Banking Operations: Sustainability, Covid and the New Normal

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AIB Group plc

About us

• Our main business activities are retail, business and corporate banking, mobile payments and card acquiring.
• The Group operates predominantly in Ireland and the United Kingdom.
• Our core segments are: Retail Banking; Corporate, Institutional and Business Banking (CIB), and; AIB UK.
• Our purpose, as a financial institution, is to back our customers to achieve their dreams and ambitions.
OUR SUSTAINABILITY JOURNEY

- Established Energy, Climate Action & Infrastructure team
- Achieved CDP Climate A Leadership Rating
- Sponsored UCD Chair in Behavioral Economics, DCU Chair in Data Analytics
- Procured 100% renewable energy
- 1st Sustainability Conference
- 1st Sustainability Report
- Established Sustainable Business Advisory Committee (SBAC)
- Signed the Low Carbon Pledge to reduce emissions by 50% by 2030
- Achieved CDP Climate A Leadership Rating
- Group-wide certification to ISO 14001 & ISO 50001 (Energy & Environmental Mgt. Standards)
- Completed materiality exercise with 1,400 stakeholders
- 2nd Sustainability Conference
- 2nd Sustainability Report
- Partnerships with FoodCloud and SOAR
- Sustainable Communities becomes AIB’s 5th strategic pillar
- Achieved CDP Climate A- Leadership Rating
- Main sponsor of Climate Finance Week
- Pledge to Do More Commitment
- Green Mortgage
- Founding Signatory of the UNEP FI Principles for Responsible Banking
- Supporter of the TCFD (Commitment to disclose climate-related financial risks)
- Achieved the Business Working Responsibly Mark
- 3rd Sustainability Conference
- 3rd Sustainability Report
- Eliminated Plastic Coffee Cups & Disposables (12.5m items)
- Pledged to become Carbon Neutral in our Operations by 2030
- Awarded Chambers Ireland Outstanding in Sustainability 2020
- Published a defined list of Excluded Business Activities
- Issued 1st Green Bond for €1bn
- Published Responsible Supplier Standards
- Launched a Socially Responsible Investment Bond Framework
- Committed €5m to community causes for COVID-19
- Launched new COVID-19 propositions and additional supports for vulnerable customers
- Named Large Green Organisation of the Year
- Main Sponsor of 3rd Climate Finance Week
- 4th Sustainability Report based on refreshed materiality exercise
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Our Sustainability Targets

**CLIMATE ACTION**
- **2023**
  - €5BN in new climate action lending
- **2030**
  - NET ZERO in our own operations
  - Ambition for 70% of new lending to be green
- **2040**
  - NET ZERO ambition customer portfolio lending (AGRI 2050)

**ECONOMIC & SOCIAL INCLUSION**
- **2023**
  - €300m finance for social housing
- **2023**
  - 500,000 customers supported – financial literacy

**FUTURE-PROOF BANK**
- **2023**
  - Transactional NPS
    - 53+
- **2023**
  - >2.25m digitally active customers

*Includes Scope 1 & 2 emissions.*

*Transactional Net Promoter Score (NPS) is an aggregation of 20 Homes, Personal, SME, Digital, Retail, Direct and Day-to-Day Banking journeys.*
Banking Operations: Customer Services

Head of Customer Services

- Credit Services
- Financial Crime Hub
- Governance & Performance
- Transaction & Account Services
- Transformation

- Card Services
- Payment Services
- Banking Support Services
- Treasury Operations
- Cash & Distribution Services
Banking Operations

Sustainability: Green Products Supported by Operations

- Green Bond
- Green Personal Loan
- Green Mortgage

Socially Responsible Investment Bond Framework Established
Banking Operations

Sustainability: Digitisation

Digitisation Example:

Online SFS Project

- C.15K KG IN WOOD
- C.42K GALLONS OF WATER
- C.34K LTRS OF CARBON
- C.2.4K LBS OF WASTE

Digital Roles

Transformation

Process Improvement Network

Warwick Digital Leadership/Innovation Diplomas
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Sustainability: Future Proofing Treasury & Payment Operations

Treasury Platform
- CALYPSO
- Front-to-Backend Platform
- Upgrades/Maintenance Releases
- Automation/Efficiency

Payments Engine
- dovetail
- Eliminate complexity
- Resilience
- Modernised Architecture

Intraday Liquidity
- PLANIXS
- Nostro Funding/Liquidity Management
- Automation of Sweeps
- Real Time Information
Banking Operations

Sustainability: Covid and the New Normal

**BANKING OPERATIONS SUSTAINABILITY GROUP**
Engaged and proactive working group focused on climate action in Banking Operations

**COVID PAYMENT BREAKS**
Operations teams supported customers throughout Covid19 facilitating over 66,000 payment breaks.

**HYBRID WORKING MODEL**
New model post Covid19 for operations teams with combination of onsite and remote working.

**AIB TOGETHER**
Operations teams continue to support AIB community programmes as volunteers with our partners e.g. FoodCloud.

**DIVERSITY & INCLUSION**
Committed to diversity and inclusion in Operations. 50% of senior leadership team representation is female in Banking Operations.
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2021: Climate Action Progress Continues

- 2nd Green Bond Issued
- UN Net Zero Banking Alliance
- Committed to planting 90,000 native trees
- Committed to using WEF Stakeholder Capitalism metrics
Thank you