



Green Bond Framework

August 2025

ptsb

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1. Permanent TSB Group Holdings plc



A. About PTSB

Permanent TSB Group Holdings plc is a company whose shares are listed on the Main Market Stock Exchanges in Dublin and London. Permanent TSB plc, trading as PTSB, is a licensed bank regulated by the Central Bank of Ireland.

PTSB is one of Ireland's longest serving financial services institutions tracing its operations back more than 200 years through the savings bank and building society movements. Throughout this time, the Bank's focus has been on delivering exceptional customer service and connecting with local communities.

Today, PTSB is a leading provider of personal and business banking services focused exclusively in the Irish market. The Bank serves more than 1.3 million customers through its voice and digital channels, as well as in-person through its nationwide network of 98 branches in communities across Ireland.

Our services are available in the Republic of Ireland and serve two main segments, Retail Banking and Business Banking:

1. Our Retail Banking business is focused on meeting the daily needs of our personal customers, and also on developing compelling, innovative and appropriate products for our customers. We offer 'Everyday Banking' products which include Current Accounts, Deposits, Credit Cards and Overdrafts as well as saving and investment solutions. We provide an extensive range of insurance products, personal term lending, as well as multiple mortgage solutions (including green mortgages). In an effort to support more vulnerable and underrepresented customers, PTSB also provides basic bank accounts.
2. Business Banking includes everyday business banking services, business lending products, and business support to SMEs. PTSB continues to support our customers and their businesses through developing digital capabilities that best suit their needs.

In March 2025, PTSB launched a refreshed three-year Bank Strategy which will see it deepen customer relationships, diversify its income, and differentiate through customer experience. The Bank will do this while driving continuous operational efficiencies and prudent cost management so it can continue to grow and generate sustainable returns for shareholders.

Delivering sustainable profitability and integrating consideration for sustainability into its business practices and strategic decision making remains a key priority for the Bank.

PTSB has refreshed its Sustainability Strategy in response to evolving market conditions and to reinforce its commitment to long-term sustainable growth. The new Sustainability Strategy 2025-2027 focuses on channelling investment and directing impact towards areas that enhance societal wellbeing.



“We have made notable progress in integrating sustainability into all areas of our business, introducing consideration into our strategic decision-making, risk management processes, data strategy, external reporting practices and approach to product and proposition design.

As we look forward, we are committed to creating capacity and building a robust long-term strategic approach to sustainability that considers the needs of our colleagues, customers and wider society, as well as the opportunity to deliver sustainable business growth.”

B. Sustainability at PTSB

The climate crisis has elevated the sustainability agenda not only in Ireland, but around the world. In its Sixth Assessment Report (AR6), the Intergovernmental Panel on Climate Change (IPCC) has warned that human-caused climate change is already affecting many weather and climate extremes in every region across the globe, with widespread loss and damage to both nature and people. While the extent and magnitude of climate change impacts are larger than previously estimated, these are expected to grow exponentially if the average global temperature exceeds 1.5°C (above pre-industrial levels).

Climate change creates financial risks and economic consequences, and the cost of inaction is far greater than the cost of action. Unaddressed, the financial implications from climate change will likely impact everyone, from governments to business and from communities to wider society. Now more than ever organisations, such as PTSB, have a significant role to play in supporting our stakeholders to navigate the transition and to embrace the opportunity that a low carbon economy brings.

Our success as a business is defined by the long-term wellbeing of the people that we serve, the communities in which we operate and the planet that we will leave to future generations. PTSB is committed to building a business that is fit for the future and as such, climate change is at the heart of our approach to sustainability and is a key focus within our Sustainability Strategy 2025-2027.

Sustainability is about more than just being green. For us, it is about doing everything we can to support our customers, colleagues and communities, while ensuring that we conduct and manage all areas of our business in a responsible way. Of course, we can only do that if we are focused on the right things.

Double Materiality Assessment

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.

PTSB's 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.

The Bank's Materiality Matrix below outlines the position of the topical standards plotted relative to the degree of potential business impact and financial materiality.

European Sustainability Reporting Standards (ESRS) Material Impacts, Risks and Opportunities

E1 Climate Change Mitigation

Own Emissions | Own Operations |
Regulatory Risk | Product Financing

E2 Pollution
E3 Water and Marine Resources
E4 Biodiversity and Ecosystems
E5 Circular Economy

S1 Own Workforce

Working conditions including Diversity, Equity and Inclusion, Collective Bargaining, Adequate Wages, Health and Safety, Learning and Development, Remuneration and Human Rights

S2 Workers in the Value Chain S3 Affected Communities

S4 Consumers and End Users

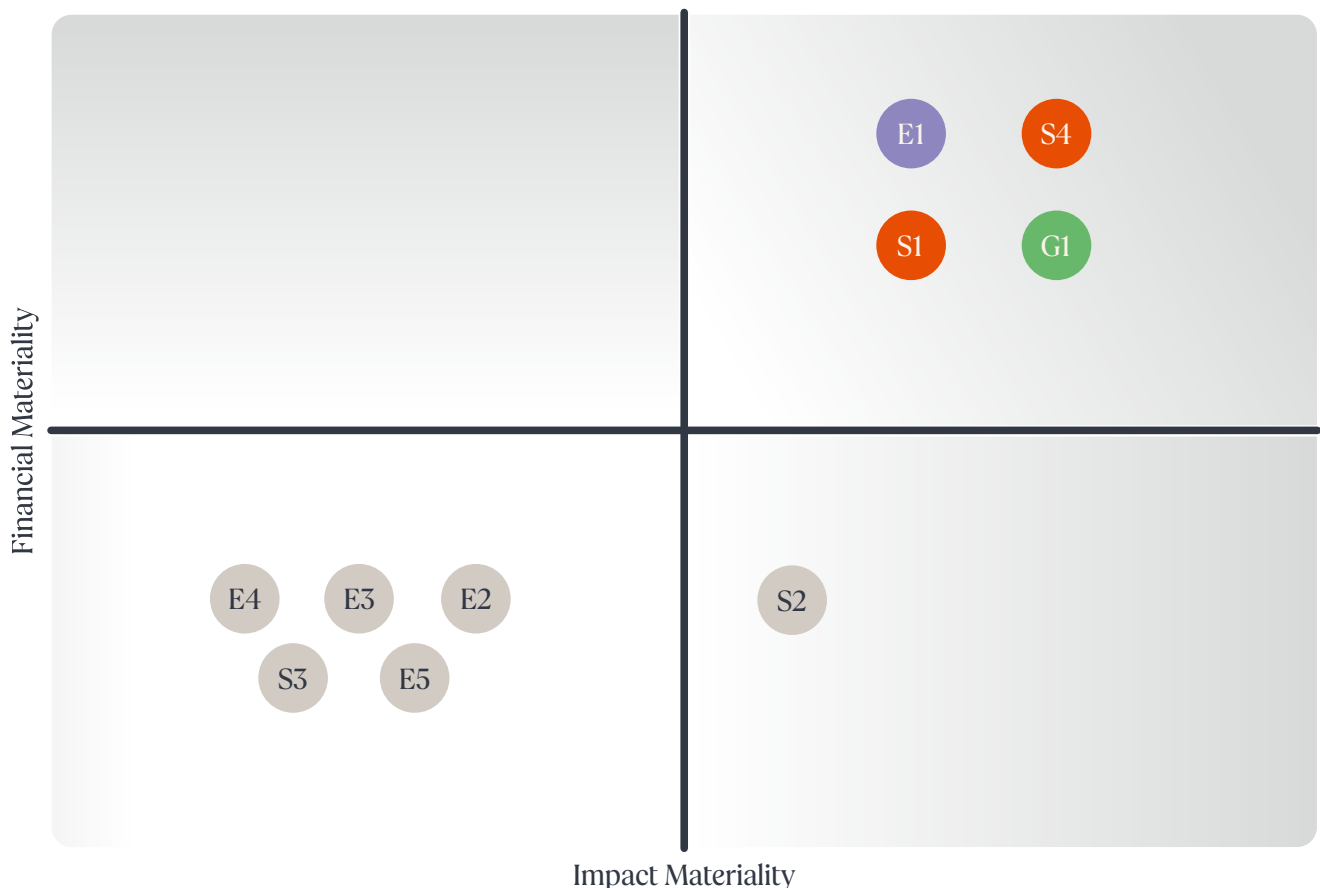
Housing | Customer Experience

G1 Business Conduct

Compliance | Managing Suppliers |
Sponsorships and Community Partnerships

Topics disclosed under ESRS 2

Basis of Preparation
Governance
Strategy and Business Model
Impacts, Risk and Opportunities
Minimum Disclosure
Requirements



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

● 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 Report¹.

¹ Latest annual report available [here](#)



C. Sustainability Strategy 2025-2027

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, focused on 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



D. PTSB's Sustainability Journey and Overview of Progress Made

Over the last number of years, we continue to make progress:

2020

- Increased focus on governance through the establishment of a Sustainability Committee
- Establishment of a Sustainability Team
- Conducted a Materiality Assessment of Stakeholders
- Achievement of the Business Working Responsibly Mark from Business in the Community Ireland

2021

- Introduced a Sustainability Strategy 2022-2026 aligned to the SDGs
- Committed to setting science-based carbon emission reduction targets (SBTs) by 2024
- Became an official supporter of the Task Force on Climate-related Financial Disclosures (TCFD)
- Participation in the development of Ireland's Sustainable Finance Roadmap

2023

- Continued delivery of the CR&E Risk Implementation Plan
- Development of CR&E Risk Indicators
- Completion of an ESG Risk Rating through Sustainalytics and received a 'Low' Rating
- Launched a Sustainable Supplier Charter
- Introduction of both a Climate Risk Manager and Sustainability Manager

2022

- Development of Climate-related and Environmental Risk (CR&E) Implementation Plan
- Establishment of a Climate Risk Framework
- Introduction of a Climate Risk Appetite Qualitative Statement within the Risk Appetite Statement
- Defined Climate Risk metrics to be considered for development
- Included a standalone climate-related and sustainability chapter within the Bank's Strategic Reference Pack as part of the Integrated Planning Process
- Delivered CR&E Risk training to the Board, ExCo and Senior Leadership Team
- Launched the Bank's Green Mortgage (5-year fixed rate product)
- Measured and disclosed the Bank's carbon impact across Scope 1, 2 and 3 (including financed emissions)
- Founding membership to the International Sustainable Finance Centre of Excellence

2024

- Issuance of the Bank's first Green Bond
- Completion of a CR&E Risk Materiality Assessment
- Introduction of CR&E Risk KRIs
- Consideration for CR&E Risk into the ICAAP and the ILAAP
- Significant improvements to the Bank's ESG data to improve decision making and reporting
- Establishment of an ESG Questionnaire (ESGQ) for our Business Banking Customers
- Launch of the Bank's Green Mortgage (3-year fixed rate product)
- Secured €70m of new funding through the Strategic Banking Corporation of Ireland's (SBCI) Growth and Sustainability Loan Scheme
- Became the first financial institution to offer loans through the SBCI's Home Energy Upgrade Loan (HEUL) Scheme
- Development of the Bank's SBTs and Carbon Reduction Plan
- Finalisation of the Bank's CSRD Double Materiality Assessment
- Appointment of a Chief Sustainability and Corporate Affairs Officer, Head of Sustainability and supporting team

H1
2025

- Sustainability integrated into the Bank's refreshed Business Strategy across the Value Streams
- Issuance of the Bank's inaugural CSRD Disclosure in the Annual Report
- Development of an ESG Risk Strategy for the Bank
- Submission of the Bank's SBTs and Carbon Reduction Plan to the Science Based Targets initiative for validation
- MSCI ESG Rating of 'A'
- Launch of the Bank's Sustainability Strategy 2025-2027

To support enterprise-wide activity the Bank has in place a dedicated Sustainability Committee (SusCo) which operates on delegated authority from the Executive Committee.

The SusCo is responsible for the delivery of the Bank's Sustainability Strategy 2025-2027 and is in place to provide strategic direction and oversight of all activity relating to the environmental, social and governance (ESG) factors that are core to operating our business in a responsible way.

The Committee is chaired by the Chief Sustainability and Corporate Affairs Officer (CSCAO) and includes representation from Executive Committee members and Senior Leaders representing business units across the organisation.

As we look to the future, we are focussed on continuing to embed sustainability into all areas of our business.

We are committed to creating capacity and building a robust long-term strategic approach to sustainability that considers the needs of our colleagues, customers and wider society, as well as the opportunity to deliver sustainable business growth².

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

² To learn more about the Bank's Sustainability Strategy 2025-2027, please visit our [website](#)

2. PTSB Green Bond Framework



A. PTSB Rationale for Green Financing

PTSB has a rich heritage of meeting the banking needs of Irish customers. For over 200 years, we have supported customers in owning their own homes. As such, we are aware of the impact of our decisions on customers and communities across Ireland. PTSB recognises the challenges that climate change poses to our customers and communities and we are committed to playing our part in leading Ireland to a more sustainable future. This Framework is part of the Bank's commitment to leading our communities to that greener, more sustainable future.

The objective of establishing the PTSB Green Bond Framework (the 'Framework') is to use an amount equal to the net proceeds of any green bond instrument to fund, in part or in full, assets that help to mitigate climate change through reduced carbon emissions and energy demand, protect vulnerable ecosystems, and support the ten strategic outcomes of Project Ireland 2040³, the 17 UN Sustainable Development Goals⁴ and Ireland's Climate Action Plan⁵.

B. PTSB Green Bond Framework

PTSB has established this Framework under which it or any of its subsidiaries can issue green bond instruments, which may include senior bonds (preferred and non-preferred), subordinated bonds, green securitisation and medium-term notes to finance (the 'Green Bond Instruments') and/or refinance green eligible loans with a positive environmental benefit.

The Framework is based on the International Capital Markets Association (ICMA) Green Bond Principles 2025⁶.

3. Project Ireland 2040 aims to support the development of sustainable infrastructure and communities across Ireland - done through enhancing regional connectivity, job creation and social amenities. Click [here](#) for additional information.

4. UN sustainable development goals are 17 objectives aiming to guide developed and developing countries to combat inequality, improve health and education, spur economic growth while in respect of the environment and tackling the rise in climate change challenges. Click [here](#) for additional information.

5. Ireland's Climate Action Plan defines the carbon budgets, sectoral emission ceilings and defines the action plan for halving emissions by 2030 and reaching net zero by 2050. Click [here](#) for additional information.

6. Green Bond Principles, click [here](#) for additional information

The Framework is presented through the key pillars of the ICMA principles

1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of Proceeds
4. Reporting

The Framework follows ICMA recommendations and includes the voluntary External Review⁷ - for which Sustainalytics was appointed.

This Framework will remain under review internally and may from time to time be updated. The Framework may evolve to account for changes to the ICMA Green Bond Principles, and any regulatory developments deriving from the EU Taxonomy or other relevant regulation/legislation.

PTSB may seek in the future to incorporate the EU Green Bond Standard (EU GBS) approaches into this Framework instead of, or in parallel to, an EU GBS Factsheet. Any future version of this Framework will either keep or improve the current level of transparency and reporting disclosures, including the corresponding review by an external consultant.

In the next Section – Use of Proceeds – this Framework defines the portfolio of assets that are eligible to be funded by the net proceeds of any green bond instrument issued by PTSB or any of its subsidiaries.

For the avoidance of doubt, any future change to the eligibility criteria in the Use of Proceeds may not necessarily apply to Green Bond Instruments issued under this Framework.



⁷ Available [here](#)

3. Use of Proceeds

As defined by the eligibility criteria in this section⁸, an amount equal to the net proceeds of any Green Bond Instrument (as defined in Section 2b) issued by PTSB or any of its subsidiaries will be exclusively used to finance or refinance the development or acquisition of the following eligible assets:



Green Residential Buildings

Lending for the purchase of Residential Buildings⁹

- For building completed prior to the 1st of January 2021
 - Those that belong to the top 15% most energy efficient buildings in the Republic of Ireland¹⁰
- For buildings completed on or after the 1st of January 2021
 - Residential buildings that have a primary energy demand >10% lower than the local Nearly Zero-Energy Building (NZEB) regulation.¹¹

Lending for the refurbishment of Residential Buildings

- For a building to achieve a 30% energy efficiency improvement¹² (PED):
 - When such an improvement is derived from Building Energy Rating (BER) labels between prior and post of the refurbishment, a minimum floor of a “C3” BER label will be implemented.

Collectively, these eligible assets (each an ‘Eligible Asset’) will form the ‘Eligible Green Loan Portfolio’ which will form the basis of ‘Eligible Green Loans’.



8. PTSB focuses on the main technical screening criteria of the EU Climate Delegated Act. Where possible and appropriate, PTSB will also address and report on the other EU environmental objectives as well as the EU Taxonomy principle of Do No Significant Harm.

9. Per the Draft Commission Notice, available [here](#) the date of the application for a building permit (planning permission) will be used. See pg. 60, Q 143

10. At the time of writing, based on publicly issued governmental statistical data, Irish residential buildings with BER rating of A, B1 and B2 are in scope. See methodology document [here](#).

11. In line with the EU EPBD directive, available [here](#) Ireland carries out a cost optimal analysis to define NZEB requirements. PTSB will calculate the NZEB-10% threshold as per the official cost optimal analysis, as published by the Department of Housing, Local Government and Heritage. At the time of writing, the cost optimal analysis for residential and non-residential buildings can be found [here](#) and [here](#), respectively.

12. Or alternatively, renovation complying with applicable requirements for major renovations as set in the applicable national and regional building regulations for ‘major renovation’ implementing Directive 2010/31/EU, available [here](#).

Alignment of PTSB Use of Proceeds with International and National Initiatives

It is important that the Framework is mapped to international and national initiatives and standards. In the below table we set out the ambitions with which the Framework aligns.

Ambition	Actions
ICMA Category	<ul style="list-style-type: none"> Green Buildings – that meet regional, national, or internationally recognised standards or certifications for environmental performance.
UN SDGs	<p>09 – Industry, Innovation & Infrastructure 11 – Sustainable Cities & Communities 13 – Climate Action</p>   
Project Ireland 2040	<ul style="list-style-type: none"> Transition to a Low Carbon and Climate Resilient Society Compact growth 
Climate Action Plan	<ul style="list-style-type: none"> All new dwellings designed and constructed to Nearly Zero Energy Building (NZEB) standard by 2025, and Zero Emission Building (ZEB) standard by 2030. Equivalent of 120,000 dwellings retrofitted to BER B2 or cost optimal equivalent by 2025, and 500,000 dwellings by 2030 
Ireland's Long-Term Building Renovation Strategy ¹³	<ul style="list-style-type: none"> Ensuring that new buildings are to at least a nearly zero-energy building (NZEB) standard The retrofitting of most existing buildings
EU Environmental Objective	<ul style="list-style-type: none"> Climate Change Mitigation
EU Economic Activity ¹⁴	<p>7.1 – Construction of New Buildings 7.2 – Renovation of Existing Buildings 7.7 – Acquisition and ownership of Buildings</p>

¹³. For further details please refer [here](#)

¹⁴. For further details please refer [here](#)

4. Process for Project Evaluation and Selections

All projects financed or refinanced through PTSB Green Bond proceeds are evaluated and added to the PTSB Green Loan Portfolio based on their compliance with the Eligibility Criteria set out in Section 3. On a best effort basis the Eligibility Criteria accounts for the most up to date version of the EU Taxonomy¹⁵, where there is a feasible and practical application for the Use of Proceeds category.



A. Sustainability Governance at PTSB

Board and Management Oversight

The PTSB Board of Directors (Board) is accountable for the success of the Bank over the long-term and is collectively responsible for the governance of the Bank. The Board is responsible for overseeing and approving the Bank's strategic plan and monitoring its implementation and effectiveness within its Risk Appetite. In addition, the Board is accountable for formulating, approving and supervising the implementation of the Bank's Sustainability Strategy, including the Environmental, Social and Governance (ESG) Risk Strategy (including Climate-related and Environmental (CR&E) matters), to realise its long-term financial interests and maintain its solvency. The Board Committees with CR&E risk oversight responsibility can be found below:

Board Audit Committee (BAC)

The BAC is responsible for overseeing the process of disclosure and communication with external stakeholders and competent authorities, which includes climate-related disclosures.

Board Risk and Compliance Committee (BRCC)

The BRCC has delegated responsibility from the Board to assess the impact of climate related and environmental risk on the Bank's overall Risk Profile. The BRCC has approved and provides oversight on the execution of an enterprise-wide CR&E Implementation Plan.

¹⁵. Latest EUT referred to in this GBF is available [here](#).

Nomination, Culture and Ethics Committee (NomCo)

The NomCo is the overarching Board advisory committee responsible for the review, design, implementation and effectiveness of the Bank's Sustainability Strategy. A key pillar within the Bank's Sustainability Strategy is 'Addressing Climate Change and Supporting the Transition to a Low Carbon Economy', which includes a focus on CR&E risk.

Executive Management Oversight

The Executive Committee (ExCo) is the Senior Management Committee of PTSB with authority to operate and make decisions within limits set by the Board.

The ExCo is the custodian of the Bank's collective Strategic Portfolio, Medium Term Plan and Risk Management, as developed through the annual Strategic Planning Process. The ExCo is the accountable body for the Group's operations, compliance and performance; defining the Group's organisational structure; ensuring the adoption, application and maintenance of all standards set by the Board; and a forum for bank-wide colleagues and other functional issues and ensuring that a robust and resilient operating framework exists within which the Bank's activities are undertaken. The ExCo is the ultimate management committee responsible for the development and implementation of the Bank's Sustainability Strategy and the management of CR&E risk.

PTSB has Executive Level Committees that oversee and deliver on the Bank's ESG Risk Management Strategy (including CR&E risk):

Group Risk Committee (GRC)

The GRC is a sub-committee of the ExCo and assesses bank-wide risk management issues and ensures that fair customer outcomes are delivered. A key role within the GRC is the assessment of the impact of CR&E risk on the Bank's overall Risk Profile.

Group Credit Committee (GCC)

The GCC oversees and manages credit related CR&E risk for the Bank via both monitoring and providing regular updates on the related Risk Appetite Statements which are kept aligned to the Bank's Strategy, as well as the Bank's Credit Policies which are formulated considering the Bank's appetite as well as external factors such as regulation, emerging risks and market dynamics.

Customer Committee (CustCo)

The CustCo is a sub-committee of ExCo and is chaired by the Chief Retail Banking Officer. The Committee approves new, and changes to current, products and services that are aligned to the Bank's Sustainability Strategy which includes consideration for climate related (Green) sustainable finance products and propositions.

Assets and Liabilities Committee (ALCo)

ALCo reviews, and is responsible for overseeing, all activity relating to Asset and Liability Management, Treasury and Market Risks (including Liquidity Risk, Interest Rate Risk, Treasury Counterparty Risk and Foreign Exchange Risk) and Capital Management. Oversight includes the integration of CR&E risk into Internal Liquidity Adequacy Assessment Process (ILAAP) and Internal Capital Adequacy Assessment Process (ICAAP).

ALCo is the body accountable for the evaluation of other potential drivers of earnings volatility, including, but not limited to, competitive and external market pressures, and for approving optimisation and hedging strategies against those risks. ALCo is a sub-committee of the ExCo and is responsible for overseeing pricing decisions. As such, the Bank's Green Mortgage products are approved through this forum.

Management Committees with Climate-Related and Environmental Risk Oversight Responsibility

Disclosures Committee (DC)

The Bank's Disclosures Committee is a governance body that provides oversight of material disclosures, including: the Annual Report; Interim Report; TCFD Report; Pillar 3 Report; the CSRD Sustainability Statement; and selected ESG disclosures. The Bank's disclosures include updates relating to CR&E risk programming and associated KPIs.

Sustainability Committee (SusCo)

The SusCo acts on delegated authority from the ExCo to provide oversight in line with supervisory expectations on the execution of the Bank's Sustainability Strategy, including a focus on CR&E risk implementation under the 'Addressing Climate Change and Supporting the Transition to a Low Carbon Economy' pillar.

The SusCo is chaired by the CSCAO and Executive membership includes the CEO, CFO, CRO, COO, CTO and CRBO. The Committee operates on delegated authority from the ExCo. The SusCo is responsible for the delivery of the Bank's Sustainability Strategy by ensuring that there is sufficient oversight, alignment, governance and challenge of activity across key areas of focus for the Bank's overall sustainability programming.

In addition, the Committee also provides oversight of all activities relating to ESG factors such as climate change, that are core to operating our business in a responsible and sustainable way, including: Regulatory Compliance Risk, international framework alignment, sustainable finance (Green) products and propositions, business operations and carbon impact, sourcing responsibly, community impact and partnerships and sustainability communications. At a high level, the Committee is responsible for:

- Leading on the implementation and embedding of the Bank's Board approved Sustainability Strategy (which includes a focus on CR&E risk), ensuring that all activity is embedded in the Bank's ambition, purpose, culture, corporate strategy and strategic priorities;
- Overseeing Sustainability-related programming and providing guidance and support to sustainability activities across the key areas of focus set out within the Sustainability Strategy, including CR&E risk management as part of the ESG Risk Management Workstream;
- Overseeing the development of the Bank's SBTs and preparation of the associated Carbon Reduction Plan;
- Engaging stakeholders as needed to ensure organisational alignment on key Sustainability-related risks and opportunities (including CR&E risk), and maintaining awareness and linkages to other strategic programmes;
- Developing Sustainability Key Performance Indicators (KPIs) and processes that enable the Bank to effectively measure, monitor and manage them; and
- Monitoring and reporting progress to the Board and ExCo at regular intervals throughout the year.

Sustainability Steering Committee (SteerCo)

Supporting the SusCo, the SteerCo is made up of members from the Bank's Senior Leadership Team. It includes enterprise-wide representation to ensure a holistic and integrated approach to support execution of the Bank's Sustainability Strategy. During 2024, the SteerCo had eight workstreams covering Governance, Strategy and Communications; Science Based Targets (SBTs); ESG Data Infrastructure and Models; ESG Risk Management; Opportunities and Enablement; External Reporting; Social Impact; and Business As Usual (BAU) delivery.

B. Governance of the Green Bond Framework

PTSB has an established Green Bond Working Group (GBWG), which has primary responsibility for the management, maintenance and updating of the Green Bond Framework. Members of the Green Bond Working Group are selected from senior leadership in each of the following areas of PTSB: Treasury, Legal, Financial Risk, Credit Risk, Reporting, Mortgage Lending, Data, and the Sustainability Team. The Green Bond Working Group operates under the SusCo. SusCo are the approval authority of the Green Bond Framework, related documents and reporting outputs from a Sustainability initiative perspective. ALCo approves the Green Bond Framework from a Debt issuance perspective. For the avoidance of doubt, the GBWG is the primary decision-making body that will be assessing and valuing each individual asset that will be put into the Eligible Green Loan Portfolio.

The approval of both SusCo and ALCo is a requirement for the Green Bond Framework.



C. Environmental Objectives, DNSH and Excluded Activities

In accordance with the EU Taxonomy and the EU Green Bond Standard (EU GBS), Eligible Green Loans should not only contribute to at least one of the EU Environmental Objectives but should also do no significant harm (DNSH) to any other EU Environmental Objective. In addition, Eligible Green Loans should be complying with minimum safeguards that should be in place at the issuer level.

Our Sustainable Supplier Charter acknowledges our responsibility to respect human rights as set out in the International Bill of Human Rights and the eight fundamental conventions on which the United Nations Guiding Principles on Business and Human Rights are based. We will work to enforce these rights within operations under our direct control within our supply chain and encourage our suppliers to do the same. We have a zero-tolerance policy for human rights violations.

Environmental and social risks potentially associated with the Eligible Green Loan Portfolio are mitigated via the due diligence processes conducted by PTSB. PTSB takes care that the Eligible Green Loan Portfolio complies with official international, national, and local laws and regulations on a best efforts basis. The terms and conditions that govern PTSB's mortgage lending require borrowers to comply with all applicable laws, regulations, and practices, with explicit clauses in place in all mortgage contracts¹⁶.

PTSB doesn't engage with prospective clients that are deemed to contribute to irreversible environmental and/or social harm to society. PTSB's list of "Excluded Activities" is as follows:

Excluded Activities are:

- Non-renewable energy, e.g., Exploration and Extraction of gas, oil, and coal;
- Unnecessary deforestation;
- Sale or manufacture of firearms/weapons; and
- Adult entertainment.



¹⁶. Clause 1.20: "All necessary Planning Permission and Bye Law Approval for the Property and extension/conversion (if any) was obtained, and if building commenced after the 1st June 1992, that same was constructed in conformity with the Building Regulations 1991"
 Clause 2.5: "Property not registered under HomeBond or not covered under a structural defects insurance bond or policy acceptable to Permanent TSB. Where the Property is not registered under HomeBond or not covered under a structural defects indemnity bond or policy acceptable to Permanent TSB, the construction must be supervised by a qualified Architect/Engineer/Chartered Building Surveyor who must, on completion, give a certificate of compliance with Planning Permission and the Building Regulations and also certify the following: (a) that he supervised the opening and laying of the foundations and that they are suitable for the Property and the ground conditions; (b) that he supervised the construction of the Property through all stages; (c) that the Property has been completed in accordance with good building practice; and (d) that there is no further work outstanding."

5. Management of Proceeds



PTSB Treasury have responsibility for the management of proceeds and will track eligible green loans using an internal tracking process.

A portfolio approach has been taken to managing net proceeds from any Green Bond Instrument. PTSB intends to allocate an amount equal to the net proceeds from any issuance of Green Bond Instruments to an Eligible Green Loan Portfolio, selected in accordance with the Eligibility Criteria set out in Use of Proceeds and Process for Project Evaluation and Selection above. PTSB will strive, over time, to achieve a level of allocation for the Eligible Green Loan Portfolio which, after adjustments for intervening circumstances including, but not limited to, sales and repayments, matches or exceeds the balance of net proceeds from its outstanding Green Bonds Instruments. Additional Eligible Green Loans will be added to the Eligible Green Loan Portfolio to the extent required to ensure that an amount equal to the net proceeds from outstanding Green Bonds Instruments will be allocated to Eligible Green Loans. All redeeming financings are removed from the pool and any asset that no longer meets the Eligibility Criteria will also be removed from the pool at the earliest opportunity¹⁷.

Pending allocation of an amount equal to the net proceeds of any tranche of Green Bonds Instruments to an Eligible Green Loan Portfolio, PTSB will hold and/or invest, at its own discretion, in its treasury liquidity portfolio, in cash or other short-term and liquid instruments or to pay back a portion of its outstanding indebtedness, the balance of net proceeds not yet allocated to the Eligible Green Loan Portfolio.



¹⁷. Within one year at the latest. This topic is to be discussed as a standing agenda item for the Green Bond Working Group

6. Reporting

PTSB intends to publish an allocation report on the net proceeds of any bond issuance to the Eligible Green Loan Portfolio on an annual basis at least until full allocation or until all portfolio bonds mature.



Furthermore, PTSB intends to publish an impact report on the Eligible Green Loan Portfolio on an annual basis at least until full allocation or until the relevant portfolio Green Bond Instruments have matured or been redeemed pursuant to their terms and conditions.

These reports intend to examine the allocation of the Use of Proceeds and the impact of the eligible loan portfolio on a category level and an aggregated basis.

PTSB intends to align, on a best efforts basis, the impact reporting with the portfolio approach described in the ICMA "Handbook – Harmonised Framework for Impact Reporting (June 2024)"¹⁸. PTSB intends to report at least to Core Indicators A: Energy Performance, and B: Carbon Performance for the mortgage portfolio. The remaining Core Indicators and Other Sustainability Indicators shall be reported where possible and appropriate.

As internal reporting processes and ESG data gathering on assets develops PTSB may look to supplement its impact reporting with Alignment Reporting. This may be addressed in future versions of this Framework document.



¹⁸. Handbook available [here](#).

A. Allocation Reporting

The allocation report will provide, on the Eligible Green Loan Portfolio, indicators such as:

- The size of the identified Eligible Green Loan Portfolio, per eligible category
- The total amount of proceeds allocated to Eligible Green Loans
- The number of Eligible Green Loans
- The balance of unallocated proceeds
- The amount or the percentage of new financing¹⁹ and refinancing
- The geographical distribution of the assets (at country level)
- The proportion of the portfolio that is EU Taxonomy eligible and/or aligned, as soon as it becomes available.

B. Impact Reporting

Where feasible, PTSB intends to report on the impact of the Eligible Green Loan Portfolio. The Impact report may provide:

- A description of relevant Eligible Green Loans
- The breakdown of the Eligible Green Loan Portfolio by nature of what is being financed (financial assets)
- Metrics regarding Eligible Green Loans environmental impacts as described below:

Green
Mortgages

Estimated ex-ante annual energy consumption in KWh/m² or energy savings in MWh.

Estimated annual reduced and/or avoided emissions in tons of CO₂ equivalent.

Depending on availability, and subject to confidentiality agreements, PTSB may seek to complement above indicators with relevant case studies.

PTSB may appoint specialised consultants to develop a methodology for the estimation and calculation of the impacts.

Both the allocation report²⁰(s) and the impact report²¹(s) will be made available on the PTSB website here²².

Our impact methodology for Green Mortgages can be found here²³.



¹⁹. New financing refers to loans issued over the previous reporting period.

²⁰. PTSB Allocation Report YE 2024, available [here](#)

²¹. PTSB Impact Report YE 2024, available [here](#)

²². Available [here](#)

²³. Available [here](#)

7. External Review

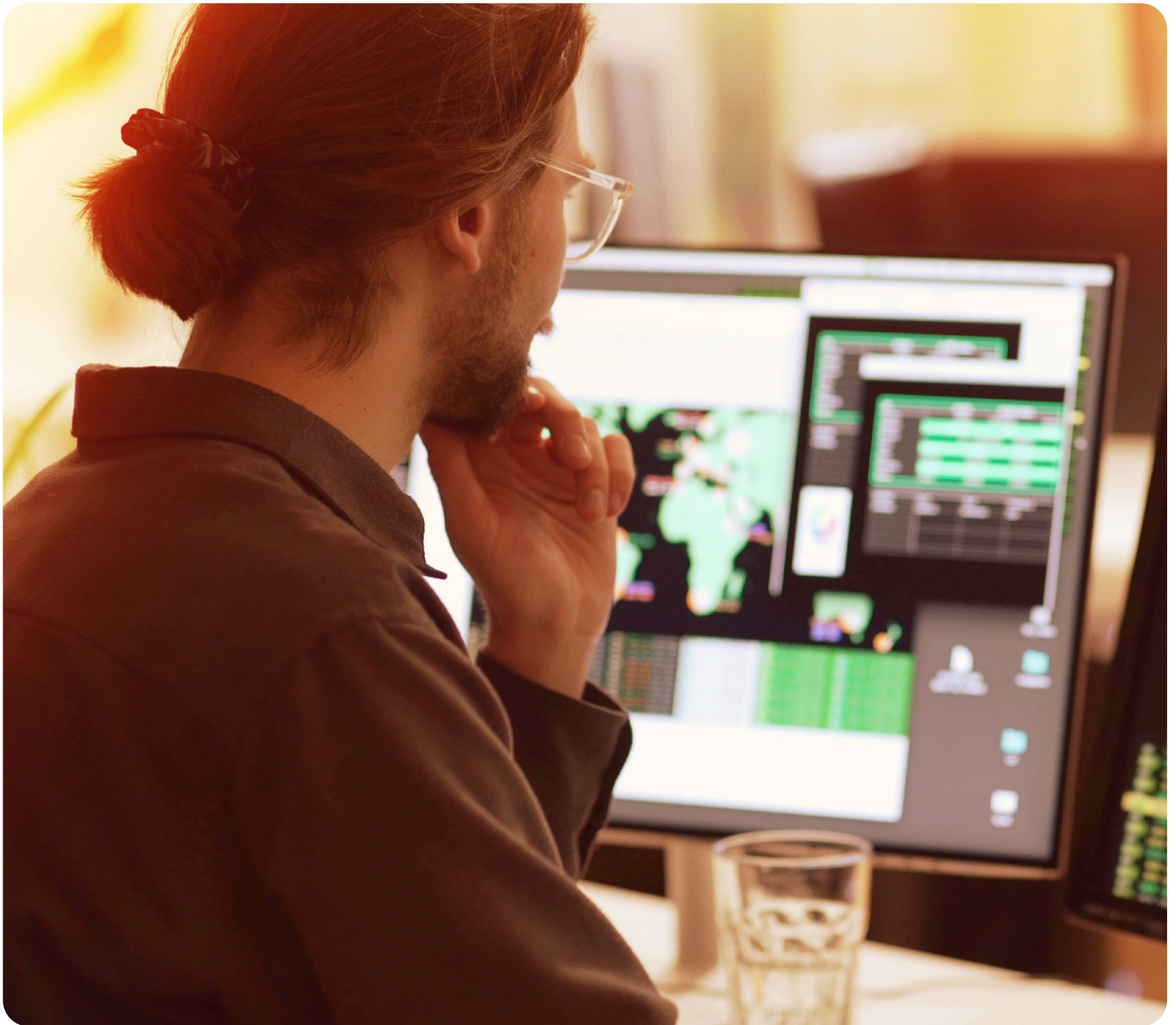
A. Second Party Opinion

PTSB has obtained an independent second party opinion from Sustainalytics to assess the alignment of the Framework with the ICMA Green Bond Principles 2025.

The Second Party Opinion as well as the Green Bond Framework will be made available [here](#)²⁴.

B. Verification

PTSB may request on an annual basis, starting one year after issuance and until maturity, a limited assurance report of the allocation of the Green Bond Instruments to the Eligible Green Loans, provided by an external auditor²⁵.



²⁴. Latest published Second-Party Opinion, available [here](#)

²⁵. Green Bond Framework Assurance Report - Mazars YE 2024, available [here](#).

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This document sets out a Framework for certain lending that we may conduct (but we are not contractually obligated to do so). Lending practices are subject to change at any time, as well as a number of factors not covered by this document. This document may refer to prospective financial instruments; however no assurance is given by us that any securities issued that reference this framework will be admitted to listing on any market or stock exchange. Any securities issued that reference this Framework will not be linked to the performance of any Eligible Asset. The net proceeds of the issue of any Eligible Instruments under this Framework which, from time to time, are not allocated as funding for Eligible Assets are intended to be held pending allocation as funding towards Eligible Assets. We give no undertaking to ensure that there are at any time sufficient Eligible Assets to allow for allocation of a sum equal to the net proceeds of the issue of such Eligible Instruments in full.

There is currently no single globally recognised or accepted, consistent and comparable set of definitions or standards (legal, regulatory or otherwise) of, nor widespread cross-market consensus (i) as to what constitutes, a "green", "social" or "sustainable" or an equivalently-labelled project or asset or (ii) as to what precise attributes are required for a particular project or asset to be defined as "green" or "sustainable" or such other equivalent label.

No claim is made, and no assurance is given by us that any lending we conduct from time to time as contemplated by this document will satisfy any present or future expectations or requirements regarding 'green', 'social', 'sustainable' or such similar labels, including the Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment or the EU Commission's proposed regulation on a voluntary European Green Bond Standard (the EUGBS), Regulation (EU) 2023/2631 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds (the EU Green Bond Regulation), Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the SFDR), and any related implementing regulation or technical screening criteria, or any similar or related legislation. No assurance is given by us that that this Framework or any Eligible Assets described herein are capable of being implemented or that any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any Eligible Asset. We accept no liability of environmental matters or otherwise, or that any borrower to whom we lend will satisfy such expectations of requirements. We accept no liability or responsibility to any third party on this whatsoever.

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