



26th October 2020

AIB customers draw down €245 million in Green Mortgages

- **Green Mortgages sold so far will reduce carbon emissions by 137,000 tonnes over 30 years**

AIB today announced that customers have drawn down more than €245 million in Green Mortgages for energy efficient homes following the launch of the AIB five year fixed-rate Green Mortgage last November.

The AIB Green Mortgage has proved very attractive to customers seeking a warmer home that costs less to heat; lower monthly mortgage repayments; and the knowledge that they are playing their part in Ireland's efforts to tackle climate change by reducing their personal carbon footprint.

In line with our commitment to ensuring a climate resilient business model, AIB is determined to provide customers with products and services that address environmental challenges as we seek to play our part in helping the Irish Government and the European Union to meet their carbon reduction targets.

Recognising that about 10 per cent of Ireland's carbon emissions come from homes, AIB is actively incentivising customers by offering them discounted Green Mortgages to buy more energy efficient homes. AIB estimates that the Green Mortgages sold so far will reduce CO₂ emissions by c.137,000 tonnes over 30 years. The emissions savings are equivalent to powering four wind turbines for 30 years.

AIB Chief Executive Officer Colin Hunt said: "Managing climate change is one of the most important challenges facing this generation and the role of finance in supporting the transition to a low carbon economy cannot be underestimated. At AIB, we have put sustainability at the heart of our business strategy. We believe that many of the changes required to reduce carbon emissions will also have positive economic and societal benefits, including cleaner air, warmer homes, and a more sustainable economy for the long term. Today's announcement that AIB's customers have already drawn down €245 million in Green Mortgages since launching last year demonstrates that our customers clearly recognise these important benefits."

The five year fixed-rate AIB Green Mortgage is available to AIB customers for private dwelling homes with a building energy rating (BER) between A1 and B3. The energy savings can be substantial. For example, a two bed A-rated apartment has an estimated annual fuel bill of €280 compared to €3,000 for a G-rated apartment, with the obvious positive impact on carbon emissions.

The Green Mortgage, which was launched during Climate Finance Week last year, is available at attractive five-year fixed rates ranging from 2.25% to 2.45% depending on the size of the loan relative to the value of the homes being purchased.

AIB is again sponsoring Climate Finance Week this year. As part of Climate Finance Week, which begins on Monday 2nd November, AIB will hold its fourth Sustainability Conference.

Notes to Editors:

1. AIB Green Mortgage Rates

- The AIB Green Mortgage is offered by AIB only (not by EBS or Haven)

Fixed Term	Loan to Value AIB Green Mortgage Rates		
	>80%	50% - 80%	<50%
AIB Green Mortgage (5 Year Fixed)	2.45%	2.35%	2.25%

2. In addition to launching its AIB Green Mortgage product, AIB has over the last 12 months:

- Raised €1 billion in the first Green Bond issuance by an Irish bank
- Launched a €300 million Social Housing Fund to deliver 2,000 sustainable A-rated homes
- Established a €5bn Climate Action Fund for lending into the Irish economy
- Committed to reducing the bank's carbon emissions by 50% by 2030
- Established a Socially Responsible Investment (SRI) Bond Framework & related SRI Bond Portfolio (aiming to represent 10% of the Treasury Fixed Income portfolio)
- Become the only Irish bank to be a Founding Signatory of the United Nations Environment Programme Finance Initiative (UNEP FI) Principles for Responsible Banking
- Developed a climate risk stress testing capability and reviewed the credit applications process for potential changes related to climate risk. This relates directly with AIB's support for the Task Force on Climate related Financial Disclosures (TCFD).

3. Emissions Reduction: Key Assumptions

- €245m in Green Mortgage drawdowns equates to c. 1,065 homes. This would deliver an estimated 137,000 tonnes in CO2 savings over 30 years.

Media queries: paddy.x.mcdonnell@aib.ie / 087 739 0743