

## AIB Group plc

**Scope 1 and 2:** AIB Group plc commits to reduce absolute scope 1 GHG emissions 34% by 2027 from a 2019 base year\*. AIB Group plc commits to increase annual sourcing of renewable electricity from 1% in 2019 to 100% by 2030.

\*The target boundary includes biogenic land-related emissions and removals from bioenergy feedstocks.

### Scope 3 Portfolio Targets

**Headline target:** AIB Group plc's portfolio targets cover 36% of its total investment and lending by total assets as of 2021.<sup>1</sup> Within its loan portfolio, AIB's portfolio targets cover 75% of its lending by total assets as of 2021. As of the same year, required activities made up 12% of AIB's total investment and lending by total assets while optional activities made up 33% and out of scope activities made up 55%.

### Scope 3 asset class level targets

Asset class	Method	Target language
Electricity generation project finance	Sector Decarbonization Approach (SDA)	AIB Group plc commits to maintain the emissions intensity of its electricity generation project finance portfolio at or below 21 gCO <sub>2</sub> e/kWh from 2021 through 2030 and only finance 1.5°C aligned electricity generation projects.
Commercial real estate	SDA	AIB Group plc commits to reduce GHG emissions from the commercial real estate sector within its corporate loan portfolio 67% per square meter by 2030 from a 2021 base year.
Residential mortgages	SDA	AIB Group plc commits to reduce its mortgage portfolio GHG emissions 58% per square meter by 2030 from a 2021 base year.
Corporate loan: other long-term debt	Portfolio Coverage	AIB Group plc commits to 35% of its other long-term corporate loan portfolio <sup>2</sup> by loan value setting SBTi validated targets by 2026 and 54% by 2030.

<sup>1</sup> These targets and coverage % do not include asset management activities.

<sup>2</sup> This target covers 100% of fossil fuel corporate loans.

Listed equity and corporate bonds	Portfolio Coverage	AIB Group plc commits to 68% of its listed equity and corporate bond portfolio by invested value setting SBTi validated targets by 2026 and 78% by 2030.
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## Summary

AIB Group plc will implement the following strategy and actions to achieve its targets:

- AIB will continue to provide at least 80% renewable or other zero-emissions electricity generation project financing and will only finance new capacity from zero-emission sources and additional exposure to existing capacity only if the infrastructure has an emissions abatement plan consistent with limiting warming to 1.5°C with no or limited overshoot.
- AIB Group plc will continue to expand on its green propositions and green finance across its Retail Banking, Capital Markets and UK business. Future opportunities include providing residential and commercial financing options for retrofitting, solar panels as well as support for more sustainable farming.
- AIB Group plc will encourage relevant portfolio companies with the development of SBTi approved science based targets.
- AIB Group plc has limited exposure to fossil fuels and will actively encourage these customers to develop SBTi approved science-based targets along with credible transition plans.
- AIB Group plc will publicly report progress against its scope 3 portfolio targets on an annual basis in its Sustainability Report and other relevant disclosures such as the CDP Climate Change Questionnaire.
- AIB Group plc will ensure that the disclosure of metrics and targets will align with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).
- AIB Group plc will continue to support the Irish Government to meet its policy goals and actions required to deliver on its targets as set out in the Climate Action Plan.
- AIB Group plc will continue partnerships to build awareness of climate change and promote action to prevent food waste, biodiversity & community dialogues in addition to an annual Sustainability conference and related events.

AIB Group plc selected these actions because:

- They show AIB's commitment to reducing the financed emissions of AIB's investment and lending activities in line with the latest climate science.
- They show that AIB will continue to support its customers as part of a just transition.
- They show that AIB is committed to encouraging its portfolio customers to develop SBTi approved science-based targets.
- They show AIB's commitment to transparency through the annual disclosure of AIB's progress against its science based targets.
- They show that AIB will continue to support the Irish Government's policy goals and targets.