AIB Group
Irish Pension Scheme
(Defined Benefit Scheme)

MEMBERS' NEWSLETTER
JULY 2026

Chair's message

Welcome to the July 2026 members' newsletter for the AIB Group Irish Pension Scheme (the Scheme). This newsletter updates you on key investment matters, the Scheme's financial position and other relevant Scheme activities.

At a glance

The Trustee remains focused on paying benefits, managing investment and funding risks, and keeping members informed. This newsletter provides updates on the Scheme's investment and funding position, pension increases awarded in 2026, member communications and practical reminders, including retirement planning, transfer values, financial scams and keeping your details up to date. It also includes information on Scheme membership, governance and service providers.

The key messages for 2026 are:

- The Trustee continued to implement the Scheme's long-term investment strategy, including further steps to reduce investment risk as the Scheme matures.
- The Scheme's funding position improved during 2025, providing the Trustee with the opportunity to speed up elements of its de-risking journey.
- The Trustee awarded a discretionary pension increase of 2.7% to eligible pensioners. This increase was in line with the Consumer Price Index (CPI) to 28 February 2026 and was payable from 1 April 2026. Other pension increases due were paid in line with the Scheme Rules and the Bank's consent, where applicable.
- The Trustee continued to oversee the Scheme's governance, risk management, cyber security, administration and key service providers. The Trustee did not identify any governance or compliance matters needing action during 2026.
- This newsletter also includes reminders about keeping your details up to date, taking care in relation to financial scams and seeking independent financial advice where appropriate.

I am pleased to have been appointed Chair of the Trustee with effect from 1 January 2026. On behalf of the Trustee, I would like to thank Gary Byrne for his significant contribution as Chair and for the time, care and expertise he brought to the role.

I would also like to acknowledge the time, effort and expertise of my fellow Trustee Directors. The Trustee continues to be strongly supported by the Bank, the Scheme Secretary, the administration team and all of the Scheme's advisors and service providers. On behalf of the Trustee, I would like to thank you all.

Donal O'Flaherty
Chair, AIB Group Irish Pension Scheme

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Investment and funding update

The Trustee manages the Scheme's investments with the aim of paying benefits as they fall due and supporting the long-term financial health of the Scheme. During 2025, the Trustee took further steps to reduce investment risk as part of the Scheme's long-term investment strategy.

The Trustee reduced the Scheme's exposure to growth assets, including equities, and increased the allocation to more defensive and liability-matching investments. These changes are intended to make the Scheme's funding position more stable over time, while continuing to support the Trustee's objective of paying pensions and other benefits.

The Scheme's ongoing funding position improved during 2025, from 103% to 115%, despite a 1.2% fall in the value of assets over the year, as well as paying benefits out of the Scheme. This improvement reflected the performance of both growth and defensive assets relative to the Scheme's liabilities. The Trustee continues to monitor the Scheme's investment performance and funding position regularly with support from its advisors, the Strategic Investment Consultant and the Outsourced Chief Investment Officer, which was appointed in June 2025.

Further information on the Scheme's investment strategy, funding position and asset allocation is included in the 2025 Trustee Annual Report and Accounts.

Asset class	31 December 2025	31 December 2024
	% of assets	% of assets
Equities	19.8%	24.6%
Property	6.4%	6.9%
Fixed income	62.6%	64.1%
Beara PPN*	2.7%	2.5%
Cash/other	8.5%	1.9%
Total assets	**100%**	**100%**

*Beara PPN was sold in early 2026, after the 31 December 2025 asset allocation shown above.

Pension increases

In March 2026, the Trustee completed its annual review of all pensions in payment that are subject to increases at the discretion of the Trustee.

The review took account of a range of factors, including the Scheme's Trust Deed and Rules, the advice of the Scheme Actuary and the Risk Manager, financial and investment information, the Scheme's long-term objectives, and the current and projected future financial circumstances of the Scheme.

The Trustee also considered the cost of discretionary increases, the increase in the CPI over the 12-month period to 28 February 2026, the interests of all members, past practice, sustainability and risk, including investment risk, and the Bank's position in relation to funding discretionary increases. After careful consideration, the Trustee decided to award an increase of 2.7% to eligible pensioners.

In addition to discretionary increases, pensioner members who are eligible for non-discretionary pension increases received their pension increases in line with the Scheme Rules. The Bank approved an increase of 2% for a small number of pensions that require Bank consent. All increases were payable from 1 April 2026. The accrued benefits for members who have not yet retired were in line with statutory requirements.

Member updates

Pension Benefit Statements

Pension Benefit Statements were issued to members who were in the Bank's service on 31 March 2026. Statements will be issued by 30 November 2026 to all non-retired members who have left the Bank's service, in accordance with regulatory requirements. These statements set out your individual pension benefits. You are encouraged to review your statement carefully and contact the Pension Administration Team if any details need to be corrected or updated.

Trustee Annual Report and Accounts

The full set of audited accounts and the Trustee Annual Report for the year ending 31 December 2025 are available on www.planforlife.ie.

Keep your details up to date

Please let the Pension Administration Team know if your personal details change. This includes changes to your marital status, address, email address, bank account details (for pensioners) or other contact information. Keeping your details up to date helps ensure you receive important Scheme communications and that your benefits continue to be administered correctly. You can update your details on www.planforlife.ie.

Be aware of financial scams

Financial scams are becoming more common and can be difficult to spot. Please be cautious if you are contacted unexpectedly about your personal data, pension, savings or bank account, especially if you are asked to act quickly, transfer money, share personal details or click on a link. The Trustee, the Pension Administration Team and the Scheme's advisors will never ask you to disclose your full bank password or to move money to a different account to keep it safe.
If you are unsure whether a communication is genuine, don't use the contact details in the message. Instead, contact the Pension Administration Team using the details on the back page of this newsletter.

Planning for retirement

The Pension Administration Team will issue a letter to you 12 months prior to your normal retirement date to remind you that your retirement is approaching. The team also issue retirement options where contact details are available three months before retirement. Make sure your details are up to date on www.planforlife.ie. It is important to note that it can take a number of months from when the process starts to the point where pensions and lump sums can be paid.

Transfer values

The Scheme is a defined benefit pension scheme. This means that when you retire you are eligible for a pension which is payable for the remainder of your life. Some members may be considering taking a transfer value. This is a significant decision and, once processed, cannot be reversed. It is important to allow sufficient time (three to six months) if you are considering taking a transfer value, so that you are not limited by any potential Revenue requirements.

Lump sum at retirement

At retirement, you can choose to exchange part of your pension for a one-off lump sum. The Trustee policy on how this lump sum is calculated and how much pension is exchanged is available from the Administrator.

Financial advice

If you are considering taking a transfer value, a retirement option or any other financial decision about your pension benefits, you should consider taking appropriate independent financial advice. The Trustee, the Pension Administration Team and anyone associated with the Scheme cannot give you financial advice tailored to your own circumstances.

Certificate of existence

The Trustee periodically carries out a certificate of existence exercise to confirm the continuing eligibility for pensions in payment. If you are a pensioner and are asked to participate in this exercise, please respond as requested. This helps ensure that pension records remain up to date and that benefits continue to be paid correctly.

Scheme membership

Benefits of approximately €171 million were paid to pensioners and other beneficiaries during 2025. A further €44 million was paid to or on behalf of members who left the Scheme and transferred their benefits to another approved arrangement. A breakdown of the membership and how it changed during 2025 is set out below.

Membership category	31 December 2024	31 December 2025	Change
Deferred members (currently in service with AIB)	3,553	3,386	-167
Deferred members (former employees of AIB)	7,319	7,062	-257
Pensioners	4,688	4,876	+188
Total	**15,560**	**15,324**	**-236**

Scheme governance structure

The Scheme is governed by a Trustee, AIB Pensions Ltd.

Trustee Directors
Donal O'Flaherty (Chairperson from 1 January 2026), Gary Byrne (Chairperson to 31 December 2025), Brian Buggy, Arlynejane Divilly, Jessie Doherty, Lar Fant, Ed Murray and Claire Walsh

Scheme Secretary
Roma Burke, Lane Clark & Peacock Ireland Ltd

The Trustee meets quarterly or more frequently as the need arises. It is supported in its work by several subcommittees:

Audit and Risk
Donal O'Flaherty (Chair), Gary Byrne and Ed Murray

Investment
Arlynejane Divilly (Chair), Lar Fant and Ed Murray

Member Matters (including ill health)
Brian Buggy (Chair), Lar Fant and Claire Walsh

Service providers

Administrator
Allied Irish Banks, p.l.c., Manager Orla D'Arcy

Sub-Administrator
Aon Solutions Ireland Ltd, Director Frank Keating

Scheme Actuary
Liam Quigley FSAI, Mercer Ireland Limited

Risk Manager
Deirdre Coyle, Willis Towers Watson

Internal Auditor
Brían Gartlan, BDO Ireland

Legal Advisors
Arthur Cox, Sacker & Partners

External Auditor
Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm

Custodian
Bank of New York Mellon SA/NV Dublin Branch

Bank
Allied Irish Banks, p.l.c., Allied Irish Bank (GB)

Strategic Investment Consultant
Lane Clark & Peacock Ireland Limited

Outsourced Chief Investment Officer
Legal & General Investment Management Limited

Principal Investment Managers
Amundi Ireland Limited
Legal & General Investment Management Limited
Barclays Bank p.l.c.
Irish Life Investment Managers Limited
Goldman Sachs Asset Management International
PIMCO Europe Limited
Irish Property Unit Trust

Key contacts

Frank Keating
Manager
Pension Administration Team
AIB Group Irish Pension Scheme
Aon, Hibernian House, Building 5200
Cork Airport Business Park, Cork

Roma Burke
Scheme Secretary
AIB Group Irish Pension Scheme
Allied Irish Banks Pensions Limited
c/o Lane Clark & Peacock Ireland Limited
Office 2, Grand Canal Wharf, South Dock Road, Dublin 4

Get in touch

If you have a question about the Scheme or your benefits, please contact the Pension Administration Team.
Email: myaibpension@aon.ie. **Phone:** 1800 806 133.

Important notes

This newsletter does not form part of your terms and conditions of employment. Unless otherwise stated, all figures quoted in this newsletter are provisional and are subject to audit. The Scheme is governed by a Trust Deed and Rules, as amended. To the extent that there is any inconsistency between this newsletter and the Trust Deed and Rules, the Trust Deed and Rules shall prevail.

The law does not allow the Trustee or anyone associated with the Scheme to give you financial advice tailored to your own circumstances. The Central Bank of Ireland (www.centralbank.ie) maintains a list of authorised financial advisors. More information on pension schemes is also available from the Pensions Authority (www.pensionsauthority.ie).