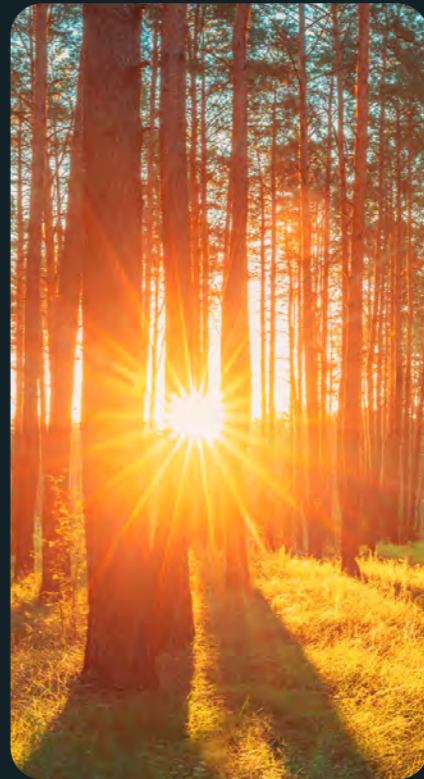


Sustainability Strategy 2025-2027



Altogether
more human

Contents

A Message from Eamonn Crowley, Chief Executive Officer	4
Introducing our Sustainability Strategy 2025-2027, Leontia Fannin, Chief Sustainability and Corporate Affairs Officer	5
Our Impact in Action	6
Engaging with Stakeholders - Double Materiality Assessment	8
Materiality Matrix	9
Sustainability Strategy 2025-2027 Overview	10
United Nations' Sustainable Development Goals (SDGs)	11
Investing for Impact	12
Protecting our Planet	14
Shaping an Inclusive Future	16
Committing to Going Further	18



A Message from Eamonn Crowley Chief Executive Officer

As one of Ireland's leading retail Banks, PTSB has an important role to play in contributing to the overall success of our economy, and in enhancing the wellbeing of our customers and broader Irish society. Earlier this year, we launched our refreshed Business Strategy to the market, and delivering on that strategy is fundamental to how PTSB achieves that objective.

The strategy, which focuses on deepening customer relationships, diversifying income and differentiating through customer experience, has sustainability at its core.

From my perspective, sustainability presents a win-win opportunity for businesses and society at large. Indeed, feedback from our customers themselves tells us that businesses are already embracing the commercial benefits of sustainability, as more and more personal customers actively seek sustainable products and services.

Therefore, I firmly believe that integrating sustainability will benefit our colleagues, customers and communities alike and greatly contribute to the long-term success of our business. Through our Sustainability Strategy 2025-2027, PTSB is committed to further incorporating sustainability into all areas of our business by channelling investment and directing our impact towards areas that enhance societal wellbeing.

A handwritten signature in white ink that reads "Eamonn Crowley". The signature is fluid and cursive, written in a professional style.

Eamonn Crowley
Chief Executive Officer, PTSB



Introducing our Sustainability Strategy 2025–2027

At PTSB, our purpose is to work together to build trust with our customers and communities.

Our Sustainability Strategy gives us an opportunity to put that purpose into action - by channelling investment and directing our impact towards areas that enhance societal wellbeing. Ultimately, building a sustainable organisation that is fit for the future.

Since the launch of our first Sustainability Strategy in 2021, we have made notable progress in delivering on the commitments made across each of the four pillars of that Strategy.

During this time, we have also significantly enhanced our own capability and increased our focus on sustainability, fully integrating consideration into our business strategy, strategic decision making, risk management processes, data strategy, external reporting practices and approach to product and proposition design.

Society continues to navigate significant challenges, including climate change, economic inequality, social exclusion, access to housing and financial literacy. These issues not only affect the Irish economy, but the financial wellbeing of our customers and PTSB as an organisation.

However, in addition to playing our part in addressing these challenges, sustainability also presents a significant opportunity for the Bank.

Of course, that can only be achieved if we are focused on the right things and meeting the needs of our customers, communities and wider stakeholders.

During 2024, the Bank completed an exercise in double materiality in line with the expectation set out within the Corporate Sustainability Reporting Directive (CSRD).

The exercise assessed both stakeholder impact and financial materiality of identified impacts, risks and opportunities, to determine those that were most material to our business, and important to our stakeholders. The findings were insightful and informed the development of our refreshed Sustainability Strategy.

Our Sustainability Strategy 2025-2027 is built around three pillars:

- Investing For Impact;
- Protecting Our Planet; and,
- Shaping an Inclusive Future.

Through delivery of this Strategy, we are committed to creating capacity and building a robust long-term strategic approach to sustainability that considers the needs of our stakeholders, as well as the opportunity to deliver sustainable business growth.

We recognise that the sustainability landscape will continue to evolve, and we are committed to continuing to make progress while enhancing the Bank's sustainability maturity.

The launch of the Bank's Sustainability Strategy 2025-2027 marks another important milestone in our journey, as we focus on continuous improvement and further integrating sustainability into all areas of our business.

Leontia Fannin
Chief Sustainability and Corporate Affairs Officer

Our Impact in Action



Addressing Climate Change and Supporting the Transition to a Low Carbon Economy



- Board approved Sustainability Strategy aligned to the UN SDGs*
- Appointment of a Chief Sustainability and Corporate Affairs Officer
- €875 million in green lending during 2024
- First lender to participate in the SBCI's Home Energy Upgrade Loan Scheme
- Participation in the SBCI's Growth and Sustainability Loan Scheme
- €500m Green Senior HoldCo notes issued under the Bank's Green Bond Framework
- Disclosing the Bank's carbon impact across Scope 1, 2 and 3 and developing Science-Based Targets (SBTs) and a corresponding Carbon Reduction Plan
- Continuing to embed our Sustainable Supplier Charter
- A 'Low' ESG Risk Rating through Sustainalytics
- Issuance of the Bank's inaugural Sustainability Statement aligned to the Corporate Sustainability Reporting Directive



Elevating Our Social Impact and Connecting with Local Communities



- More than 2000 volunteering hours provided on the ground in 2024
- c.€360,000 in charitable giving through PTSB Community in 2024
- c.€19.4 million in funding provided to the Social Finance Foundation since 2009**
- c.600 students completing LIFT Ireland's 'Minding Our Futures' Schools Programme, proudly supported by PTSB
- Title Sponsorship of the Irish Olympic Team and the Irish Paralympic Team for the 2024 Games in Paris
- A 3-year partnership with AsIAm – Ireland's National Autism Charity, and becoming the first Bank in Ireland with Autism Friendly Branch Accreditation
- c.12,000 financial reviews completed in 2024



Enhancing Our Culture and Investing in Our People



A Diversity, Equity, and Inclusion Strategy supported by 5 Employee Resource Groups – LiveWell, PRISM, DICE, ADAPT and BALANCE

88% of employees feel comfortable to be themselves at work regardless of background or life experiences

60% Female Board Gender Composition and 40% of Senior Leadership positions are filled by women

A Mean Gender Pay Gap of 16.9% and a Median Gender Pay Gap of 11.6%

76% Culture Index Score, +6% above our Culture Index Target of 70%

Awarded The KeepWell Mark™ from the Irish Business and Employer's Confederation's (IBEC)

More than 100,000 hours of training delivered through the Bank's eLearning platform COMPASS in 2024

145 employees achieved an award by completing an Institute of Banking (IOB) programme of study

c.2400 nominations received to our Values in Practice (VIP) Awards, the Bank's Colleague Recognition Programme



Championing our Customers and Creating a Bank that is fit for the Future



Relationship Net Promoter Score (RNPS)*** +10% YoY

c.19,000 Explore Current Accounts opened in 2024

A Digital Mortgage Application Journey

Broadening our Business Banking offering through partnerships with Bibby Financial Services, the Strategic Banking Corporation of Ireland and Worldpay

A focus on cyber security and data protection with training delivered to all colleagues

The first Irish Retail Bank to be awarded the Guaranteed Irish Symbol

*The United Nations' Sustainable Development Goals (SDGs) were launched in 2015 to provide a plan of action for people, planet and prosperity.

**The Social Finance Foundation was established in 2007 by the Irish Government to address the needs of community organisations and social enterprises for loan funding which was difficult to obtain from mainstream financial institutions. Acting as a 'wholesaler', it provides funding to its lending partners Clann Credo and Community Finance Ireland.

*** Relationship Net Promoter Score (RNPS) measures the willingness of a customer to recommend a company's products or services to others. The question asks customers how likely they are to recommend their bank to friends or family on the basis of their own experience. The range for the scoring is -100 to +100.

Engaging with Stakeholders

At PTSB, we recognise that building strong relationships with our stakeholders, and ensuring that we engage with them regularly, plays a fundamental role in informing our Business Strategy. It guides our reporting, allows us to identify risk and emerging trends, while helping us to prioritise investment and resourcing - ultimately, enabling us to conduct and manage all areas of our business in a more sustainable way.

During 2024, the Bank completed an exercise in double materiality in line with the expectation set out within the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS).

The exercise assessed both stakeholder impact and financial materiality of identified impacts, risks and opportunities, to determine those that were most material to our business, and important to our stakeholders.

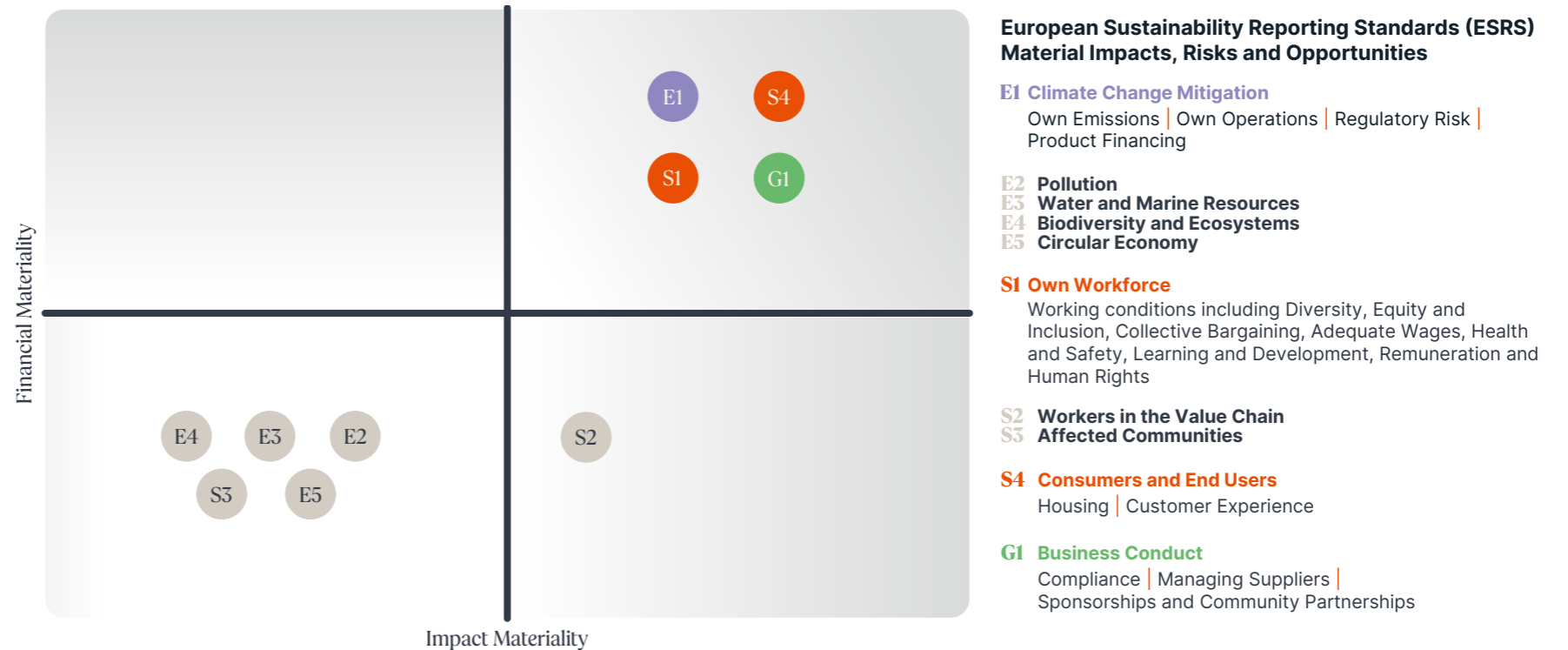


Materiality Matrix

The findings of the double materiality assessment highlighted that, while all 10 European Sustainability Reporting Standards are considered important to PTSB, there were 4 that were deemed material for the Bank. These include, E1-Climate Change, S1-Own Workforce, S4-Consumers and End-Users and G1-Business Conduct.

You can view the Bank's Materiality Matrix below, which outlines the position of the topical standards plotted relative to the degree of potential business impact and financial materiality.

When viewing the matrix, it is important to note that the position of a topical standard does not denote significance of a standard relative to another in the same quadrant.



Note: The position of a topical standard does not denote significance of a standard relative to another in the same quadrant.

■ Materiality Threshold Indicator ● A sustainability topic that is considered important to PTSB but has not been deemed material based on the outputs of the double materiality assessment.

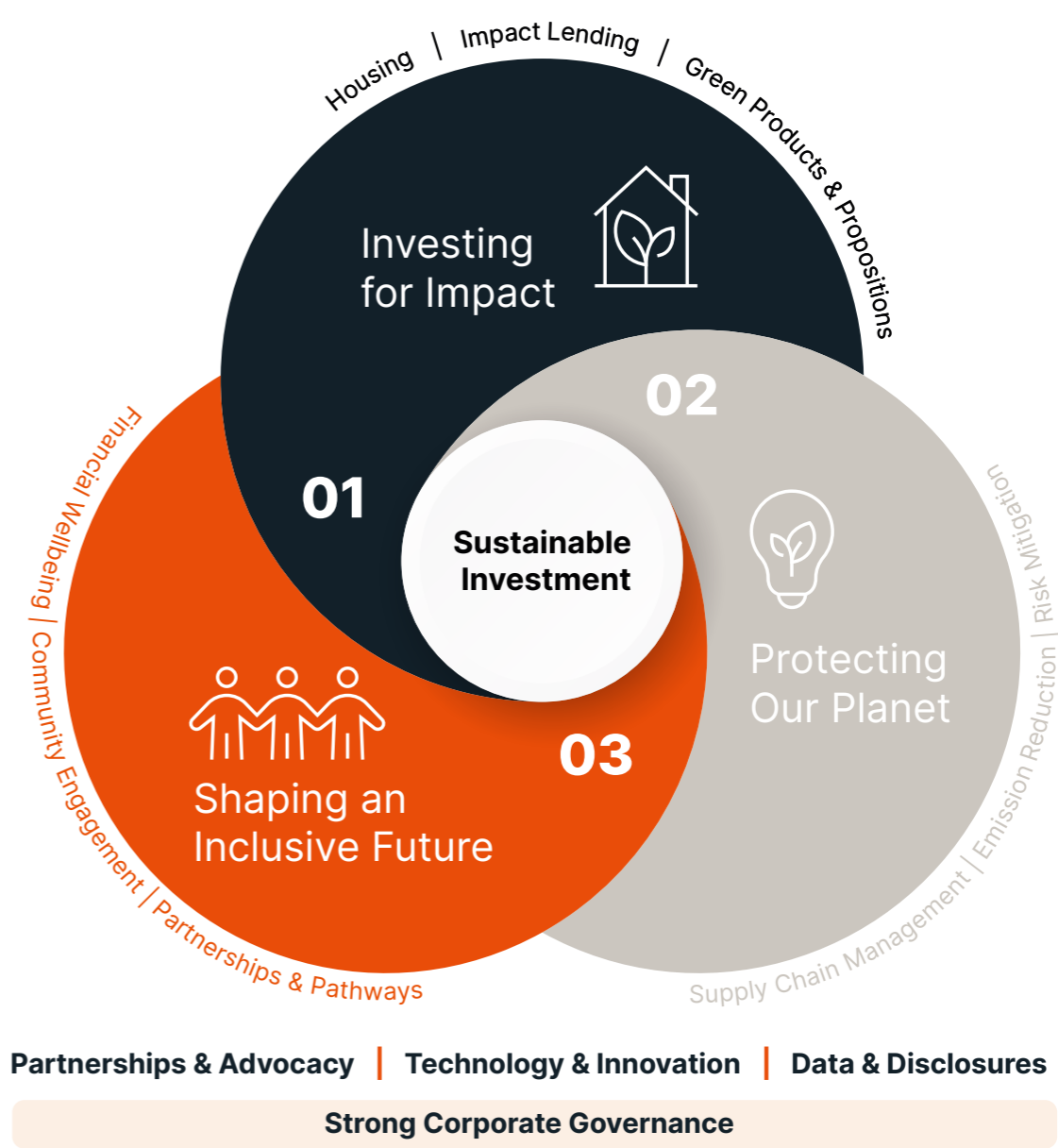
To learn more about the Bank's double materiality assessment process, please refer to page 140 of our [Annual Report](#).

The findings from the double materiality assessment have played an integral role in guiding and informing the next evolution of the Bank's Sustainability Strategy 2025-2027.

Sustainability Strategy 2025-2027 Overview



Channelling investment and directing our impact towards areas that enhance societal wellbeing



United Nations' Sustainable Development Goals



The United Nations' Sustainable Development Goals (SDGs) were launched in 2015 to provide a plan of action for people, planet and prosperity. The 17 goals act as an urgent call for action for countries to work together to develop strategies to tackle some of the world's most critical issues.

We recognise that while we may contribute to all 17 SDGs in some way, the following 7 have been identified as being core to our Strategy.



End poverty in all its forms everywhere



Reduce inequality within and among countries



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



Make cities and human settlements inclusive, safe, resilient and sustainable



Achieve gender equality and empower all women and girls



Take urgent action to combat climate change and its impacts



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



Sustainability Strategy 2025-2027 Investing for Impact: Priorities Overview

Our Focus



Green Products & Propositions

Deliver green products and propositions that support our customers in transition

How We Will Deliver

- Deliver on the commitments set out in the Bank's Green Product Strategy
- Continue to support customers through the Strategic Banking Corporation of Ireland's (SBCI) Home Energy Upgrade Loan Scheme and Growth and Sustainability Loan Scheme

Measures of Success

KPIs

- Total Green Mortgage Lending
- Total SBCI Home Energy Upgrade Loan Scheme Lending
- Total Growth and Sustainability Loan Scheme Lending
- Total Green Asset Ratio



Impact Lending

Establish PTSB as impact lender of choice for SMEs

- Categorise current lending in line with the EU Social Lending Principles and ICMA Social Bond Principles
- Complete market review to identify growth segments
- Develop an Impact Lending Fund aimed at target sectors
- Introduce propositions that support growth across the SME sector

KPIs

- Total Impact Lending across the Bank's Business Banking Portfolio
- % of Impact Lending growth YoY



Housing

Further elevate supports and advocacy for housing access

- Establish key partnerships with national bodies to elevate support for customers
- Introduce an annual report on housing access, elevating key challenges and proposing solutions
- Advocacy and Lobbying
- Maintain mortgage market share in line with Business Strategy

KPIs

- Total Mortgage Lending
- Reflecting Ireland Annual Housing Report
- Strategic Partnerships





Sustainability Strategy 2025-2027
Protecting our Planet: Priorities Overview

Our Focus



Risk Mitigation

Introduce a bankwide Climate Transition Plan and protect nature and preserve biodiversity

How We Will Deliver

- Develop and introduce a Climate Transition Plan aligned to the EBA Guidelines on ESG Risk Management
- Develop and introduce a Biodiversity and Nature-related Risk Management Strategy

Measures of Success

KPIs

- KPIs to be established in line with the development of the Bank's Climate Transition Plan
- Portfolio exposure to Biodiversity and Nature-related Risk



Emissions Reduction

Set Science-based Targets and deliver on the commitments in our Carbon Reduction Plan

- Set and deliver against SBTs aligned to the Bank's Business Strategy and Medium-Term Plan
- Develop and deliver on the commitments set out in the Bank's Carbon Reduction Plan to support us in meeting our targets once set
- Submit SBTs and Carbon Reduction Plan to the SBTi for validation and announce Targets

KPIs

- % reduction against Scope 1 Target
- % reduction against Scope 2 Target
- % reduction against Scope 3 Target



Supply Chain Management

Engage with our suppliers and ensure responsible procurement practices

- Ongoing supplier engagement through Hellios and the Bank's Sustainable Supplier Charter
- Identify opportunities to increase the quality of our Supplier data to inform decision making and improve reporting

KPIs

- 100% alignment of our Tier 1 Suppliers to our Sustainable Supplier Charter



Sustainability Strategy 2025-2027 Shaping an Inclusive Future: Priorities Overview

Our Focus



Financial Wellbeing

Enhance customer financial wellbeing and literacy

How We Will Deliver

- Develop and introduce a Financial Wellbeing Strategy
- Deliver targeted solutions to support the Bank's customers
- Identify opportunities for Financial Wellbeing innovation

Measures of Success

KPIs

- KPIs to be developed in line with the development of the Bank's Financial Wellbeing Strategy



Partnerships & Pathways

Advocate for social inclusion through establishing strong social partnerships

- Embed PTSB's partnership with AslAm, Ireland's Autism Charity
- Identify and oversee the deployment of inclusion enhancements for banking services
- Deliver the Bank's Diversity, Equity and Inclusion (DEI) Strategy and elevate DEI partnerships
- Invest in employee learning and development, including sustainability education

KPIs

- Colleague and Customer engagement
- Number of accredited Autism friendly branches in our Retail Network
- % increase in service enhancements to drive inclusion
- Diversity targets aligned to the Bank's DEI Strategy



Community Engagement

Invest in local community initiatives through the PTSB Community programme

- Scale the PTSB Community funding programme and volunteering programme and introduce a national communications campaign to drive awareness for community support
- Engage in fundraising activity to support PTSB Community partners and deliver funding on an annual basis
- Identify opportunities to grow PTSB Community funding streams
- Conduct a market review to identify additional PTSB Community partners aligned to the Bank's Sustainability Strategy

KPIs

- Annual PTSB Community voting numbers
- Annual PTSB Community donations
- Annual PTSB Community volunteering hours
- Colleague and Customer engagement metrics



Committing to Going Further



The Corporate Sustainability Reporting Directive (CSRD) The objective of the CSRD is to improve the existing requirements of the European Union's (EU) Non-Financial Reporting Directive, to better harness the potential of the EU in the transition to a fully sustainable and inclusive economic and financial system, in accordance with the European Green Deal and the United Nations' Sustainable Development Goals.

The CSRD introduces new mandatory reporting standards, the European Sustainability Reporting Standards (ESRS), which include two cross cutting and ten topical standards, plus sector specific/SME standards that are being introduced for later issue. Materiality determines which of topical standards, or elements within, are applicable to a company and must be disclosed.

During 2024, the Bank completed an exercise in double materiality in line with the expectations set out within the Directive.

The exercise assessed both stakeholder impact and financial materiality of identified impacts, risks and opportunities, to determine those that were most material to our business, and important to our stakeholders. The findings highlighted E1-Climate Change, S1-Own Workforce, S4-Consumers and End-Users and G1-Business Conduct as topical standards that are material to PTSB. The Bank has disclosed against these four material topics within our Sustainability Statement and have also disclosed against ESRS 2, which is mandatory for all in-scope companies.

To read PTSB's disclosure, which includes a detailed overview of the Bank's double materiality assessment process, please visit page 140 of our [Annual Report](#).



The Task Force On Climate-Related Financial Disclosures In 2021, PTSB became a supporter of the Task Force on Climate-related Financial Disclosures (TCFD). The TCFD is a climate-related financial disclosure framework designed to promote more informed investment, credit, and insurance underwriting decisions and, in turn, enable stakeholders to better understand the concentrations of carbon-related assets in the financial sector and the financial system's exposures to climate-related risks. The disclosure recommendations are structured around four thematic areas that represent core elements of how an organisation operates, including: governance, strategy, risk management and metrics and targets.

For more on our TCFD Report, please visit page 276 of our [Annual Report](#).



An ESG Risk Rating Through Sustainalytics PTSB engaged Sustainalytics, a leading independent ESG and Corporate Governance research ratings and analytics firm, to produce an ESG Risk Rating for the organisation. ESG Risk Ratings measure a company's exposure to industry-specific material Environmental, Social and Governance (ESG) risks, in order to determine how well a company is managing those risks. Following the process, the Bank received a 'low' rating, recognising that enterprise value is considered to have a low risk of material financial impacts driven by ESG factors. Company ratings are categorised across five levels: negligible, low, medium, high and severe.

For more information on Sustainalytics, please click [here](#).



The Business Working Responsibly Mark Following a comprehensive programme of work, in 2023 the Bank was honoured to recertify to the Business Working Responsibly Mark (The Mark) from Business in the Community Ireland (BITCI). The Mark is an external accreditation recognising best in class Responsible Business Programmes in Ireland and as such, the Bank joins a prestigious group of only 41 other companies who have achieved this accolade.

As part of this accreditation, our CEO, Eamonn Crowley sits alongside the CEOs of other member companies as part of the Leaders Group on Sustainability – a collaborative group who work with key stakeholders to drive Environmental, Social and Governance (ESG) change across the country. The Bank first received the Mark in 2020. We will continue to work alongside BITCI as we continue to embed our Sustainability Programme in the years that lie ahead.

For more information on the Business Working Responsibly Mark, please click [here](#).



Science Based Targets PTSB deepened our commitment to long-term sustainability and committed to new climate action goals by signing Phase 2 of Business in the Community Ireland's Low Carbon Pledge. The refreshed Pledge focuses on setting carbon emissions reduction targets based on science and includes measuring and reducing our carbon footprint in line with the Paris Agreement and the latest Intergovernmental Panel on Climate Change (IPCC) findings. The Science Based Target Initiative (SBTi) provide a structured pathway for companies to reduce greenhouse gas emissions, aiming to mitigate the severe impacts of climate change while ensuring sustainable business growth. Targets are deemed 'science-based' when they align with the latest climate science necessary to limit global warming to 1.5°C above pre-industrial levels, as outlined in the Paris Agreement.

Following a significant programme of work, during 2024 the Bank worked to develop our science-based targets (SBTs) in line with the SBTi's Version 2 Guidance for Financial Institutions. The work included the development of a corresponding Carbon Reduction Plan to support us in achieving our Targets once set. The Targets and Plan will be submitted to the SBTi during 2025 for validation. We will communicate our Targets once the validation process reaches completion.

For more information on the Science Based Targets Initiative, please click [here](#).

For more information on Low Carbon Pledge, please click [here](#).



Business In The Community Ireland's Elevate Pledge In 2021, PTSB added our signature to Business in the Community Ireland's Elevate Pledge, committing to building inclusive workplaces that are representative of all members of our society. Workplaces have become more diverse, incorporating a multiplicity of backgrounds, experiences and identities. This has brought huge benefits to Irish business. However, diversity alone is not enough. Workplace inclusion is about creating a culture where everyone feels welcome, has access to opportunities and is supported to thrive.

For more information on Elevate Pledge, please click [here](#).

We recognise that the sustainability landscape will continue to evolve in the coming years. PTSB remains committed to continuing to make progress, as we work together to play our part in protecting our planet, while delivering what matters most to our colleagues, customers and communities.

To learn more about the Bank's Sustainability Strategy 2025-2027, please click [here](#).



Altogether
more human

ptsb

Altogether
more human