



10<sup>th</sup> October 2021

## **AIB doubles its Climate Action Fund to €10 billion**

- **Climate Action Fund expanded by €5 billion due to strong customer demand**
- **Hosts its fifth annual Sustainability Conference with speakers including:**
  - **James Cameron, Film-Maker, Explorer and CEO Lightstorm Entertainment**
  - **Dr. Gro Harlem Brundtland, First Female Prime Minister of Norway & Mother of Sustainability**

AIB is doubling its Climate Action Fund to €10 billion, supporting Ireland's transition to a low carbon economy. The bank has allocated an additional €5 billion to the fund which was originally launched in 2019 with a target of lending €1 billion per annum for green and transition lending over five years - a target which the bank now aims substantially to exceed by the end of 2023.

Given the investment required to finance the transition to a low-carbon economy is estimated at c.€50 billion for Ireland\*, banks have a crucial role to play in supporting individuals and businesses to make the transition.

AIB has been accelerating the rollout of products and services that assist customers in reducing their carbon emissions, with green lending already accounting for 20 per cent of our new lending in the first half of the year.

On the personal side, these products include attractively priced green mortgages to support customers seeking to buy energy-efficient homes and green personal loans for purchases such as buying an Electric Vehicle, upgrading home insulation/windows or installing renewable energy systems.

On the corporate side, AIB's product offering continues to widen to meet the transition needs of our customers and we continue to see strong momentum across our green lending activities to renewables projects and energy efficient buildings. Additionally, we continue to broaden our activities in our Sustainability Linked Loan (SLL) offering to eligible corporates. These SLL loans, which are available where the relevant criteria are met, offer firms a reduced rate of interest linked to the achievement of ambitious, pre-determined sustainability targets.

AIB CEO Colin Hunt said: "The time for definitive climate action is now. Sustainability is a key strategic priority for AIB and we are committed to playing a significant role in helping the Government and European Union meet their carbon reduction targets. The doubling of our Climate Action Fund is further evidence of this. There is clear demand for green products and services, and broad public support behind the drive to limit global warming. Our own research shows 57% of people think Irish businesses should help them make environmentally friendly choices. At AIB we are supporting the drive towards decarbonisation by accelerating the rollout of products and services that assist our customers transitioning to a low carbon future."

AIB has undertaken a number of initiatives in recent years to help the bank further improve its tracking of what counts as "green" and "transition" lending. These metrics, including our recently

announced Green Lending Framework, give the bank, our customers and the investor community greater visibility on our substantial progress in this area.

### **Film-Maker James Cameron to address AIB's Fifth Sustainability Conference**

The announcement that AIB is doubling its Climate Action Fund to €10 billion comes as AIB hosts its fifth annual Sustainability Conference on Monday 11<sup>th</sup> October as part of Ireland's Climate Finance Week. Speakers from across the globe -- including Film-Maker, Explorer and CEO Lightstorm Entertainment James Cameron (Titanic and Avatar) and Dr. Gro Harlem Brundtland, First Female Prime Minister of Norway & Mother of Sustainability -- will focus on how as a society, we can respond to the challenge of climate change. A full list of speakers and how to register can be found at <https://www.aibsustainabilityconference2021.ie/agenda/>.

AIB's conference theme – *Beating the Climate Deadline* – is particularly apt as we approach the 26th UN Climate Change Conference of the Parties - COP26 – which takes place in Glasgow in November. As countries begin to recover from the Covid-19 pandemic, these crucial talks provide an historic opportunity to agree key measures to tackle climate change. They also come at a time when 42% of Irish people say they currently feel the impact of climate change, while the majority of businesses (56%) say sustainability credentials will become critical to their success within the next five years according to a survey conducted by Amárach and commissioned by AIB.\*\*

### **Notes to Editor:**

AIB has been leading Ireland's transition to becoming a low-carbon economy. Over the last 12 months AIB has also:

- Offered customers the lowest green five year fixed-rate mortgage in the Irish market
- Introduced a Green Personal Loan for customers who want makes green renovations on their home or buying an electric/plug-in hybrid vehicle
- Raised €1.75 billion through Green Bond issuances helping finance projects with clear environmental and climate change benefits and further strengthen AIB's capital position.
- Ranked 53rd out of 1,047 banks globally with a low risk ESG score of 14.5 by external ratings agency Sustainalytics. This benchmarks very favourably compared against its peer group
- Become the first Irish bank to launch a Social Bond Framework, paving the way for AIB to issue a Social Bond in the near future to further support communities across Ireland.
- Become the first Irish company to have committed to use World Economic Forum Stakeholder Capitalism Metrics
- Become the first Irish bank to join the UN Net Zero Banking Alliance.

\*Source: Goodbody

\*\* Research conducted in June 2021 by Amárach for [AIB Sustainability Index](#).

Further Information:

Graham Union  
(085) 208 8343  
[Graham.X.Union@aib.ie](mailto:Graham.X.Union@aib.ie)

Paddy McDonnell  
(087) 739 0743  
[Paddy.X.McDonnell@aib.ie](mailto:Paddy.X.McDonnell@aib.ie)