

A group of people, including a man in a green jacket and cap, are kneeling in a field, planting small evergreen saplings in black pots. The background is slightly blurred, showing other people engaged in the same activity. A large, stylized cyan bracket is on the left side of the image.

240 Year Journey: Paving the path to a Sustainable tomorrow.

Sustainability Highlights 2023
Bank of Ireland Group plc

Sustainability at a glance

Welcome to Bank of Ireland's Sustainability Report 2023.

This report presents an update on the progress against our 'Investing in Tomorrow' sustainability strategy, while aligning to our purpose to enable our customers, colleagues, society and shareholders to thrive.

E

Environmental

S

Social

G

Governance

1st

and only Irish bank, one of currently 24 banks globally to set and publish UNPRB commitments on Financial Health and Inclusion

#1

bank recognised for financial wellbeing in Ireland

46%*

female appointments to management and leadership positions (40% in 2022)

+2

improved ratings from two ESG ratings agencies in 2023

>85%

Achieved of our own operations 2030 target and over 90% of 2025 target for long-term corporate lending



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

80%

colleague score for culture embeddedness (+5 points vs global financial services benchmark)

Sustainable Finance Framework

published

€11.1bn*

sustainability-related finance increased by 35% in 2023

€2.25bn

Issued in bonds through Green Bond Framework. Total issuance to date c. €4.75 bn

Initial Double Materiality Assessment

completed in preparation for CSRD reporting requirements

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Letter from Chair of the Group Sustainability Committee (GSC)

I am delighted along with my Committee Colleagues to introduce the 2023 Sustainability Report, which highlights the progress made over the past 12 months at Bank of Ireland in further embedding sustainability across our business. This report covers the first year of our current 3-year Group strategic cycle which has now fully embedded sustainability as one of our three core Group strategic pillars under 'Sustainable Company'.

Our Environmental, Social and Governance (ESG) strategy recognises the significant role we have in supporting society with the transition to a low-carbon economy. But equally we are acutely aware that reaching net zero will rely on many parts of government, industry and society acting together and this collective approach along with changes in behaviour will ultimately impact the pace of transition.

As Chair of the GSC, I oversee the development and implementation of the Group's Sustainability strategy and progress against ESG-related targets and commitments and, together with the Board Risk Committee, the GSC oversees ESG-related risks. The GSC also oversees the publication of the Sustainability and the United Nations Principles for Responsible Banking (UNPRB) Reports.

The robust governance structure around our sustainability agenda at Board and Executive level demonstrates our commitment to advancing our sustainability ambitions and plans. I am proud of the progress we made in 2023 as we continued to support our array of stakeholders; customers, colleagues and, wider society, all translating into a stronger franchise for our shareholders.

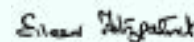
During 2023 in particular we were able to make good progress in the areas of our customers' financial wellbeing, our sustainability related finance and the finalisation of our Five Point Climate Action Plan. But we also have to be forward looking. New and emerging social, commercial and economic trends are shaping our customers' financial lives. There are opportunities to transform our relevance and value to customers and to provide greater transparency on our company's impacts and its dependencies on people and the environment, including the increasing importance of biodiversity.

As Chair of the GSC, I am acutely aware of the need for increased reporting and transparency standards in this area. For instance, 2024 will be the first year of Corporate Sustainability Reporting Directive (CSRD) implementation. CSRD will significantly enhance our ESG disclosures and will inform our future strategic priorities.

These increased standards will help us to focus our approach and optimise our delivery for our customers, colleagues, and society.

As the Group continues to make progress and deliver on our sustainability ambitions, I would like to thank my fellow Committee members and our CEO Myles O'Grady and all his team, who remain committed to progressing the Group's Sustainability strategy.

Eileen Fitzpatrick
Chair of the GSC



Eileen Fitzpatrick
Chair of the Group
Sustainability Committee (GSC)

in conversation

With Myles O'Grady, Group Chief Executive
and Eamonn Hughes, Chief Sustainability
and Investor Relations Officer

“At Bank of Ireland, we have a pivotal
role to play in building a more
sustainable economy and society to
support the transition to net zero.

Myles O'Grady
Group Chief Executive

In conversation with



Myles O'Grady
Group Chief Executive (CEO)

In 2023, we saw an increased focus on ESG with growing stakeholder demands. How has Bank of Ireland responded to this?

Myles: At Bank of Ireland, we have a pivotal role to play in building a more sustainable economy and society to support the transition to net zero. That's why in 2023, we embedded sustainability as one of the Group's core strategic pillars, under Sustainable Company, and we continue to deliver practical sustainability solutions that make a difference.

In March 2023, we extended our sustainable finance lending target to c.€15 billion by 2025 and c.€30 billion by 2030. In 2023 our sustainability-related lending to households and businesses grew by 35% to c.€11.1 billion*. Our aim is to ensure that the products we offer our customers are both environmentally and financially responsible, while also working towards the decarbonisation of our loan portfolio.

We also refined our values to better align with our updated corporate strategy in response to colleague feedback and I'm delighted that this contributed to improved colleague engagement and culture embeddedness scores in 2023.

What were the main sustainability achievements in 2023?

Eamonn: We are focused on expanding our sustainable finance loans to help key sectors of the economy transition including Agriculture, Property, Transport and Energy. A real example of this was the launch of our Enviroflex Sustainability Linked Loan (SLL) in conjunction with Kerry Dairy Ireland to support farmers implement sustainable farm practices. We also enabled customers to buy more sustainable homes with green mortgages accounting for over half of our new mortgage drawdowns.

We made our first disclosures on our progress against our Science Based Targets (SBTs) in the 2023 annual report. I'm delighted that we are well on our way to meeting our targets. By 2023, we

achieved over 85% of our own operations 2030 target and over 90% of the 2025 target for long-term corporate lending and we strive to continue this progress moving forward.

But it's not just about the E in ESG. We have also made significant progress on our social commitments. Protecting our customers' and colleagues' financial wellbeing is a key focus for us. We hold the leading position as the # 1 bank recognised for financial wellbeing in the Irish market. We strengthened our commitment even further in 2023 by publishing our UNPRB Financial Health & Inclusion targets, the first and only Irish bank and one of currently 24 banks globally to do this. I am also proud that we achieved the Gold Investors in Diversity EDI Mark for our inclusion and diversity commitments.

We strengthened our ESG reporting disclosures in 2023 and recently launched our Sustainable Finance Framework providing further transparency around what we categorise as sustainable and social finance.

In 2023, we increased the level of sustainability related finance on our balance sheet with sustainability related lending to households and businesses growing by 35% to €11.1 billion*

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In conversation with continued

Will sustainability continue to shape your strategy for 2024 and beyond?

Myles: Absolutely. Sustainability is embedded in our Group strategy and we will continue to embed this further across every area of our business. While we have made notable progress on our ambitions, there is so much more to do to support the generation of competitive long-term financial returns for shareholders whilst having a positive social and environmental impact, on a sustainable basis.

For customers, we will continue to support their transition with innovative financial solutions like our recently launched new 'Ecosaver' mortgage offering, as well as protect their financial wellbeing and support them when they need us most, whether that's assisting against the growing threat of fraud or helping those who find themselves in vulnerable situations.

For colleagues, we will further invest in making their jobs more rewarding, attracting new talent and building a fully inclusive workforce that is reflective of the society we serve.

For society, we will keep supporting our communities to prosper, driving greater engagement and building a more sustainable and inclusive future.

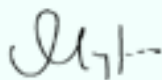
And lastly, for shareholders, we will deliver long-term value creation with a resilient business model and improve our franchise value by delivering sustainable returns.

How do you see the linkages between sustainability and shareholder value?

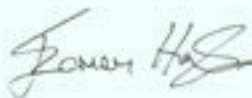
Eamonn: Our commitment to Sustainability is grounded in our central belief that supporting our customers, colleagues and society, while appropriately allocating our capital, will create long-term value for our shareholders.

There is a lot to do, but having a 'franchise value' mindset strengthens the long-term perspectives we will bring to our actions.

Myles O'Grady
CEO



Eamonn Hughes
CSIRO

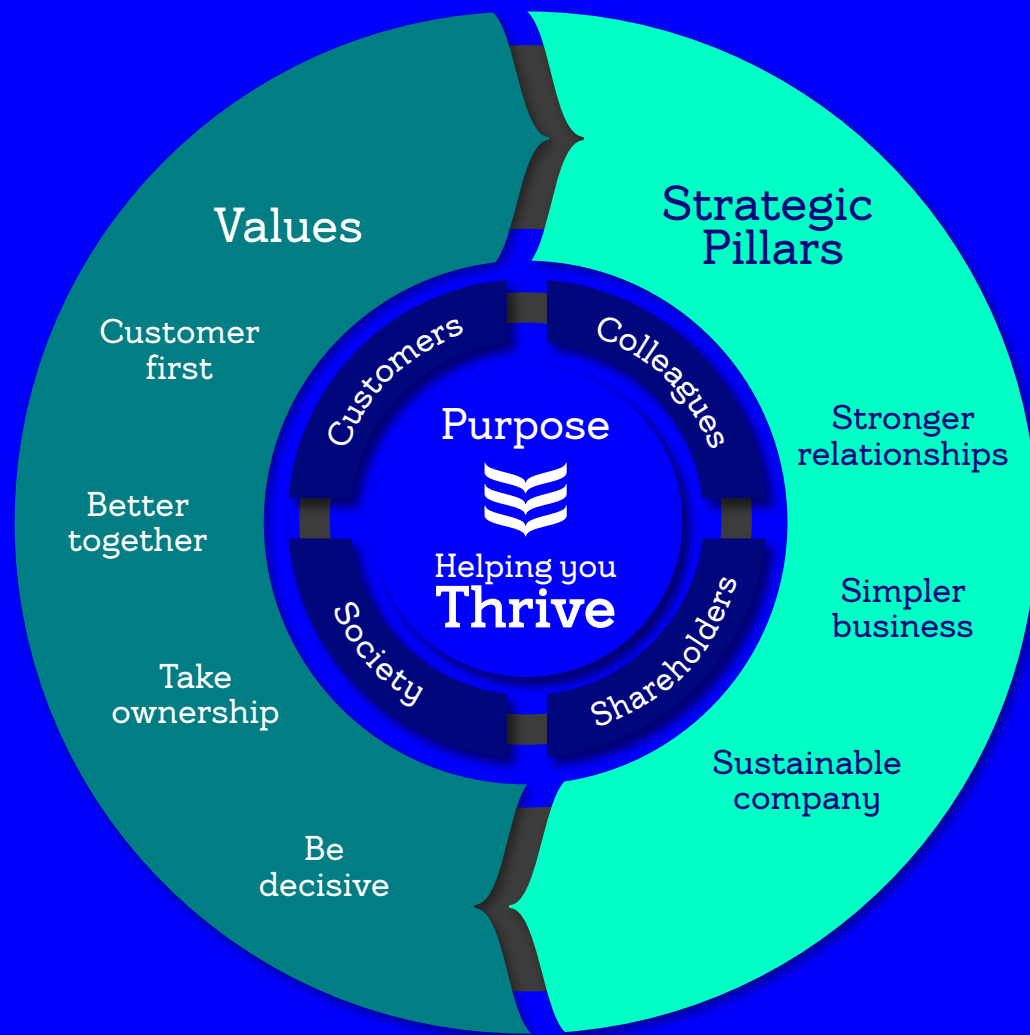


Eamonn Hughes
Chief Sustainability and
Investor Relations Officer (CSIRO)

Our Group Strategy

In March 2023, our refreshed group strategy for 2023-2025 was launched. This strategy builds on our 240 year business heritage and is guided by our purpose, which is to help customers, colleagues, shareholders and society to thrive. Sustainability is now embedded as one of the Group's three core strategic pillars under 'Sustainable Company' alongside Stronger Relationships and Simpler Business.

Our values are central to how we work to deliver this strategy. At Bank of Ireland, we are customer first, better together, we take ownership and are decisive.



Our Sustainability Strategy

Sitting below the Group's Sustainable Company pillar is our 'Investing in Tomorrow' sustainability strategy.

Our focus is on our material ESG impacts and opportunities aligning to science and best practice including the UN Sustainable Development Goals (SDGs), the blueprint for a more sustainable future for all.

Our sustainability strategy and approach centres on three pillars:

- Supporting the green transition
- Enhancing financial wellbeing
- Enabling our colleagues to thrive

Foundation Topics

Our pillars are underpinned by strong foundational topics which guide our commitment to being a sustainable business

Sustainability Strategy aligned to UN SDG's which interconnect broader ESG considerations beyond climate and Net Zero.

Sustainability Pillars



Supporting the Green Transition

Focus areas

We are committed to working with our customers, colleagues and communities to support their transition to a resilient, net zero economy by 2050 in line with government ambitions and actions.

- Science-based targets
- Providing sustainable finance
- Decarbonise our own operations
- Manage climate-related risks
- Transparently report our progress

Relevant UN SDGs:



Enhancing Financial Wellbeing

Focus areas

We are committed to empowering people with the knowledge and skills needed to make the most of their finances while striving to leave no one behind on the journey to financial health.

- Fostering financial inclusion
- Improving financial literacy and capability
- Building a more financially resilient and confident Ireland

Relevant UN SDGs:



Helping Colleagues to Thrive

Focus areas

We are committed to create an inclusive and supportive workplace for all our colleagues, enabling them to develop brilliant careers, supporting them during key life moments that matter and providing a safe and fair place to work that welcomes everybody.

- Build a future ready workforce
- Create a differentiated colleague experience and workplace
- Simplify our ways of working

Relevant UN SDGs:



Social Foundation Topics

Community investment | Health & Safety | Sourcing Responsibly | Human Rights

Governance Foundation Topics

Culture | Business Ethics | Cyber Security | Data Protection | Financial Crime

Our Sustainability Roadmap

- E** Environmental
- S** Social
- G** Governance

Joined UNPRB



Joined
TCFD
TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

1st TCFD report Published

Launched Ireland's 1st Green Mortgage, Renewable Energy & EV finance products

Launched financial wellbeing programme

2019-2020

Launched 'Investing in Tomorrow' Sustainability strategy

1st Sustainability Report

2nd TCFD report published

1st EU Taxonomy disclosure

1st Woodland Nature Credit financing 600,000 trees

1st Green Bond issuance raising €750 million

Inclusion Diversity Training for all colleagues (c.9,800)

Ethnic Minority Talent Programme (RISE) launched

2021



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Scope 1-3 GHG reduction targets for 2030 validated from 2020 baseline

Joined



2nd Woodland Nature Credit financing c.1.8 million trees

Co-lead UNPRB Financial Health and Inclusion working group

Recognised #1 bank for financial wellbeing in Ireland

40% female appointments to management & leadership positions

Vulnerable customer unit supported over 6,300 customers

Appointed CSIRO

Board Sustainability Committee Established

2022

Sustainability related finance increased by 35% to €11.1bn*

Achieved over 85% of our SBTi 2030 target reduction in Scope 1 and 2 emission

Total Green Bond issuances of c.€4.75 bn to date

Launched Enviroflex agri-business sustainability-linked loan

Launched Green Capex loan product for corporate customers

46%* female appointments to management & leadership positions

Recognised #1 bank for financial wellbeing in Ireland

1st and only Irish bank and 1 of currently 24 banks globally to set and publish our UNPRB commitments to financial health and inclusion

Received gold accreditation from



Group profit share scheme introduced, with ESG targets embedded

Published first Pillar 3 ESG disclosures

CSRD preparation underway

Published enhanced EU Taxonomy disclosures

2023

Net Zero ²⁰⁵⁰



Published Sustainable Finance Framework

Achieve sustainable finance target of c.€15 bn by 2025 and c. €30bn by 2030

Decarbonise own operations by 2030

Continue to be #1 bank recognised for financial wellbeing in Ireland

Achieve UNPRB Financial Health & Inclusion Targets by 2030

Achieve 50:50 gender balance in management & leadership positions.

Increase representation of ethnic minority groups

2024 to 2030

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€11.1bn*

sustainability-related finance increased by 35% in 2023

€2.25bn

Issued in bonds through Green Bond Framework. Total issuance to date c. €4.75 bn

Launched **Green Capex loan**

aligned to the EU Taxonomy sustainable market activities

Launched **Enviroflex agri-business Sustainability loans**

>85%

Achieved of our own operations 2030 target and over 90% of 2025 target for long-term corporate lending



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

#1

for Green Mortgages in Ireland

Supporting the green transition.

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Protecting Customers' Financial Wellbeing

We run one of the most comprehensive consumer fraud awareness programmes in Ireland

#1

bank for Financial Wellbeing in Ireland

1st

and only bank in Ireland to publish UNPRB commitments to financial health and inclusion

Over **100,000**

students took part in our Financial Literacy Programmes for the 2022/2023 school year

Over

133 million

personalised financial insights delivered in-app to customers through Mi365

Over

17,700

adults supported through financial education initiatives throughout 2023

Launched

'Extra Help' and 'Money Worries' hubs

signposting practical tips and resources to support customers

Enhancing Financial Wellbeing

Enabling Colleagues to Thrive

80%

culture embeddedness index (+5 points vs global financial services benchmark)

73%

colleague engagement index (+5 points since 2022)

'Family Matters' initiative

Enhanced support for women and families

Awarded Gold

in diversity EDI Mark

Launched new Neuroinclusion strategy

40%*

of colleagues undertaking All-Colleague Future Skills Pathways achieving our set target

46%*

female senior appointments to management and leadership positions (+6 points vs 2022)

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Sustainable Company

embedded as core Group strategic pillar. This puts it on every colleagues 'to do' list

+2

Improved ratings from two ESG ratings agencies in 2023

Colleagues helped

sharpened purpose and refreshed values

Governance