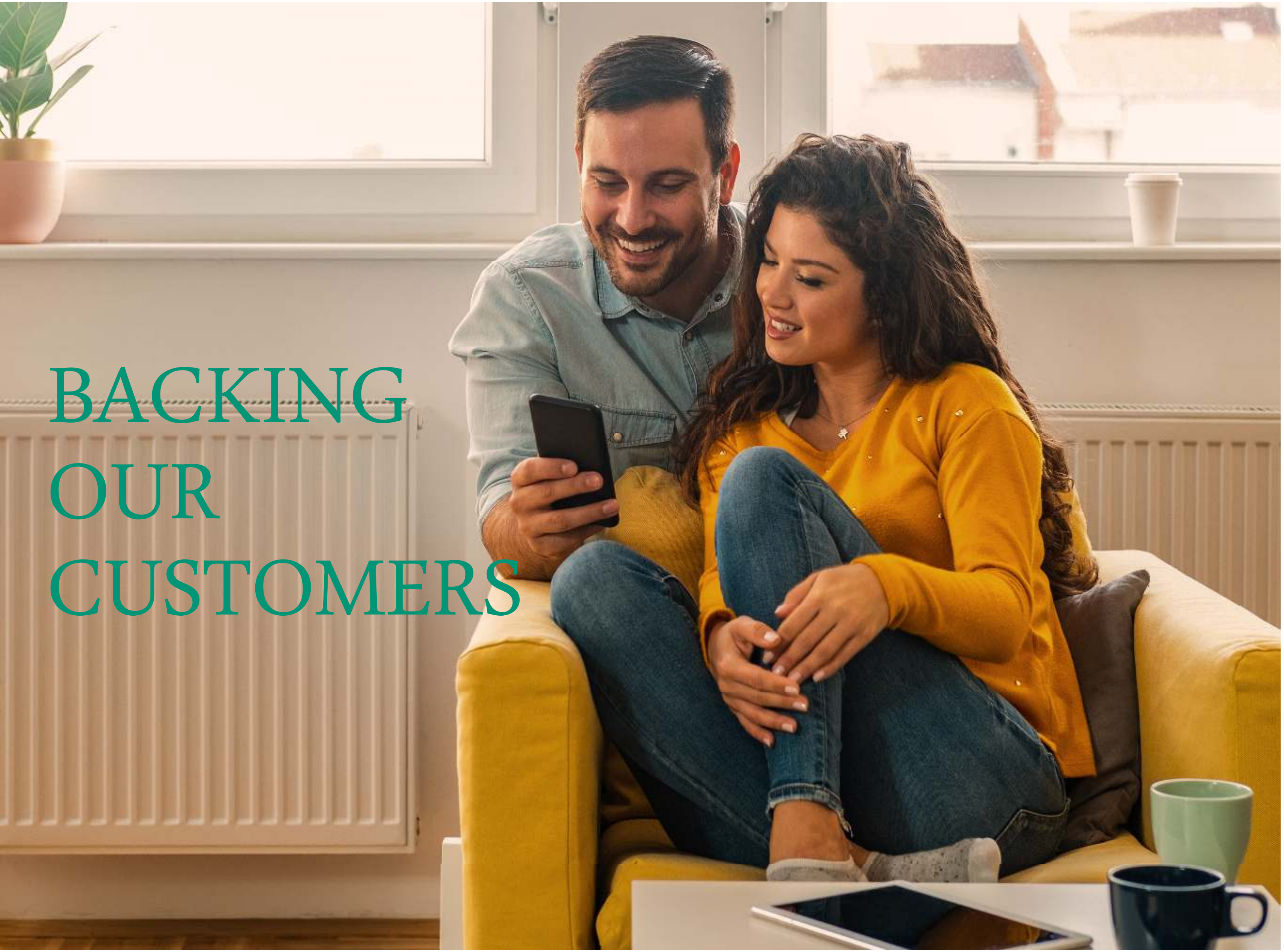
Strong funding position compounding excess liquidity

- Customer deposits €95.9bn up 3% and €10bn drawn TLTRO, contribute to higher cash held at CBI of €38.1bn
- MREL target exceeded; €1bn social bond and €750m green bond issued in H1

CET1 fully loaded 15.3%; Transitional 16.6%

- Comfortably ahead of regulatory requirements

(1) Excludes exceptional items, bank levies and regulatory fees
(2) Excludes Goodbody



Income Statement

AIB Group plc

Income statement – profit after tax €477m

Summary income statement (€m)	H1 2022	H1 2021
Net interest income	**895**	881
Other income[1]	**379**	302
Total operating income	**1,274**	**1,183**
Total operating expenses[1]	**(782)**	(739)
Bank levies and regulatory fees	**(101)**	(71)
Operating profit before impairment and exceptional items	**391**	**373**
Net credit impairment writeback	**309**	103
Equity accounted investments	**5**	6
Profit before exceptional items	**705**	**482**
Exceptional items	**(168)**	(191)
Profit before tax	**537**	**291**
Income tax charge	**(60)**	(17)
Profit after tax	**477**	**274**

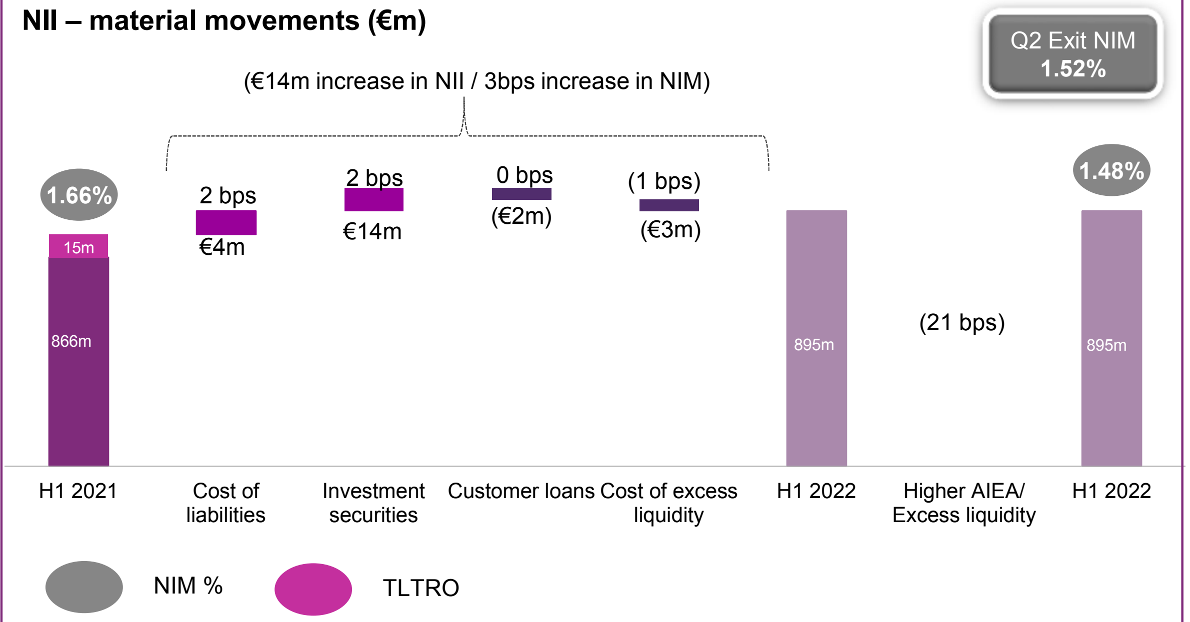
Metrics	H1 2022	H1 2021
Net interest margin (NIM)	**1.48%**	1.66%
Cost income ratio (CIR)[1]	**61%**	62%
Return on tangible equity (RoTE)[2]	**12.3%**	8.2%
Earnings per share (EPS)	**16.5c**	8.9c

- Net interest income up 2%
  - UK interest rates more favourable
  - c. €16bn deposits on negative rates
- Other income €379m – up 26%; net fee and commission income up 35%
- Total income €1,274m up 8%
- Operating expenses €782m – up 6%; up 1% on underlying basis
- Bank levies €101m primarily due to higher Single Resolution Fund and Deposit Guarantee Scheme fees
- Net credit impairment writeback €309m
- Exceptional items €168m

(1) Excludes exceptional items, bank levies and regulatory fees
(2) RoTE using (PAT – AT1) / (CET1 @ 13.5%). RoTE of 12.3% is annualised and 8.2% is FY 2021

Net interest income €895m; up 2%

NII – material movements (€m)



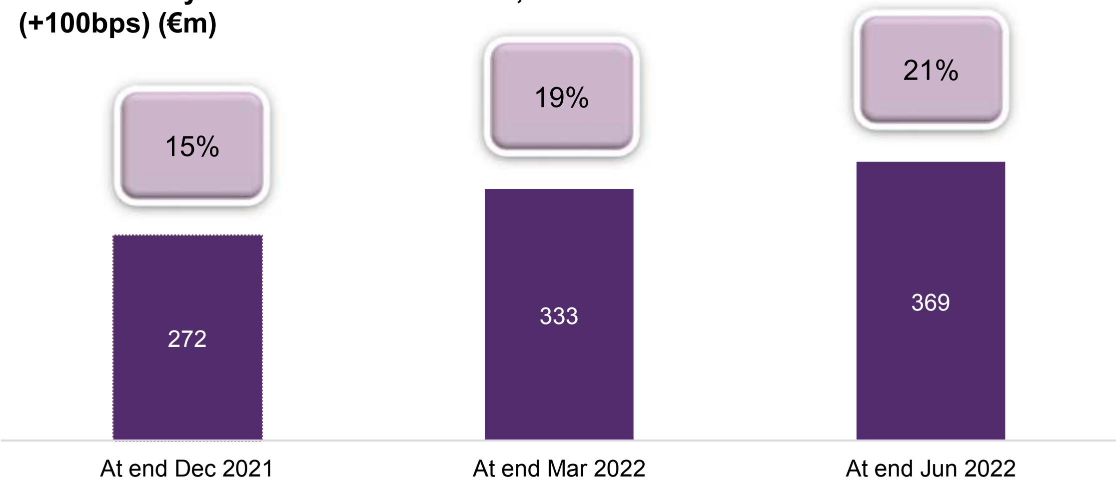
- NII €895m up €14m / 2% from H1 2021 impacted by:
  - +€4m lower cost of liabilities including:
    - +€25m customer accounts primarily due to negative rates pricing strategy
    - -€15m TLTRO III additional income benefit recognised in H1 2021
    - -€5m other driven primarily by debt issued
  - +€14m higher investment securities income driven by increase in interest rates
  - Stable customer loan income
  - -€3m cost of excess liquidity:
    - -€20m cost of Euro excess liquidity (excl. TLTRO)
    - +€17m UK base rate increases on cash with BoE
- Excess liquidity management actions to normalise
  - c. €16bn on negatives rates
  - grossing up impact of excess liquidity distorts NIM by 21bps
- TLTRO €10bn remains drawn

NII expected to grow by c. 10% in FY 2022

NII sensitivity – benefiting from rising rates

NII Sensitivity as at Jun 2022 (€m)	-100bps	+25bps	+50bps	+100bps
Euro	(301)	75	150	301
Sterling	(48)	12	23	47
Other (mainly US$)	(21)	5	10	21
Total	**(370)**	**92**	**183**	**369**

NII sensitivity as a % of 2021 NII of €1,794m (+100bps) (€m)



NII sensitivity estimates are based on certain simplifying assumptions such as; a static/constant balance sheet, parallel rate movements and pass through assumptions.

- Total NII sensitivity at H1 2022 shows a €369m benefit under the +100bps scenario over 12 months
- Euro NII sensitivity has been increasing steadily, due to excess liquidity balances placed with ECB
- AIB's NII sensitivity drivers tend to fall into one of three interest rate cohorts:
  - market rate portfolios (e.g. IBOR-priced lending);
  - official rate portfolios (e.g. ECB balances, tracker mortgages)
  - managed rate portfolios (e.g. variable rate mortgages, customer liabilities)

Note: Reported sensitivities should not be considered a forecast of future performance in these rate scenarios

Other income +26%; net fee & commission +35%

Net fee and commission income (€m)	H1 2022	H1 2021
Customer accounts	**111**	99
Credit related fees	**25**	26
Card	**49**	32
Wealth / insurance	**20**	19
Customer related FX	**40**	29
Payzone	**8**	7
Goodbody	**33**	-
Total net fees and commission income	**286**	**212**

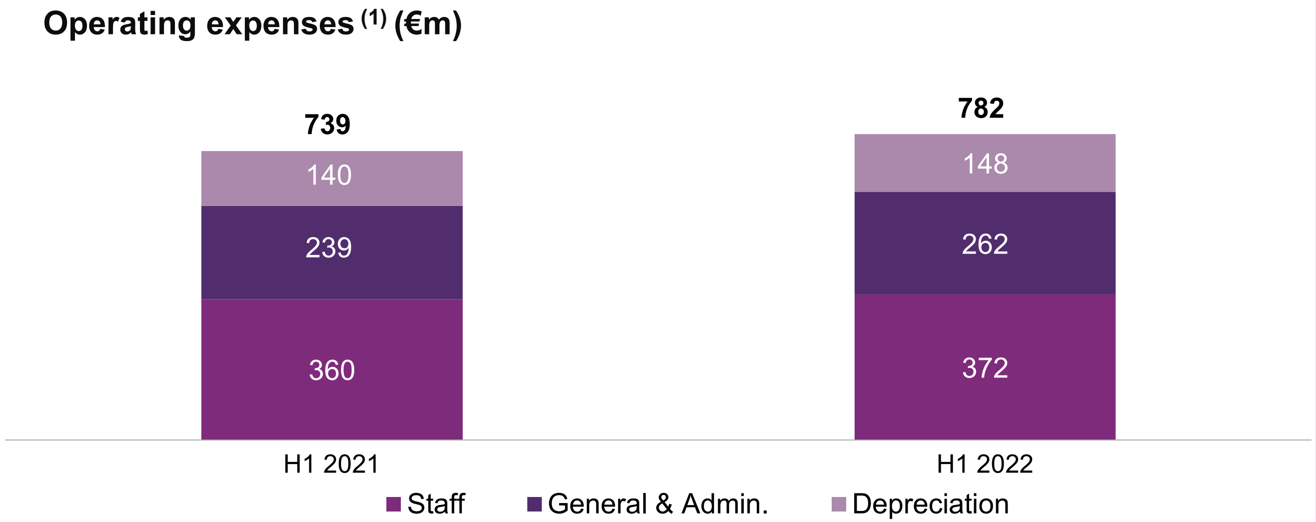
Other income (€m)(1)	H1 2022	H1 2021
Net fee and commission income	**286**	212
Net income on equity investments	**27**	45
Realisation of cash flows on restructured loans	**15**	17
Other non-interest income	**51**	28
Total other income	**379**	**302**

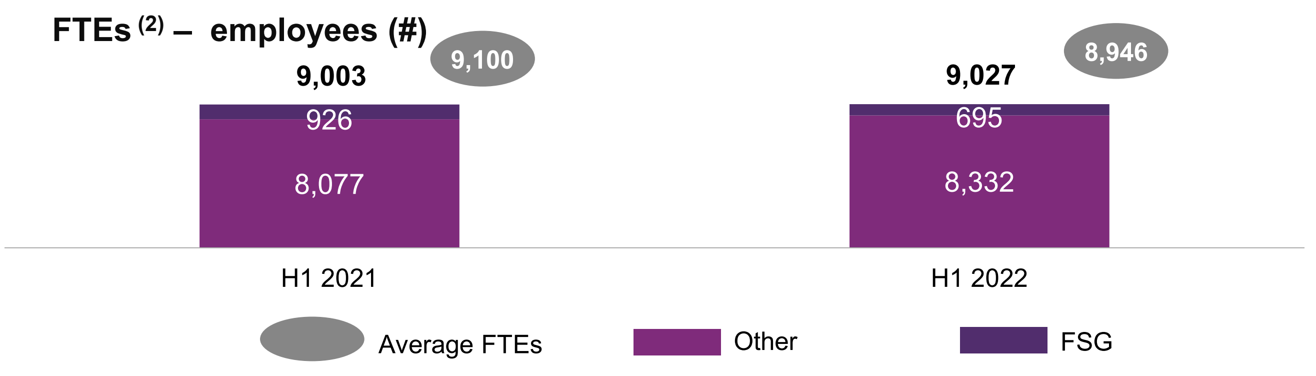
- Other income €379m up 26%
  - Includes €33m for Goodbody
- Net fee and commission income €286m up €74m / +35%
  - Increase primarily reflected higher transaction volumes from the recovery in economic activity
    - Customer accounts up +12%
    - Card income up +56%
    - Customer related FX up +37%
- Other non-interest income includes €26m in respect of a forward contract to acquire corporate and commercial loans from Ulster Bank

Other income expected to be c. €700m in FY 2022

(1) Excludes exceptional items

Costs €782m; 1% increase on an underlying basis





- Costs €782m, up 6%
  - 1% increase on an underlying basis(3)
- Factors impacting costs:
  - lower average FTEs offset by wage inflation and impact of Goodbody
  - wage agreement for 10% increase over three years
  - cost to onboard customers from exiting banks
  - increased depreciation €8m
- Average FTEs reduced by 2% v H1 2021
- Exceptional items €168m primarily include
  - **Legacy €87m**
    - €101m restitution costs incl. €87m additional charge for Belfry (legacy property fund)
    - €27m charge in respect of tracker mortgage examination settlement
    - €40m gain from loan portfolio disposals
  - **Strategy €81m**
    - €60m implementation of Strategy 2023
    - €21m inorganic acquisition costs

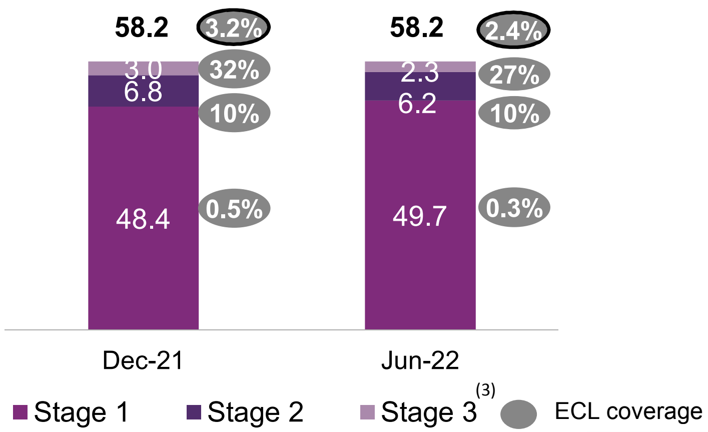
(1) Excluding exceptional items, bank levies & regulatory fees
(2) Full time equivalent - period end
(3) Excludes Goodbody cost €35m in H1 2022

Costs expected to be c. €1.6bn in FY22

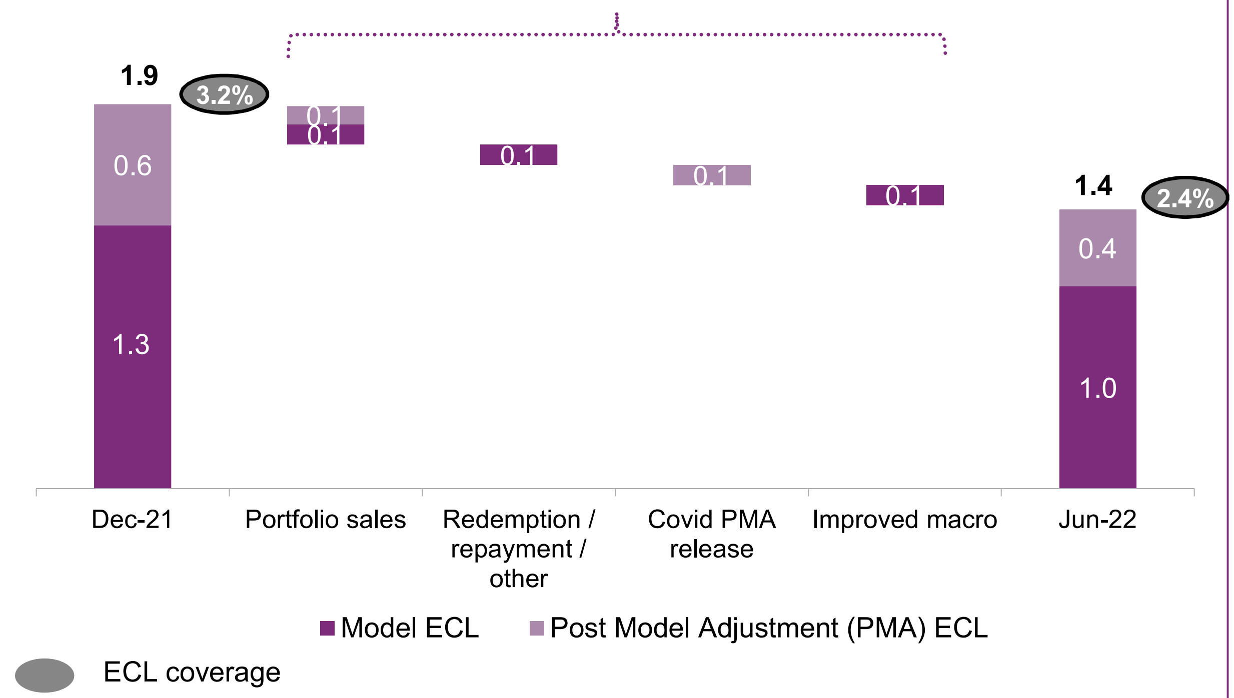
ECL writeback €309m / 106bps; 85% of loans in Stage 1

ECL writeback (€m)	H1 2022
Macroeconomic assumptions	48
Redemptions / repayments/ other[1]	87
Post-model adjustments	174
Total ECL writeback	**309**

Loan book[2] by Staging & Coverage (€bn)

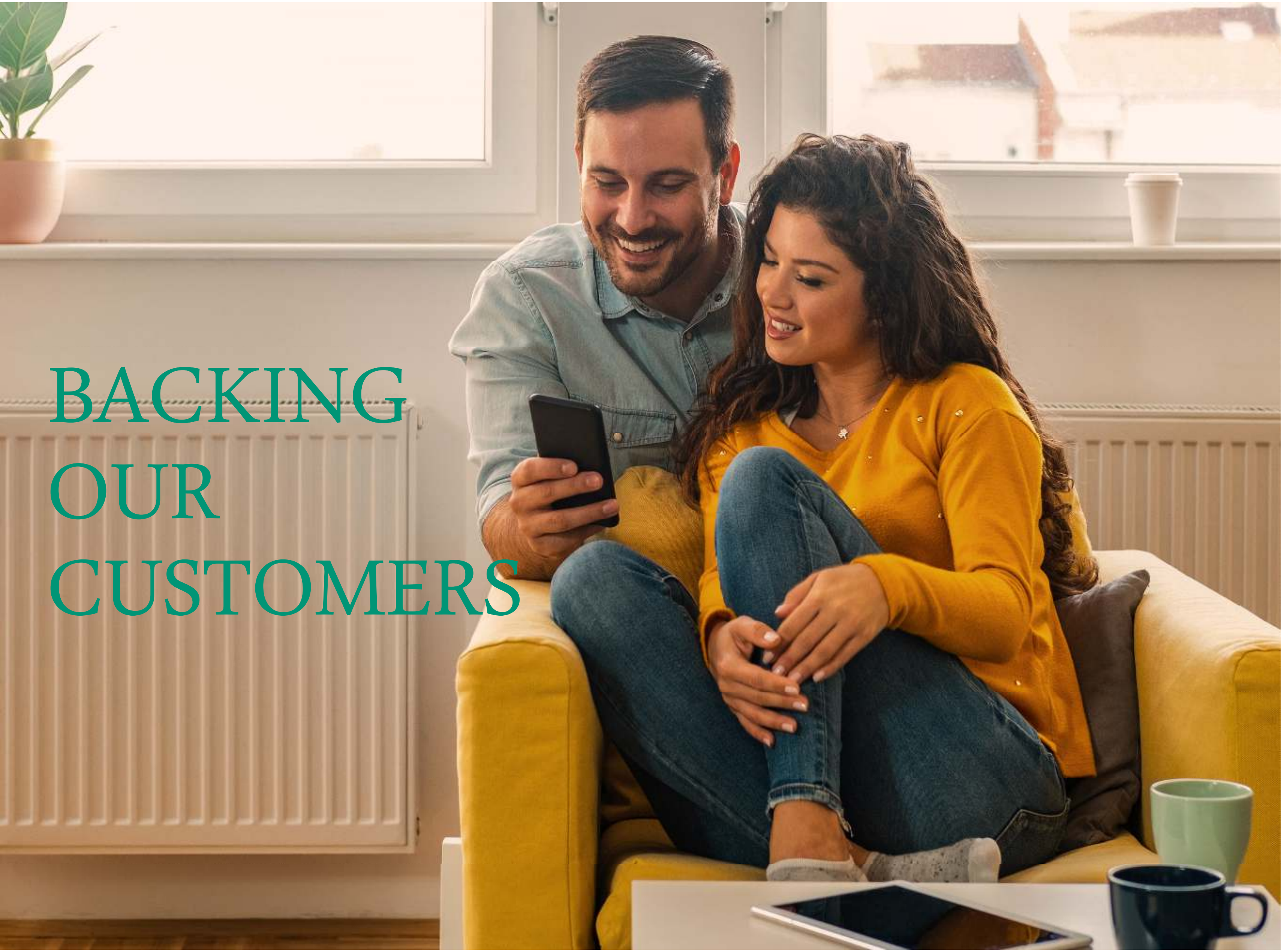


ECL material stock movements (€bn)



(1) *Includes recoveries of amounts previously written off*
(2) *Loan book at amortised cost*
(3) *Includes Purchased or Originated Credit Impaired Loans (POCI)*

We continue to expect a small charge in FY22 as we maintain our conservative, forward-looking and comprehensive ECL approach



Balance Sheet

AIB Group plc

Balance sheet – strong funding & liquidity to support our customers

Balance sheet (€bn)	Jun 2022	Dec 2021
Performing loans	**56.1**	55.3
Non-performing loans	**2.4**	3.1
Gross loans to customers	**58.5**	58.4
Expected credit loss allowance	**(1.4)**	(1.9)
Net loans to customers	**57.1**	56.5
Investment securities	**17.2**	17.0
Loans to central banks and banks	**50.7**	47.9
Other assets	**7.9**	6.5
Total assets	**132.9**	127.9
Customer accounts	**95.9**	92.9
Deposits by banks	**10.5**	10.4
Debt securities in issue	**6.7**	5.8
Other liabilities	**6.9**	5.1
Total liabilities	**120.0**	114.2
Equity	**12.9**	13.7
Total liabilities & equity	**132.9**	127.9

Assets

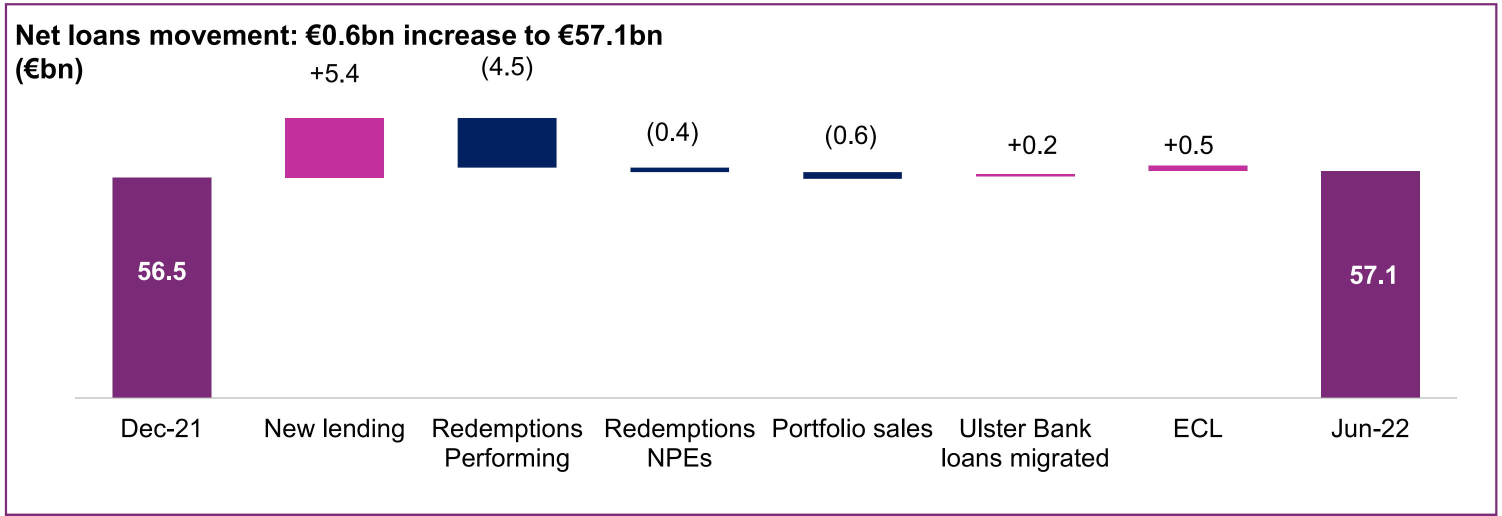
- Performing loans increased by €0.8bn
- New lending €5.4bn exceeded redemptions €4.9bn
    - New lending up 20% v H1 2021
- Loans to banks €50.7bn increased due to excess liabilities from increased customer account balances
    - includes €38.1bn with the Central Bank of Ireland and €5.6bn with the Bank of England

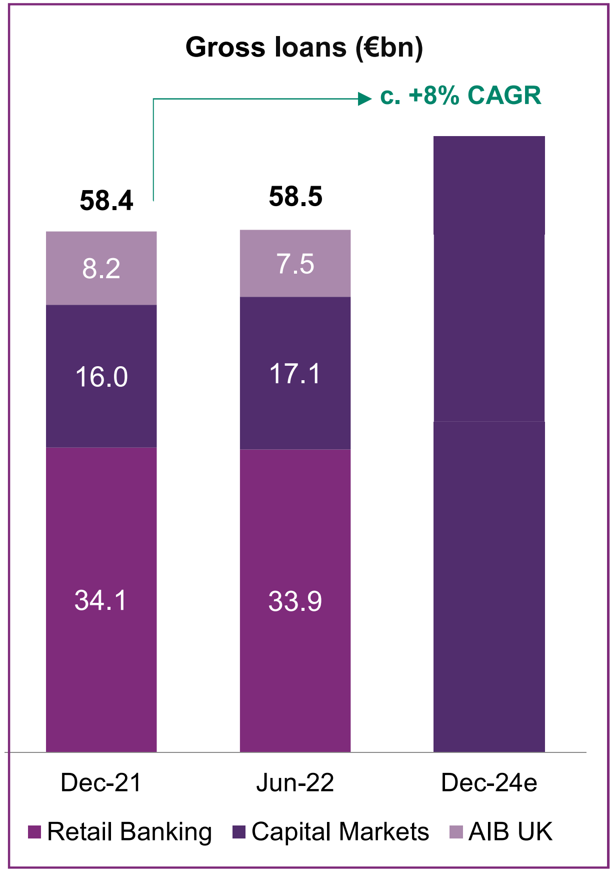
Liabilities

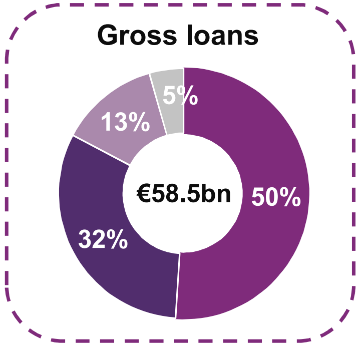
- Customer accounts €95.9bn increased €3bn includes inflows from the exiting banks

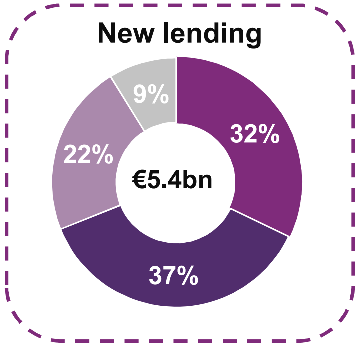
Key capital metrics (%)	Jun 2022	Dec 2021
CET1 ratio (FL)	**15.3%**	16.6%
CET1 ratio (transitional)	**16.6%**	19.2%

Loan book growth in H1; 8%* CAGR expected to 2024



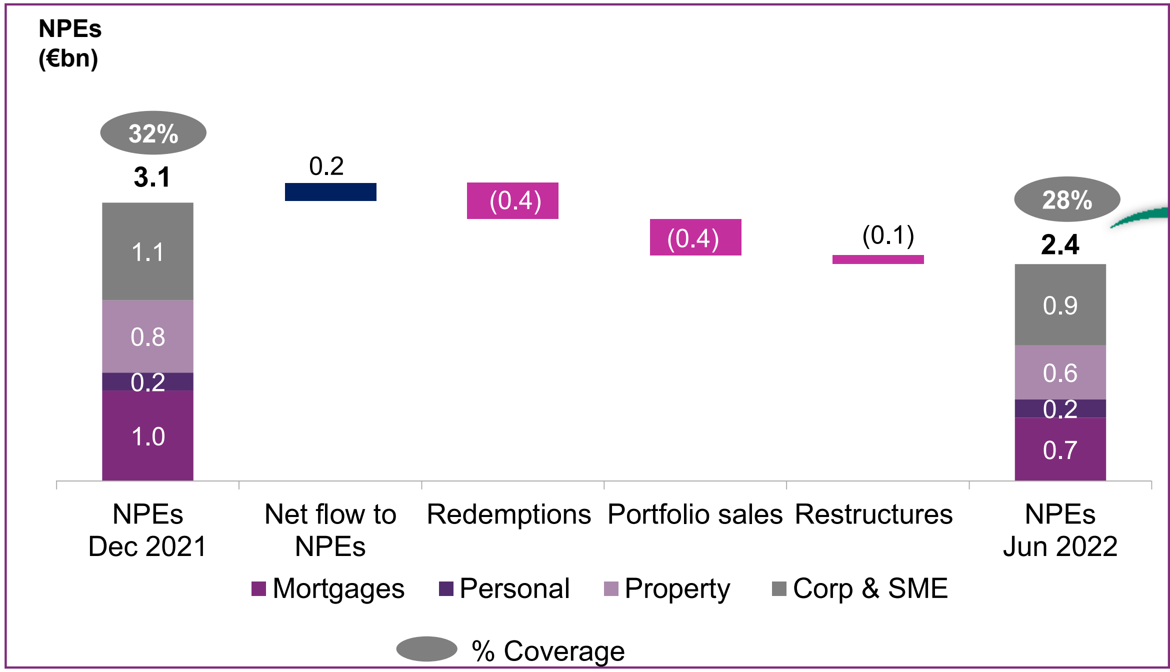


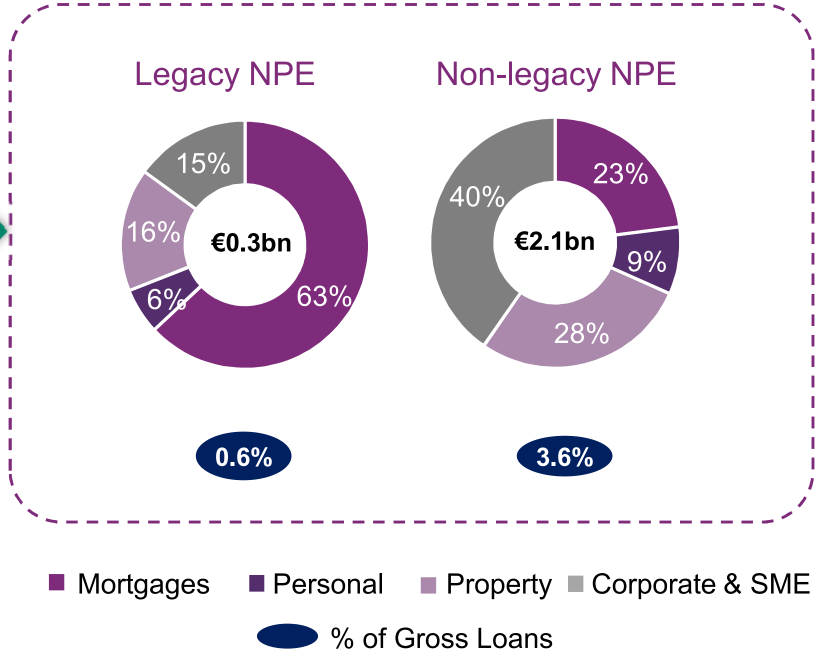




*8% CAGR includes organic growth and impact of both Ulster Bank corporate and commercial and tracker mortgage loan book acquisitions

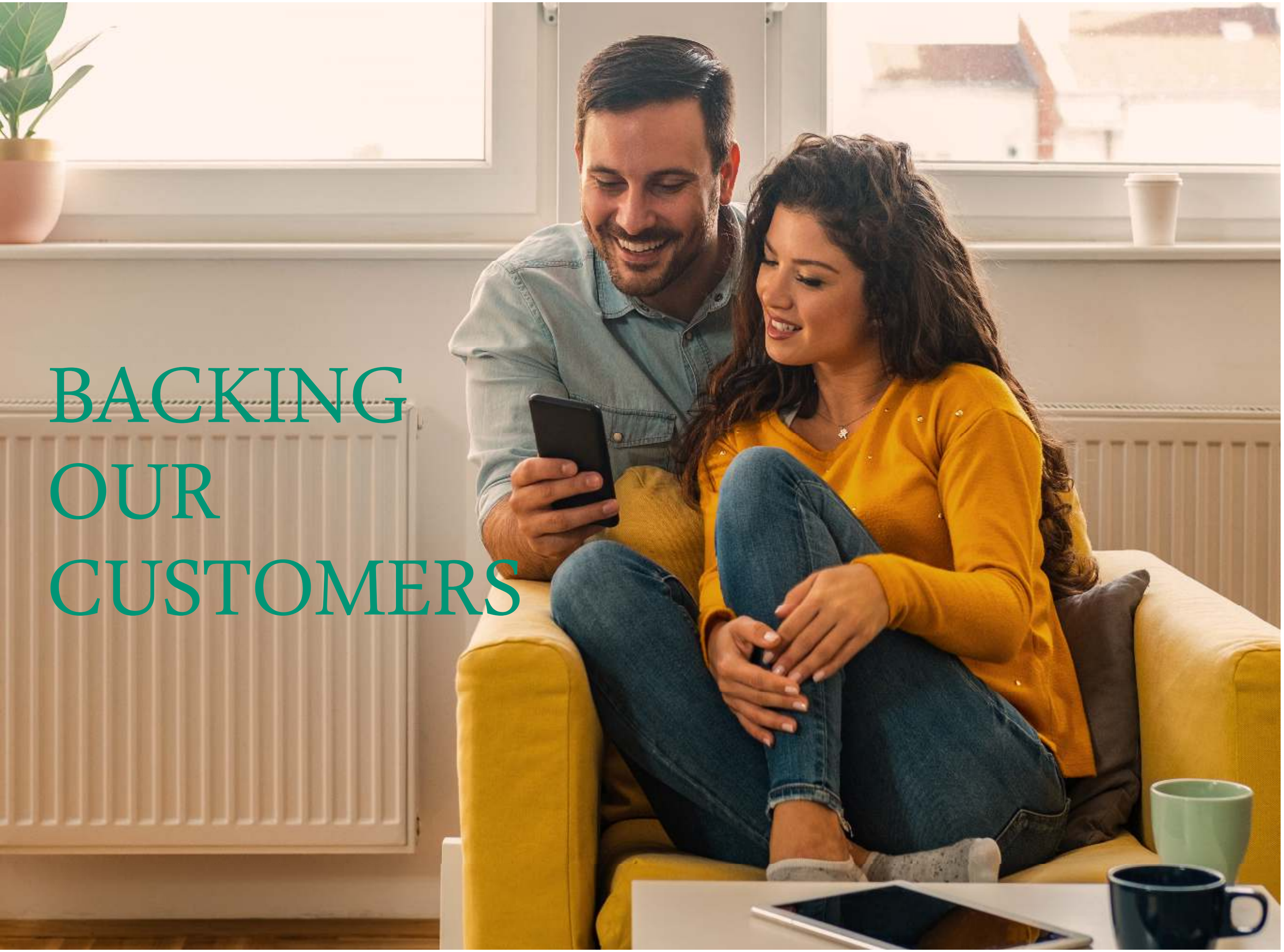
NPEs at 4.2% declined 22%; target c. 3% by 2023





NPEs €2.4bn / 4.2% June 22

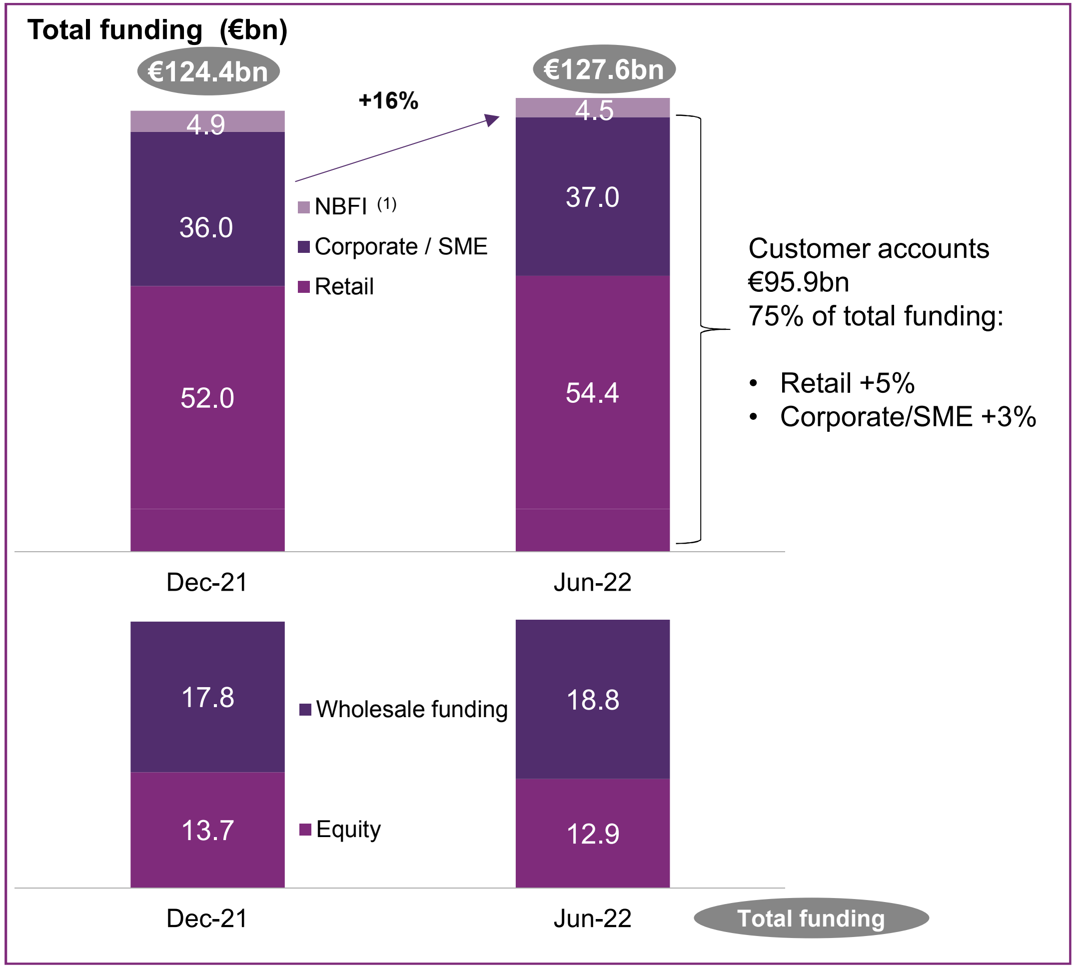
- €0.3bn / 0.6% legacy NPEs in default prior to Dec 2018 and which may form part of alternative recovery strategies
- €2.1bn / 3.6% non-legacy NPEs are mainly in sectors most impacted by COVID-19 restrictions
  - Corporate and SME €0.8bn / 40% includes accommodation, bars and restaurants
  - Property €0.6bn / 28% includes retail shopping centres
  - Non-legacy assets have a higher propensity to cure
- Weighted average LTV for Irish mortgages; new business: 66% (Dec 21: 67%); stock: 49% (Dec 21: 50%); Stage 3: 50% (Dec 21: 54%).



Funding and capital

AIB Group plc

Strong funding driven by increased customer deposits



Liquidity metrics (%)	Jun 2022	Dec 2021
Loan to deposit ratio (LDR)	**59**	61
Liquidity coverage ratio (LCR)	**215**	203
Net stable funding ratio (NSFR)	**164**	160

MREL

- MREL target met
- €5.4bn eligible MREL - €1bn social bond and €750m green bond issued in H1 2022
- On average expect 2-3 issuances p.a.

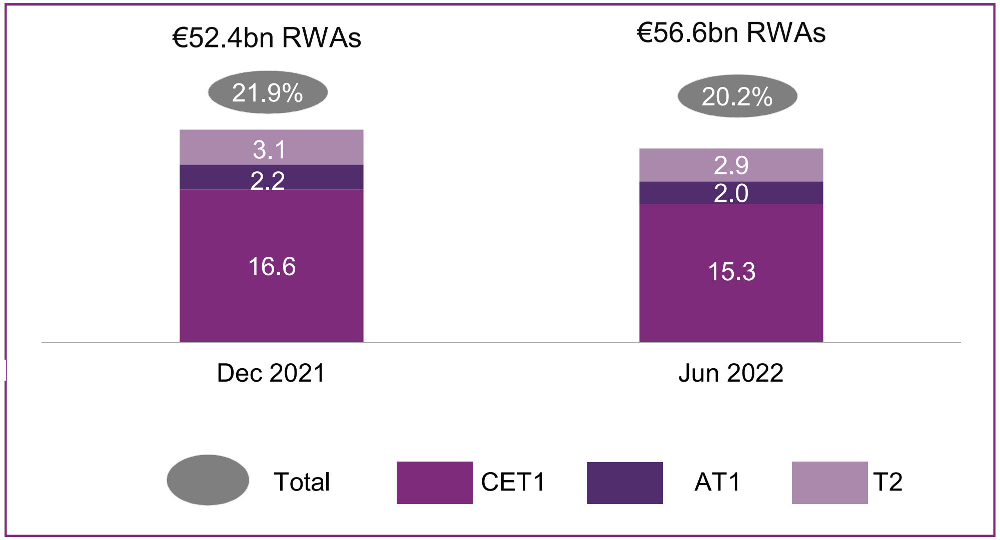
TLTRO

- TLTRO €10bn remains drawn at June 2022

(1) Includes Credit Unions & Government deposits

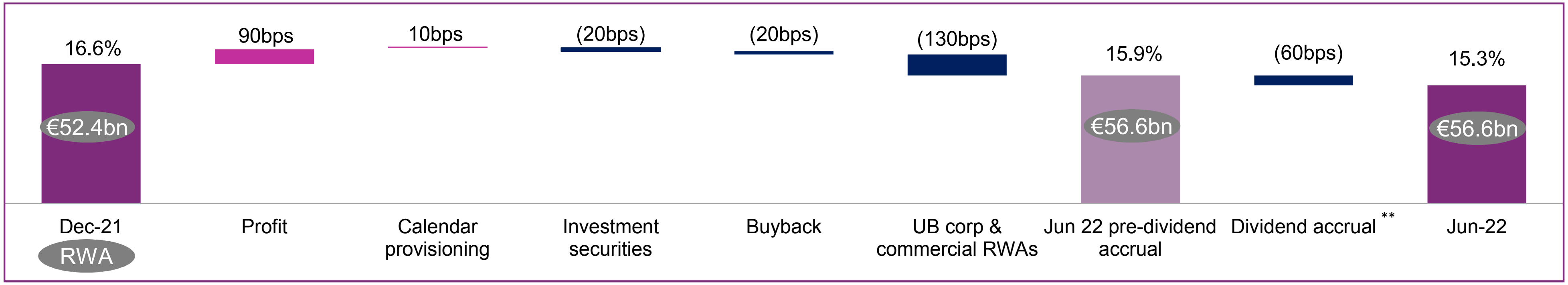
CET1 (FL) 15.3%; -130bps impact UB corporate & commercial loans

Capital ratios fully loaded (FL) (%)



- CET1 (FL) ratio 15.3%; Dec 21 16.6%
  - + 90bps profit generated
  - +10bps calendar provisioning release
  - - 20bps investment securities
  - - 20bps buyback of €91m
  - - 130bps UB corporate & commercial RWAs
  - - 60bps dividend accrual*
- Expect c. +10bps CET1 in H2 from H1 NPE portfolio sale on settlement
- Strong buffer of 5.1% to MDA / SREP of 10.2%*
  - CET 1 (FL) 15.3%
  - CET 1 Transitional 16.6%; 6.4% buffer

CET1 (FL) movements



*Excludes AT1 shortfall of 5bps

**Article 2 Regulation (EU) No 241/2014 requires a foreseeable charge, being the maximum dividend pay-out ratio under the Group's internal dividend policy, to be deducted from equity

Capital requirements and CET1 outlook

Capital requirements	Dec-22	Dec-23 look through*
Pillar 1	4.50%	4.50%
Pillar 2 requirement (P2R)	**1.55%**	**1.55%**
Capital Conservation Buffer (CCB)	2.50%	2.50%
O-SII Buffer	1.50%	1.50%
Countercyclical Buffer (CCyB) ROI	-	0.35%
Countercyclical Buffer (CCyB) UK	0.15%	0.35%
Total CET1 Requirement	**10.20%**	**10.75%**
AT1	**2.02%**	**2.02%**
Tier 2	**2.69%**	**2.69%**
Total capital	**14.91%**	**15.46%**

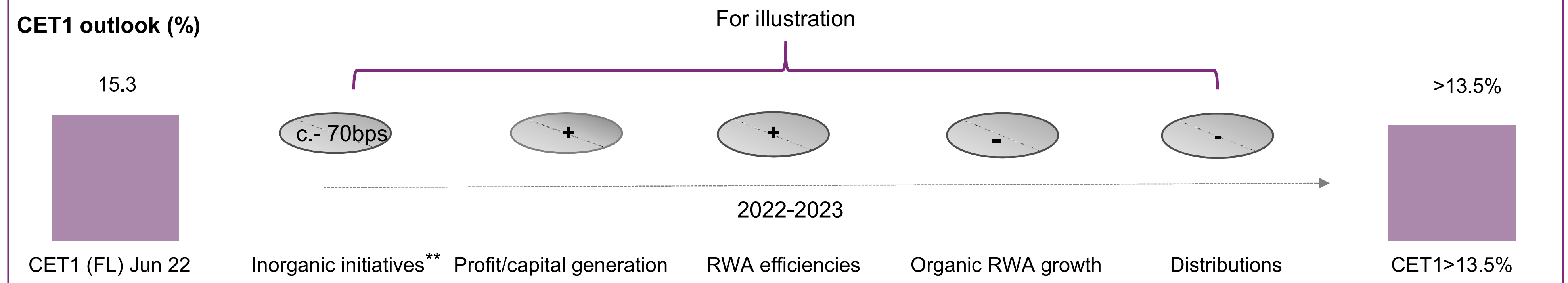
CET1 comfortably ahead of capital requirements

- SREP P2R reduced by 25bps to 2.75% from 3.00%; CET1 portion reduced from 1.69% to 1.55%
- CCyB changes in 2023
  - ROI 0.5% reintroduced
  - UK increases from 1% to 2%
- C. 3% buffer from SREP to target of >13.5%
- Will explore further RWA efficiency measures

Distribution policy

- Policy of 40-60% payout subject to regulatory approval
  - Assess balance between dividends and buybacks

CET1 outlook (%)



** look through incorporates best estimate*
***Includes -60bps for Ulster Bank Tracker Mortgage acquisition and c.-10bps for Great-West LifeCo JV*

2022 Guidance and evolving environment

Guidance FY 2022[1]

- NII: expected to grow c. 10%
- Other income: c. €700m
- Costs: expected to be c. €1.6bn
- CoR: expect small charge
- Regulatory costs and bank levies: c. €150m
- Exceptional costs: c. €300m
- Customer loans: to grow by 5-6%

Evolving environment

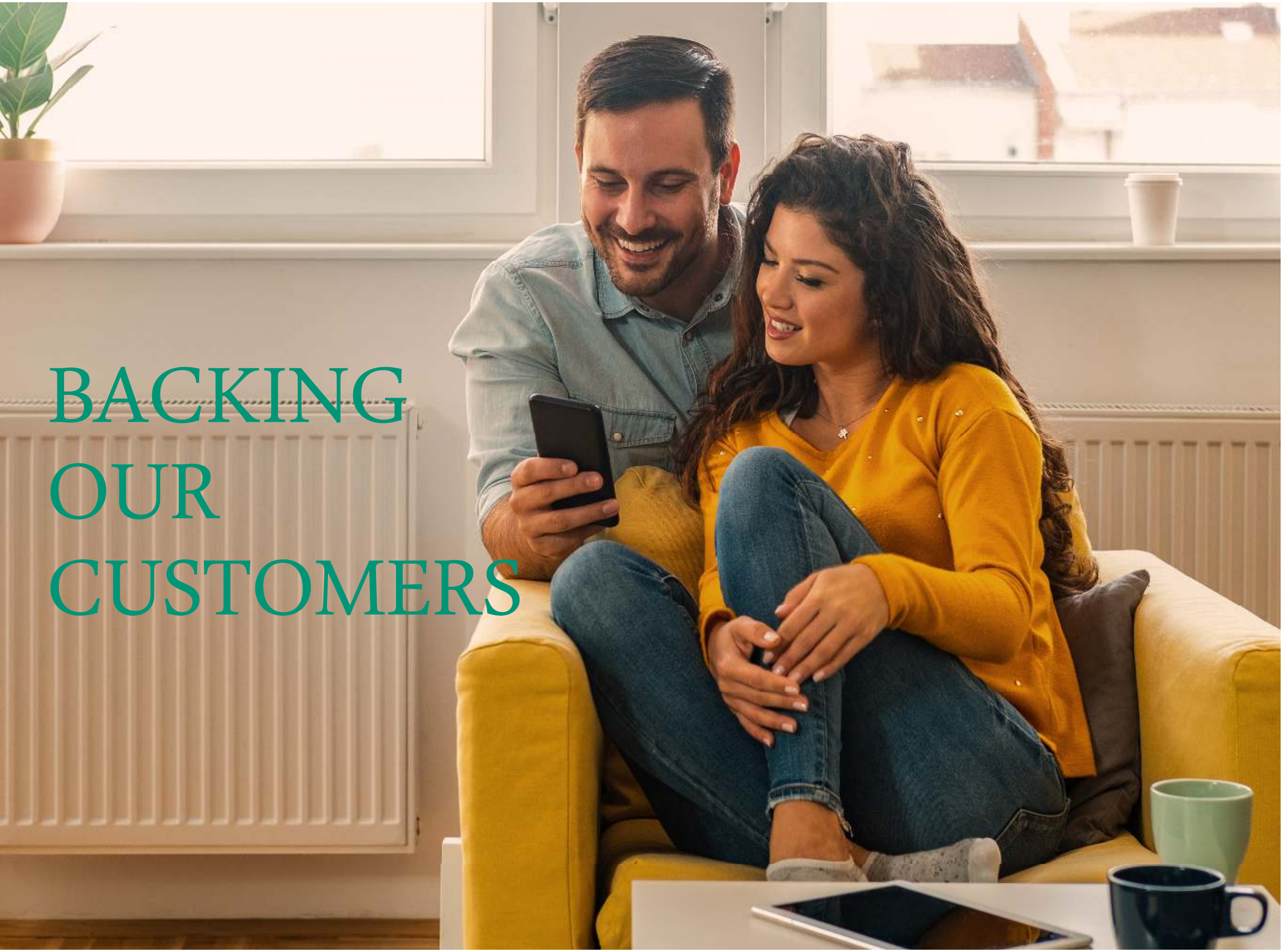
- Two banks exiting
- Rising interest rates
- Inflationary pressures
- Global macro economic uncertainty

Medium-term targets under review given the rapidly changing interest rate environment

Upside potential to >9% RoTE target

Enhance shareholder value and deliver sustainable returns

1) *Inclusive of acquisitions of both Ulster Bank corporate and commercial loan book and performing tracker mortgage portfolio*



Appendices

H1 2022 – ESG progress and Recognition

		H1 2022 Progress
E	**Own Footprint**	- Tendering Corporate Purchase Power Agreement
	Setting targets	- SBTi submission in progress - Emissions Reduction Targets set – Corporate Lending Book
	Green Propositions	- €750m Green Bond issued (€1bn Social Bond also issued) - Participation with new Irish Green Building Council benchmark
	Green Finance	- Green Mortgages- 25% of overall ROI new mortgage lending - Green lending €1.25bn - EBS launched its first green mortgage rate of 2.1% in Feb 2022
S	**Housing**	- 520 new Social Housing units commenced - Participation in Govt First Homes Scheme
	Financial Literacy	- 2180 Customers with a vulnerability supported - 587 Future Sparks schools reached
	Backing Entrepreneurs	- Announced €30m AIB Foresight SME Fund, driving green SME business of the future
	Community Partners	- Supported GOAL's Ukraine Emergency appeal - Launch of €1 Million Community Fund
G	**Strategy / Thought leadership**	- Staff Training - Events & Speaking opportunities
	Commitments	- Business in the Community - Low Carbon Pledge
	Reporting	- 2021 Detailed Sustainability Report
	Inclusion & Diversity	- 8,000 AIB staff completed refreshed Inclusion and Diversity training

BUSINESS & FINANCE IRISH BUSINESS AWARDS [redacted]

Overall winner
Environmental, Social & Governance Award

SUSTAINABLE FINANCE AWARDS 2022 GLOBAL FINANCE

The Best Bank for Sustainable Finance in Ireland for 2022

Business & Finance ESG AWARDS

ESG Company of the Year
ESG Investment

H1 2022 RATINGS

SUSTAINALYTICS ESG INDUSTRY TOP RATED 2021

On 24 June 2022 AIB received an ESG Risk Rating of 11.0, was assessed by Sustainalytics to be at Low Risk of experiencing material financial impacts from ESG factors and was ranked by Sustainalytics as 44 out of 1,001 Banks. AIB is also a Sustainalytics ESG Industry Top Rated company for 2021.

S&P Global

In the 2021 Corporate Sustainability Assessment AIB achieved an increased score of 70/100 (2020: 61/100) which, as at 12 November 2021, placed us in the 87th percentile of banks (2020: 78th percentile). AIB is also listed as a member of the Sustainability Yearbook 2022.

MSCI ESG RATINGS AA

CCC | B | BB | BBB | A | AA | AAA

AIB was rated as AA (Leader) on 22 Jan 2021, up from A (Average) in 2019

FTSE4Good

Since July 2020, AIB is a member of the FTSE4Good Index Series which identifies companies that demonstrate strong environmental, social and governance practices.

CDP DISCLOSURE INSIGHT ACTION

The international environmental impact non-proft organisation CDP highlighted AIB as a global leader in corporate climate action. AIB has achieved the Leadership rating since 2016 and was the only bank in Ireland or the UK to make the Global A list in 2020

Average balance sheet

	H1 2022			H1 2021		
	Average Volume €m	Interest €m	Yield %	Average Volume €m	Interest €m	Yield %
Assets						
Customer loans	**57,713**	**920**	**3.21**	57,823	922	3.22
Investment securities	**16,743**	**45**	**0.54**	18,762	31	0.33
Loans to banks / other	**47,210**	**(56)**	**(0.24)**	30,573	(42)	(0.27)
Interest earning assets	**121,666**	**909**	**1.51**	107,158	911	1.72
Non interest earning assets	**6,963**			6,325		
Total Assets	**128,629**	**909**		113,483	911	
Liabilities & equity						
Customer accounts	**51,655**	**(22)**	**(0.09)**	46,141	3	0.01
Deposits by banks	**11,264**	**(24)**	**(0.43)**	4,929	(26)	(1.06)
Other debt issued	**5,690**	**33**	**1.19**	5,396	27	1.01
Subordinated liabilities	**1,557**	**21**	**2.66**	1,552	20	2.65
Lease liabilities	**336**	**6**	**3.35**	373	6	3.29
Interest earning liabilities	**70,502**	**14**	**0.04**	58,391	30	0.11
Non interest earning liabilities	**44,821**			41,712		
Equity	**13,306**			13,380		
Total liabilities & equity	**128,629**	**14**		113,483	30	
Net interest income / margin		**895**	**1.48**		881	1.66

Customer loans

€bn	Performing Loans	Non-Performing Loans	Customer Loans
Gross loans (1 Jan 2022)	**55.3**	**3.1**	**58.4**
New lending	5.4	-	5.4
Redemptions of existing loans	(4.5)	(0.4)	(4.9)
Portfolio acquisition	0.2	-	0.2
Portfolio sales	(0.2)	(0.4)	(0.6)
Net flow to NPE	(0.2)	0.2	-
Restructures and Write offs	-	(0.1)	(0.1)
Foreign exchange / other movements	0.1	-	0.1
Gross loans (30 Jun 2022)	**56.1**	**2.4**	**58.5**
ECL allowance	(0.8)	(0.6)	(1.4)
Net loans (30 Jun 2022)	**55.3**	**1.8**	**57.1**

Loan book* by staging and coverage

Jun 2022 Gross loan exposures (€bn)	Stage 1	Stage 2	Stage 3**	Total exposure
Mortgages	27.3	1.2	0.8	29.3
Personal	2.2	0.2	0.2	2.6
Property & Construction	5.9	1.4	0.4	7.7
Corporate & SME	14.3	3.4	0.9	18.6
Total	**49.7**	**6.2**	**2.3**	**58.2**
Stage composition	**85%**	**11%**	**4%**	**100%**
ECL	**0.2**	**0.6**	**0.6**	**1.4**
ECL coverage	**0.3%**	**10%**	**27%**	**2.4%**

Dec 2021 Gross loan exposures (€bn)	Stage 1	Stage 2	Stage 3**	Total exposure
Mortgages	26.9	1.5	1.0	29.4
Personal	2.2	0.2	0.2	2.7
Property & Construction	5.4	1.4	0.6	7.4
Corporate & SME	13.9	3.7	1.1	18.7
Total	**48.4**	**6.8**	**3.0**	**58.2**
Stage composition	**83%**	**12%**	**5%**	**100%**
ECL	**0.2**	**0.7**	**0.9**	**1.9**
ECL coverage	**0.5%**	**10%**	**32%**	**3.2%**

Movements in loan exposures & ECL (€bn)	Stage 1	Stage 2	Stage 3**	Total exposure
Mortgages	0.4	(0.3)	(0.2)	(0.1)
Personal	-	-	-	(0.1)
Property & Construction	0.5	-	(0.2)	0.3
Corporate & SME	0.5	(0.3)	(0.2)	-
Total	**1.3**	**(0.6)**	**(0.7)**	**-**
ECL movement	**-**	**(0.1)**	**(0.3)**	**(0.5)**

**Loan book at amortised cost*
***includes Purchased or Originated Credit Impaired Loans (POCI)*

Loan book by staging – €58.2bn loan exposures

- Stage 1 loan exposures increased by €1.3bn to €49.7bn (85% of the loan book)
- Stage 2 loan exposures decreased by €0.6bn to €6.2bn (11% of the loan book)
  - Mortgages down €0.3bn
  - Corporate & SME down €0.3bn
- Stage 3 loan exposures decreased by €0.7bn to €2.3bn (4% of the loan book)
  - Mortgages down €0.2bn due to portfolio sale
  - Property & Construction down €0.2bn
  - Corporate & SME down €0.2bn

ECL stock €1.4bn / coverage 2.4% down from 3.2% in Dec 21

- Coverage in Stage 3 at 27% down from 32% at Dec 21

Stage movements

Jun 2022 Gross loan exposures (€bn) *(excluding Mortgages & Personal)*	Stage 1	Stage 2	Stage 3*	Total exposure
Property & Construction	5.8	1.4	0.5	**7.6**
Hotels, Bars & Restaurants	0.4	1.6	0.4	**2.4**
Retail /Wholesale	1.2	0.2	0.1	**1.5**
Manufacturing	1.5	0.2	0.1	**1.8**
Energy	2.2	0.1	-	**2.3**
Transport	1.4	0.2	-	**1.6**
Financial	0.3	-	-	**0.3**
Agriculture	1.4	0.2	0.1	**1.7**
Other Services	3.1	0.5	0.2	**3.8**
Syndicated & International Finance	3.0	0.4	-	**3.4**
Total	**20.2**	**4.8**	**1.4**	**26.3**

Movements Gross loan exposures (€bn) *(excluding Mortgages & Personal)*	Stage 1	Stage 2	Stage 3*	Total exposure
Property & Construction	0.5	-	(0.1)	0.3
Hotels, Bars & Restaurants	-	(0.2)	(0.1)	(0.2)
Retail /Wholesale	-	-	-	-
Manufacturing	0.2	(0.1)	-	0.1
Energy	0.1	-	-	0.1
Transport	0.1	(0.1)	-	0.1
Financial	-	-	-	-
Agriculture	-	-	-	-
Other Services	0.1	-	-	0.1
Syndicated & International Finance	0.1	-	-	0.1
Total	**1.0**	**(0.4)**	**(0.2)**	**0.4**

**includes Purchased or Originated Credit Impaired Loans (POCI)*

Stage movements (excluding Mortgages & Personal)

- Stage 1 loan exposures increased €1.0bn primarily due to new lending and upward staging movements
- Stage 2 loan exposures decreased by €0.4bn to €4.8bn primarily due to redemptions and some downward staging movements:
  - **Hotels, Bars & Restaurants** down €0.2bn
- Stage 3 loan exposures decreased by €0.2bn to €1.4bn
  - **Property & Construction** – €0.1bn decrease in Stage 3 loan exposures
  - **Hotels, Bars & Restaurants** - €0.1bn decrease in Stage 3 loan exposures
- **Syndicated and International Finance (SIF)** – minimal movements observed in total exposures and within stages. Exposures in SIF are well diversified by name and sector with the top 20 names accounting for 26% of the total and 88% of the SIF portfolio is rated by S&P, with 70% rated B+ or above

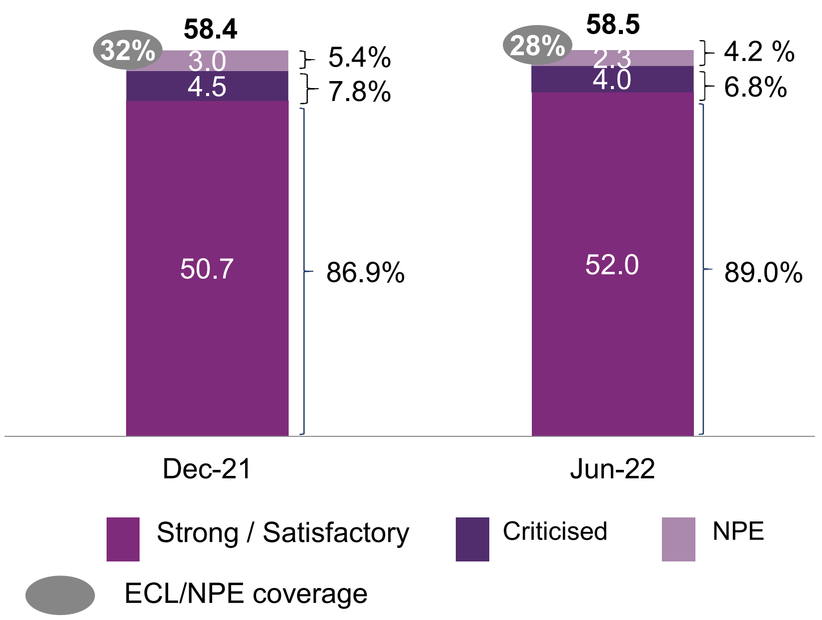
Asset quality by portfolio

€bn	Mortgages	Personal	Property	Corporate & SME	Total
Jun 2022					
Customer loans*	**29.3**	**2.6**	**7.9**	**18.6**	**58.5**
Total ECL cover** (%)	**1%**	**7%**	**3%**	**4%**	**2.4%**
of which NPEs	**0.7**	**0.2**	**0.6**	**0.9**	**2.4**
of which legacy NPEs	**0.2**	**0.0**	**0.1**	**0.1**	**0.3**
of which non legacy NPEs	**0.5**	**0.2**	**0.6**	**0.8**	**2.1**
ECL on NPE	**0.2**	**0.1**	**0.1**	**0.2**	**0.7**
ECL / NPE coverage (%)**	**28%**	**64%**	**21%**	**23%**	**28%**
Dec 2021					
Customer loans	29.4	2.7	7.6	18.7	58.4
Total ECL cover (%)	1%	8%	4%	5%	3.2%
of which NPEs	1.0	0.2	0.8	1.1	3.1
ECL on NPE	0.3	0.2	0.2	0.3	1.0
ECL / NPE coverage (%)	30%	64%	28%	29%	32%

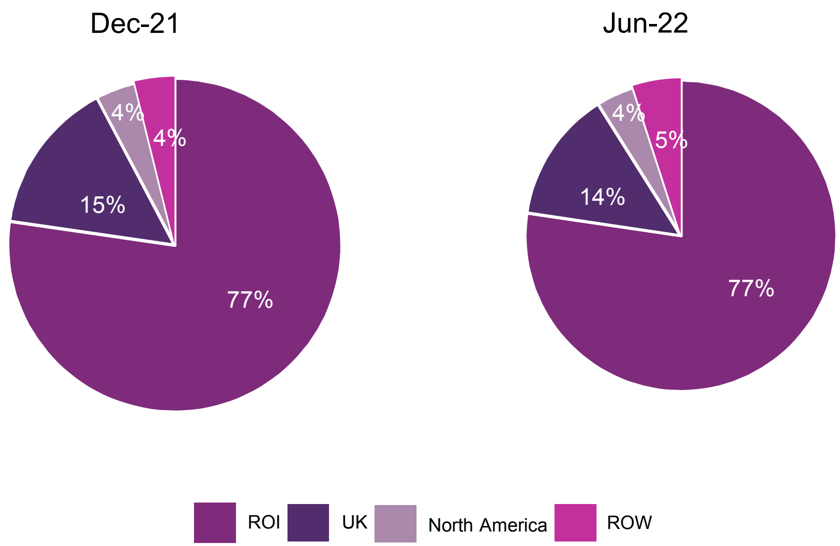
** Customer Loans includes loans measured at FVTPL*
*** ECL allowance as a % of total loans and advances to customers carried at amortised cost*

Asset quality – total portfolio

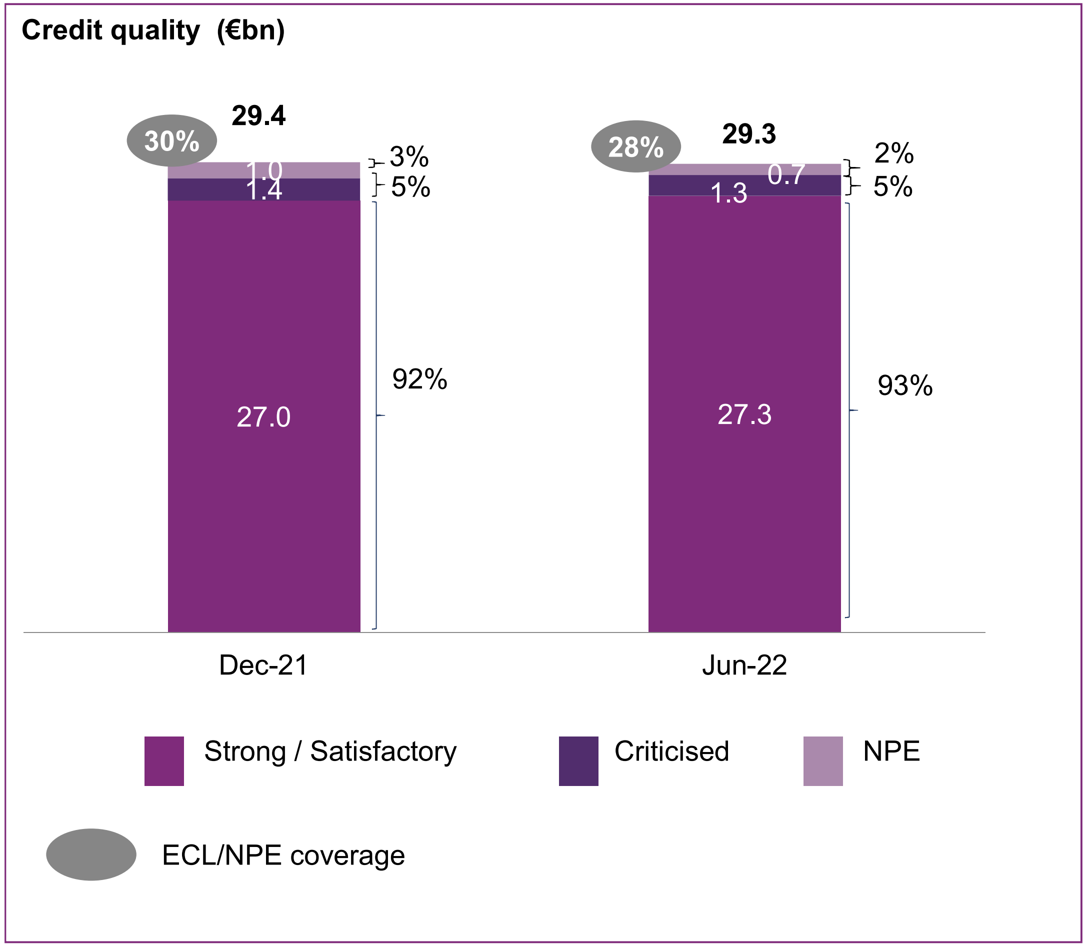
Total portfolio (€bn)

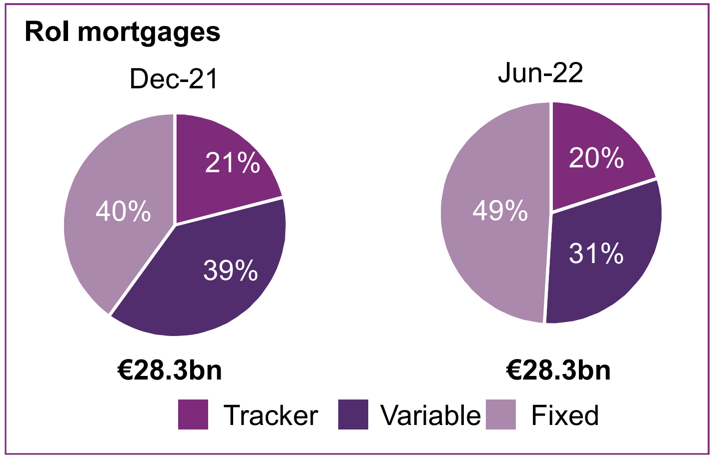


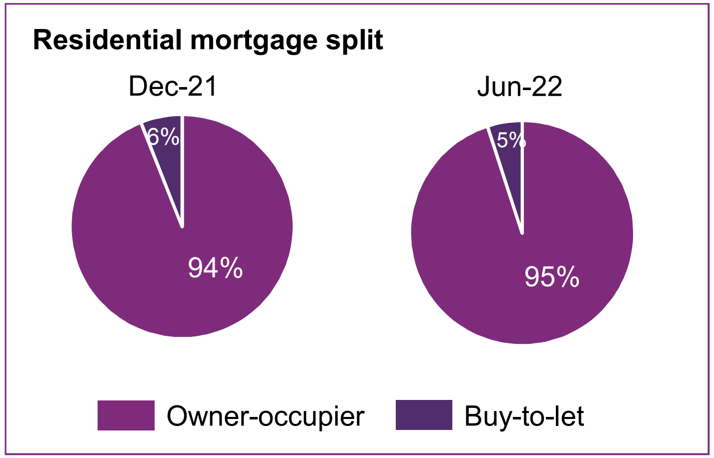
Loans by geography



Asset quality - mortgages

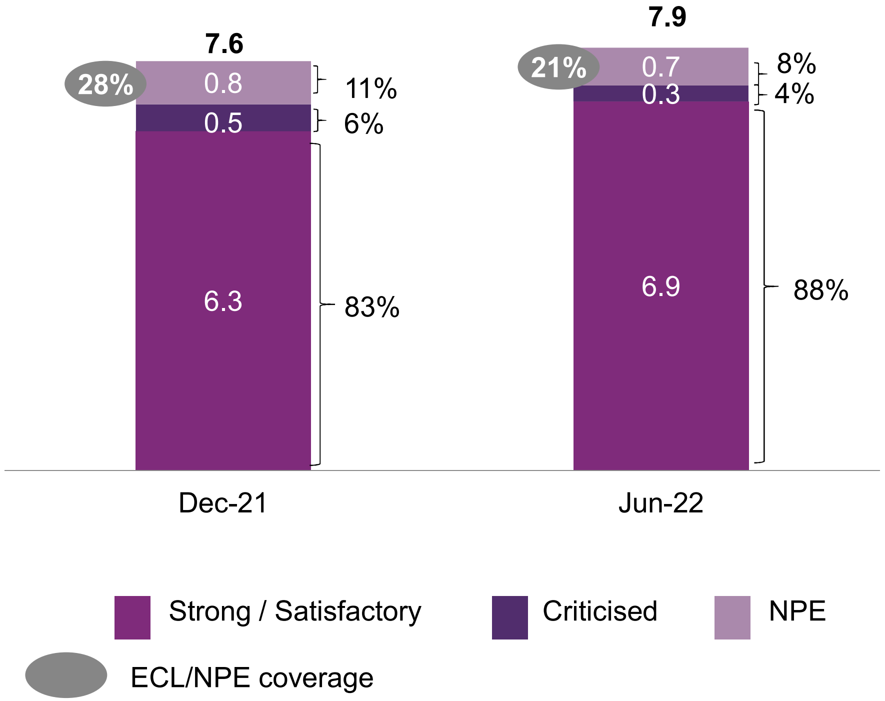




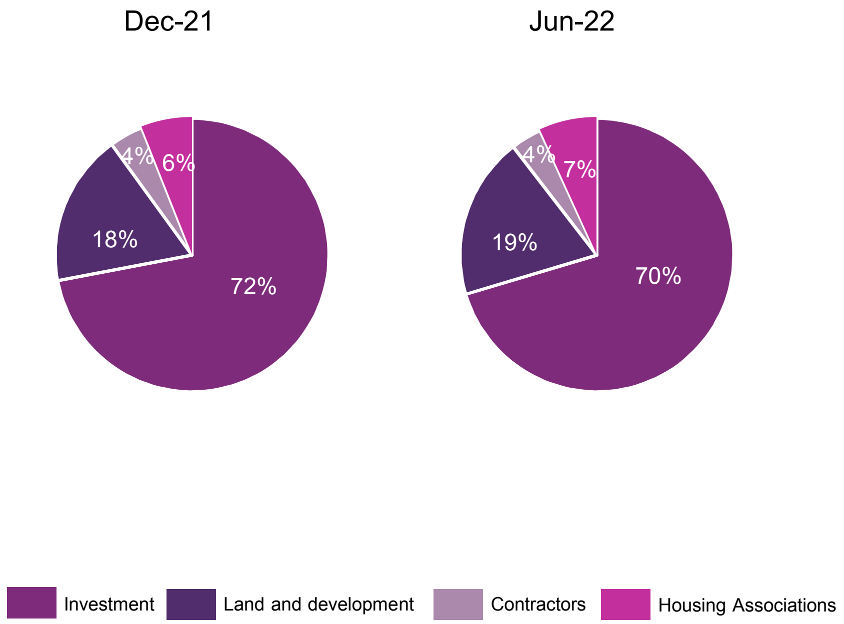


Asset quality – property & construction

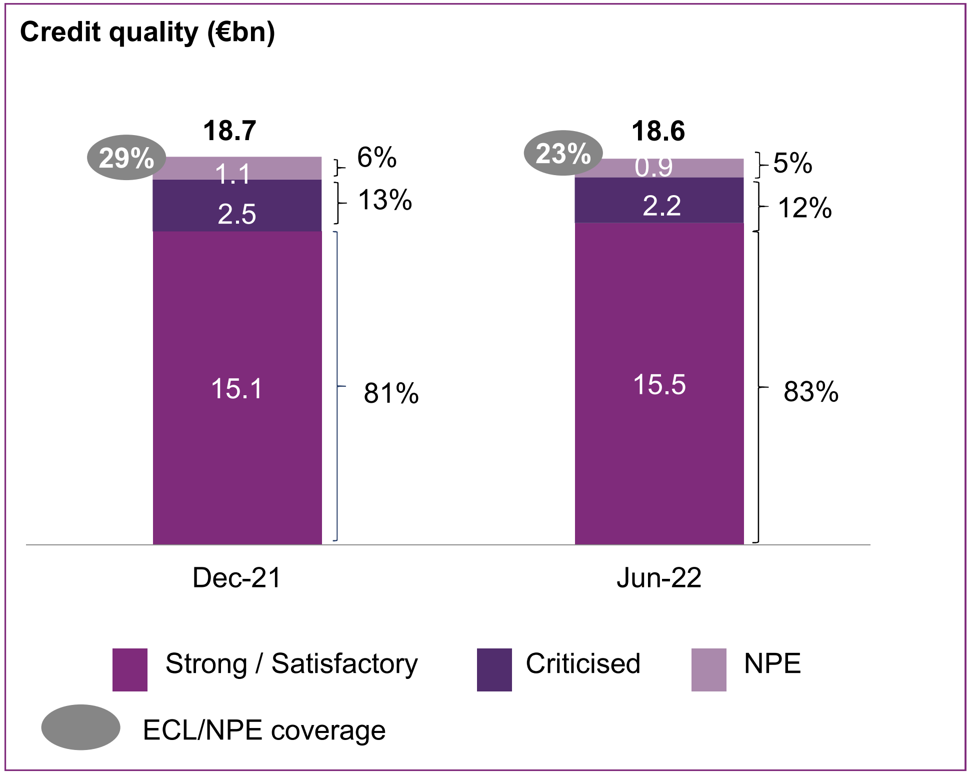
Credit quality (€bn)

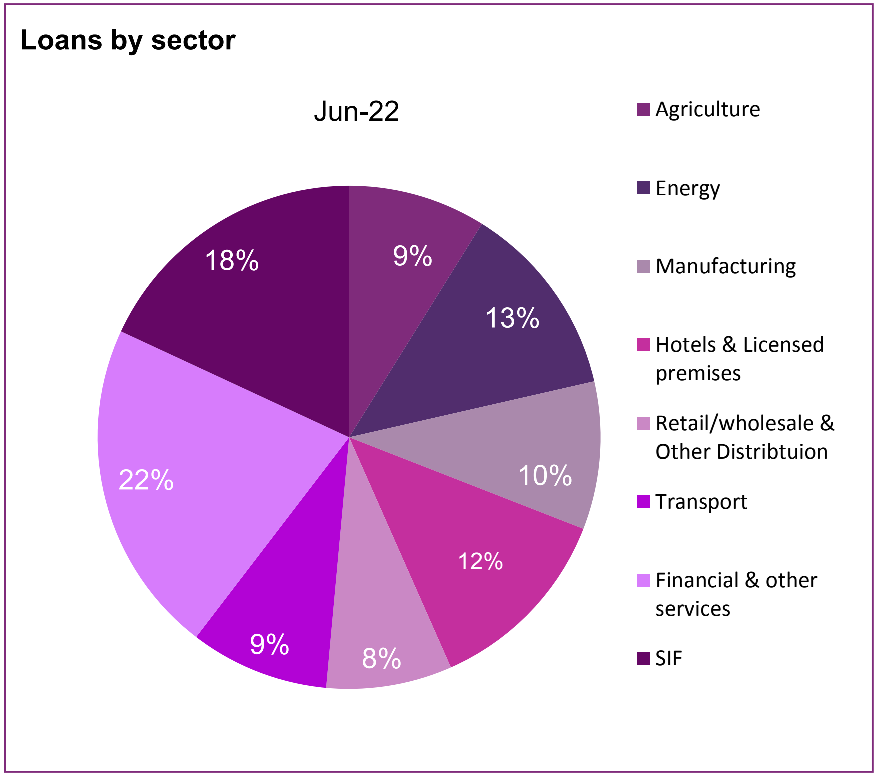


Loans at amortised cost by segment

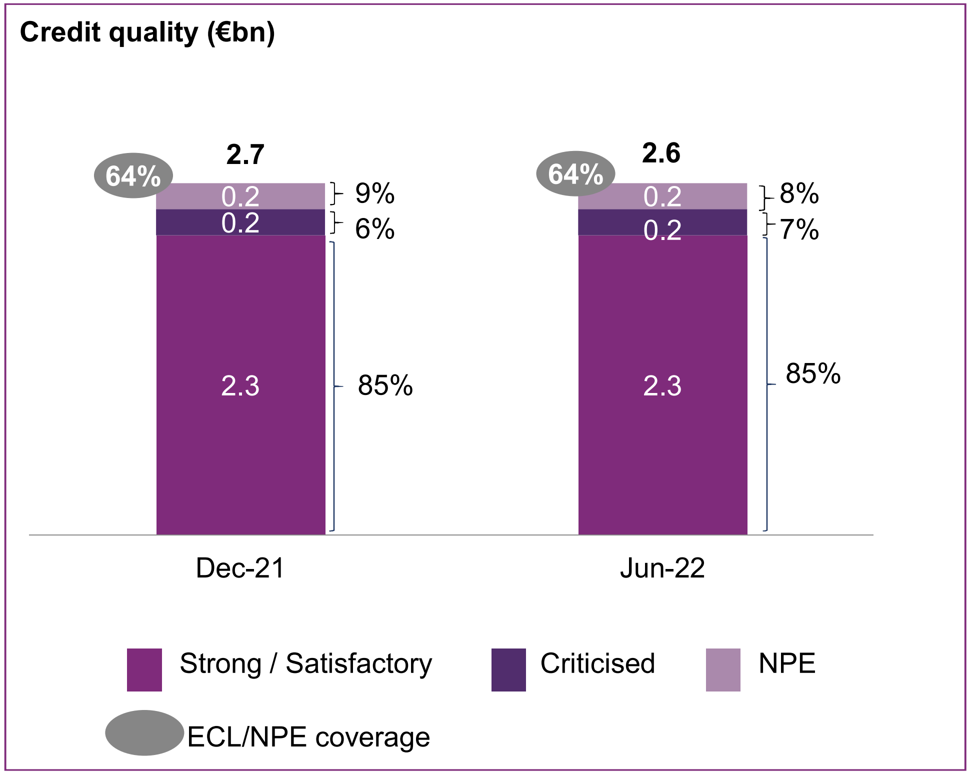


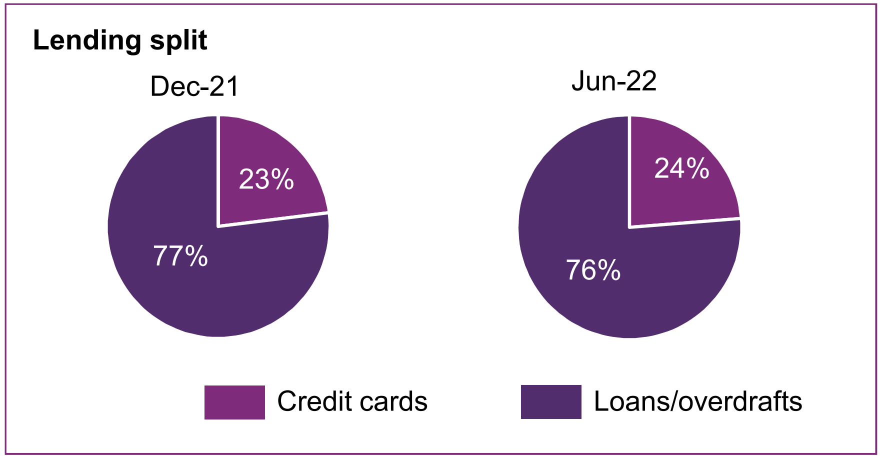
Asset quality – corporate & SME





Asset quality – personal portfolio





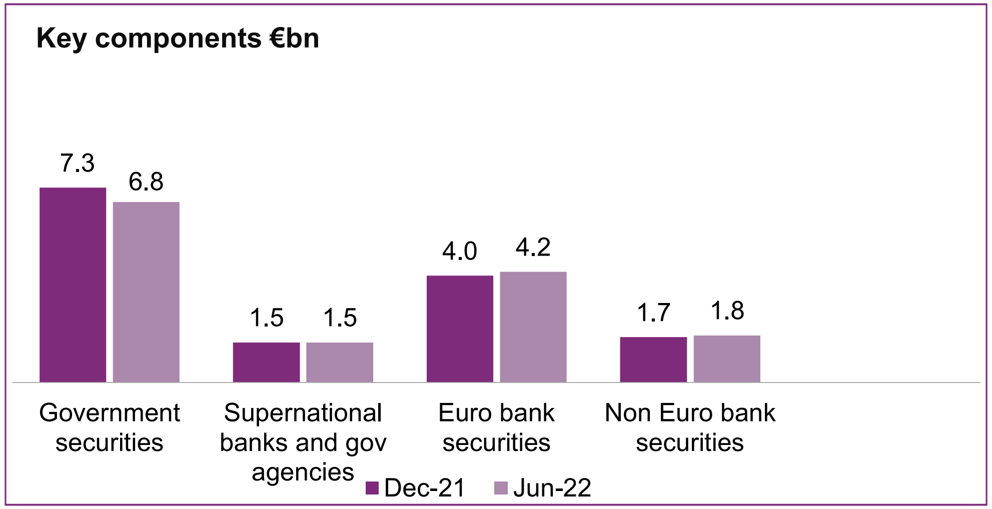
Asset quality – internal credit grade by ECL staging*

	Jun 2022					Dec 2021				
€m	Stage 1	Stage 2	Stage 3	POCI**	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Strong	**38,279**	**1,016**	**-**	**4**	**39,299**	36,521	895	-	4	37,420
Satisfactory	**10,748**	**1,892**	**-**	**2**	**12,642**	11,023	2,220	-	3	13,246
Total strong / satisfactory	**49,027**	**2,908**	**-**	**6**	**51,941**	47,544	3,115	-	7	50,666
Criticised watch	**638**	**1,203**	**-**	**2**	**1,843**	755	1,377	-	2	2,134
Criticised recovery	**10**	**2,096**	**-**	**57**	**2,163**	93	2,276	-	25	2,394
Total criticised	**648**	**3,299**	**-**	**59**	**4,006**	848	3,653	-	27	4,528
NPE	**2**	**-**	**2,339**	**26**	**2,267**	2	-	2,885	69	2,956
Total customer loans	**49,677**	**6,207**	**2,239**	**91**	**58,214**	48,394	6,768	2,885	103	58,150

**June 2022 excludes €241m loans FVTPL of which €167m are NPEs (Dec 21 €243m; €169m)*
*** Purchased or Originated Credit Impaired Loans (POCI)*

- Stage 1 loans €49.7bn increased €1.3bn from Dec 21, 99% are strong / satisfactory
- Stage 2 loans €6.2bn decreased €0.5bn from Dec 21, 47% are strong / satisfactory
- Stage 3 loans €2.2bn decreased €0.7bn from Dec 21 mainly due to €0.4bn portfolio sale

Investment securities – debt securities €16.9bn



- €16.9bn up from €16.7bn mainly due to €0.4bn increase in asset backed securities and €0.2bn Euro bank securities
- Average yield of 0.54% in H1 2022 is up from 0.33% in H1 2021
  - yield increasing due to higher yielding assets

Reported capital ratios

Transitional capital ratios

	Jun 22	Dec 21
Total risk weighted assets (€m)	**56,776**	52,637
Capital (€m)		
Shareholders equity excl AT1 and dividend	**11,522**	12,427
Regulatory adjustments / foreseeable charge	**(2,098)**	(2,325)
Common equity tier 1 capital	**9,424**	10,102
Qualifying tier 1 capital	**1,112**	1,115
Qualifying tier 2 capital	**1,526**	1,524
Total capital	**12,062**	12,741
Transitional capital ratios (%)		
CET1	**16.6**	19.2
AT1	**2.0**	2.1
T2	**2.6**	2.9
Total capital	**21.2**	24.2

Fully loaded capital ratios

	Jun 22	Dec 21
Total risk weighted assets (€m)	**56,629**	52,358
Capital (€m)		
Shareholders equity excl AT1 and dividend	**11,522**	12,427
Regulatory adjustments / foreseeable charge	**(2,868)**	(3,714)
Common equity tier 1 capital	**8,654**	8,713
Qualifying tier 1 capital	**1,112**	1,115
Qualifying tier 2 capital	**1,658**	1,661
Total capital	**11,424**	11,489
Fully loaded capital ratios (%)		
CET1	**15.3**	16.6
AT1	**2.0**	2.2
T2	**2.9**	3.1
Total capital	**20.2**	21.9

RWA (Transitional)

Risk weighted assets (€m)	Jun 22	Dec 21	Mvmt
Credit risk	**52,133**	47,646	4,487
Market risk	**330**	446	(116)
Operational risk	**4,211**	4,435	(224)
CVA	**102**	110	(8)
Total risk weighted assets	**56,776**	52,637	4,139

Shareholders' Equity (€m)

Equity – Dec 2021	**13,664**
Profit H1 2022	477
Investment securities & cash flow hedging reserves	(969)
Other	(244)
Equity – Jun 2022	**12,928**
less: AT1	**(1,115)**
less: Proposed dividend	**(291)**
Shareholders' equity excl. AT1 and dividend	**11,522**

Loan book analysis and ECL sensitivities

Concentration by sector (%)	H1 2022
Agriculture	3
Energy	4
Manufacturing	5
Property & construction	13
Distribution	7
Transport	4
Financial	1
Other services	8
Resi mortgages	50
Personal	5
Total	**100**

ECL sensitivities*
Customer loans

H1 2022 €m	Reported	Base 100%	Downside scenario 1 100%	Downside scenario 2 100%	Upside scenario 100%
ECL allowance	1,400	1,344	1,492	1,628	1,339
Delta to Reported		(56)	92	228	(61)
Delta to Base			148	284	(5)

**H1 2022 macroeconomic scenarios and weightings: Base scenario (50%); Downside scenario 1 'Lower growth in 2022' (30%); Downside scenario 2 'Persistent high inflation' (5%); Upside scenario 'Quick economic recovery' (15%)*

Credit ratings

As at 30 Jun 2022	Moody's	Fitch Ratings	Standard & Poor's
AIB Group plc (HoldCo) Long term issuer rating	**A3**	**BBB**	**BBB-**
Outlook	Stable	Stable	Stable
Investment grade	✓	✓	✓
AIB p.l.c. (OpCo) Long term issuer rating	**A1**	**BBB+**	**A-**
Outlook	Stable	Stable	Stable
Investment grade	✓	✓	✓

Contact details

Our Investor Relations Department are happy to facilitate your requests for any further information

Name	Email	Telephone
Niamh Hore *Head of Group IR*	niamh.a.hore@aib.ie	+353 1 6411817
Siobhain Walsh *Head of Debt IR*	siobhain.m.walsh@aib.ie	+353 1 6411901
Bernie Glynn	bernie.a.glynn@aib.ie	+353 1 6411409
John McEvoy	john.a.mcevoy@aib.ie	+353 1 6413512
Pat Clarke	patricia.m.clarke@aib.ie	+353 1 6412381
Susan Glynn	susan.j.glynn@aib.ie	+353 1 7724546

Visit our website at aib.ie/investorrelations