



**Oireachtas Committee on Finance, Public Expenditure and Reform, and  
Taoiseach**

***Opening Statement – Myles O’Grady, Group CEO, Bank of Ireland***

**CHECK AGAINST DELIVERY**

**Wednesday, 27 September** – Thank you Chairman and members of the Committee for the invitation to address you this afternoon. I’m joined by my colleague Susan Russell, recently appointed CEO of our Retail Ireland division.

Bank of Ireland plays a vital role in supporting the Irish economy and wider society. As one of Ireland’s largest publicly quoted companies and employers, we engage with Oireachtas members across all parts of the country on a range of policy issues. We welcome that engagement, and the opportunity to attend today’s meeting.

This is the first occasion the Bank has been at the Committee since the State completed the sale of its shareholding. In that context, I’d like to again thank the State for the support we received. We made it a top priority to repay the taxpayer as quickly as we could. At the end of the sales process, the Bank had returned almost €6.7 billion to the State from its original €4.7 billion investment.

**Bank of Ireland Support for the Irish Economy**

At Bank of Ireland we are ambitious for Ireland’s future. We have over €49 billion in lending deployed in Ireland. This is helping people buy their own home, over 6,000 in the first six months of this year, as well as supporting our 300,000 business and corporate customers. Our ambition is to be the number 1 partner of choice for wealth and insurance in Ireland, with €42 billion in wealth assets under management currently.

Our lending supports vital social and economic goals such as home building. In Ireland, we’re funding the construction of about 18,000 residential units across 200 sites. Our recent strong financial performance has allowed us increase our fund for residential development by 70% to €1.75bn. This is funding the development of a range of affordable, sustainable, and social housing types.

At the end of June, Bank of Ireland had €9.7 billion in sustainability related lending, an increase of 18%. We are the largest provider of green new mortgages in Ireland while also helping business customers decarbonise.

While our core business is in Ireland, we also have businesses in the UK and international activities in the EU and US. Close to one fifth of our workforce is based outside Ireland. That international reach allows us to help Irish companies expand internationally, and to support the work of IDA and EI. Today, we work with more inward investors to Ireland than any other bank.



### **Bank of Ireland Strategy & Performance**

In March we set out a refreshed three-year strategy, and nine months into that I'm pleased that the Group is delivering for customers, colleagues, shareholders, and society. Our strong position also allows us to continue to invest significantly in a number of areas, including technology, customer propositions and ways of working for a modern workforce. These investments have delivered customer improvements. Unfortunately, the IT outage we experienced during the summer fell far short of our standards. We are committed to continually investing in and improving the services we offer our customers.

### **Support for Mortgage Customers**

The current interest rate environment is, of course, a matter of concern to the Committee. Our approach has been to respond to rate changes while doing all we can to ensure customers do not face a repayment challenge with their mortgages. For example, while the ECB has increased rates by 4.5%, we have increased fixed-rates by up to 1.75%. We've balanced this by introducing savings rates of up to 3%.

Looking at our mortgage book in Ireland, about 70% is fixed rate. The majority of these do not reprice until 2025 at the earliest, protecting our customers from the rate environment. The remainder of our mortgage book are tracker and variable rate loans.

We're very aware that some customers may get into financial difficulty and this is something we are closely monitoring. We have a proven track record of working with customers to find sustainable solutions. We have a wide range of options available to support customers, and can work through these based on individual circumstances. If any customer is in difficulty, or concerned about future repayments, the most important thing is for them to talk to us.

### **Conclusion**

This year, Bank of Ireland is celebrating 240 years of serving Irish customers. Our roots can be traced back to the popular demand for an Irish national bank to support commerce and trade. Our mission hasn't changed. We are here to support the Irish economy to grow and thrive. When Ireland is successful, we are successful. That fundamental fact remains at the heart of our strategy.

**Ends/**