

OFFERING CIRCULAR SUPPLEMENT DATED 24 OCTOBER 2022



ELECTRICITY SUPPLY BOARD

(a body corporate established in Ireland under the ESB Acts 1927 to 2014 of Ireland)

ESB FINANCE DAC

(a private company incorporated with limited liability in Ireland with registration number 480184)

EUR5,000,000,000

**Euro Medium Term Note Programme
unconditionally and irrevocably guaranteed by**

ELECTRICITY SUPPLY BOARD

(a body corporate established in Ireland under the ESB Acts 1927 to 2014 of Ireland)

This Offering Circular Supplement (this **Supplement**) is supplemental to and must be read in conjunction with the Offering Circular dated 5 August 2022 (the **Offering Circular**) prepared by the Electricity Supply Board (**ESB**) and ESB Finance DAC (**ESB Finance**) (together, the **Issuers** and each of them, an **Issuer**). The Offering Circular together with this Supplement comprises a base prospectus for the purposes of Article 8 of Regulation (EU) 2017/1129, as amended (the **Prospectus Regulation**) in connection with the Issuers' EUR5,000,000,000 Euro Medium Term Note Programme (the **Programme**). Terms defined in the Offering Circular have the same meaning when used in this Supplement.

This Supplement has been approved as a supplementary prospectus by the Central Bank of Ireland as competent authority under the Prospectus Regulation. The Central Bank of Ireland only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuers or the Guarantor or of the quality of the Notes that are the subject of the Offering Circular. Investors should make their own assessment as to the suitability of investing in the Notes. Such approval relates only to Notes which are to be admitted to trading on the regulated market of the Irish Stock Exchange plc trading as Euronext Dublin (**Euronext Dublin**) or on another regulated market for the purposes of Directive 2014/65/EU (as amended, **MiFID II**) and/or which are to be offered to the public in any member state of the European Economic Area (**EEA**) in circumstances that require the publication of a prospectus.

This Supplement has been prepared for the purposes of (1) incorporating by reference into the Offering Circular the interim financial statements including the auditors' review report thereon and notes thereto) of ESB for the six month period ended 30 June 2022, (2) updating certain information contained in the section of the Offering Circular entitled "*Risk Factors*", (3) updating certain information contained in the section of the Offering Circular entitled "*Description of ESB Finance DAC*", (4) updating certain information contained in the section of the Offering Circular entitled "*Description of ESB*", and (5) updating certain information contained in the section of the Offering Circular entitled "*General Information*".

Each of ESB and ESB Finance accepts responsibility for the information contained in this Supplement. To the best of the knowledge of ESB and ESB Finance the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Save as disclosed in this Supplement, no significant new factor, material mistake or material inaccuracy relating to information included in the Offering Circular has arisen or been noted, as the case may be, since the publication of the Offering Circular nor has there been any significant change in the financial position or financial performance of the Group since 30 June 2022 (being the date to which the most recent financial information was prepared).

To the extent that there is any inconsistency between (i) any statement in this Supplement, including any statement incorporated by reference into the Offering Circular by this Supplement, and (ii) any other statement in or incorporated by reference into the Offering Circular, the statements in this Supplement will prevail.

1. Incorporation of Interim Financial Statements

The following document has been filed with Euronext Dublin and the Central Bank of Ireland and is hereby incorporated by reference into, and shall form part of, the Offering Circular:

- the auditors' review report and interim consolidated financial statements for the six month period ended 30 June 2022 of ESB (the **Interim Financial Statements**), set out at pages 9 to 37 (inclusive) of the 'Interim Financial Report for the period to 30 June 2022' which is available on the website of ESB at:

https://cdn.esb.ie/media/docs/default-source/investor-relations-documents/esb-interim-results-2022.pdf?sfvrsn=bc9ad4db_2

The Interim Financial Statements shall be available for inspection (by physical and electronic means) from the registered office of ESB on the same terms as those documents set out under the heading "*Documents Available*" of the section of the Offering Circular entitled "*General Information*" on page 116 of the Offering Circular.

2. Updates to Risk Factors

The following amendment shall be made to the section of the Offering Circular entitled "*Risk Factors Relating to the Issuer, the Guarantor and the Group – Political, regulatory and legal risks – Regulation of markets and networks*" on page 17 of the Offering Circular:

The third paragraph of such section shall be deleted in its entirety and replaced with the following:

"Even in markets where the Group is not subject to price regulation directly, changes to the structure or regulation of the relevant market could have an adverse impact on the Group's financial performance, operations and prospects. See further the section of the Offering Circular entitled "*Risk Factors Relating to the Issuer, the Guarantor and the Group – Political, regulatory and legal risks – Great Britain (GB) retail energy market*".

The following new risk entitled "*Great Britain (GB) retail energy market*" shall be inserted into the section of the Offering Circular entitled "*Risk Factors Relating to the Issuer, the Guarantor and the Group – Political, regulatory and legal risks*" after the risk factor "*Regulation of markets and networks*" on page 17 of the Offering Circular:

"Great Britain (GB) retail energy market

In the Great Britain (GB) retail energy market, significant volatility in wholesale gas prices and the impact of the price cap imposed by regulatory authorities have combined to create very challenging trading conditions for retail suppliers and have resulted in a number of supply company insolvencies. ESB's GB retail supply business (So Energy) continues to be negatively impacted by these factors and has experienced financial losses in the year to date. Given ongoing regulatory and political volatility, the outlook for the GB retail energy sector remains uncertain. The position of the So Energy business remains challenged in that context and its future viability is uncertain."

3. Updates to Description of ESB Finance DAC

The following amendments shall be made to the section of the Offering Circular entitled "*Description of ESB Finance DAC*":

The text under the heading "*Board of ESB Finance*" on page 85 of the Offering Circular shall be deleted and replaced with the following:

"Board of ESB Finance

The Directors of ESB Finance and their principal outside activities are:

Name	Principal Activities outside ESB Finance
Deirdre Cowler	Director of certain other ESB subsidiaries and employee of ESB
Gerry Tallon	Director of certain other ESB subsidiaries and employee of ESB
Paul Stapleton	Director of certain other ESB subsidiaries and employee of ESB
Susan McCarthy	Employee of ESB

Anne-Marie Kean

Director of certain other ESB subsidiaries and employee of ESB

Paul Stapleton is part of the Senior Management of ESB, see further the section of this Offering Circular Supplement entitled “*Description of ESB – Senior Management of ESB*”. The business address of each of the Directors of ESB Finance for the purposes of this Offering Circular is 27 Fitzwilliam Street Lower, Dublin 2, Ireland.

There are no potential conflicts of interests between the duties of ESB Finance’s Directors in such capacity and their private or other professional interests.”

4. Updates to Description of ESB

The following amendments shall be made to the section of the Offering Circular entitled “*Description of ESB*”:

ESB’s Summary Financial Information

In the section entitled “*ESB’s Summary Financial Information*” (commencing on page 86 of the Offering Circular up to but excluding the section entitled “*Organisational Structure*” on page 89 of the Offering Circular), the tables and notes thereto shall be deleted and replaced with the following:

“

Key Financial Performance Measures	2017	2018	2019	2020	2021	H1 2022	
	€'m	€'m	€'m	€'m	€'m	€'m	
Operating Profit before exceptional items	490	455	682	616	679	357	
EBITDA	1,276	1,175	1,372	1,299	1,550	925	Note 1
Capital Expenditure	867	1,165	1,242	1,115	1,223	532	Note 2
Net Debt	4,377	4,915	5,239	5,120	4,946	4,765	Note 3
Gearing	52%	56%	57%	55%	52%	46%	Note 4

Note 1 EBITDA by Business Segment

Definition: Financial measure of operating performance.

EBITDA for any given period is calculated as operating profit before interest, taxation, depreciation, impairments (including non-trading net impairment losses on financial assets), amortisation and revenue from supply contributions for that period per the consolidated financial statements of the Group.

ESB Group Consolidated EBITDA by Business Segment				
Financial Statements for the period ended 30 June 2022				
	Operating Profit (including exceptional items)	Net Depreciation & Amortisation	Impairment not classified as exceptional	Earnings Before Interest Tax Depreciation and Amortisation (EBITDA)
	€'m	€'m		€'m
ESB Networks	117	224		341
NIE Networks	8	83		91
Generation & Trading	471	73	2	546

Customer Solutions	(44)	14		-30
Other Segments	(33)	10		-23
Total	519	404	2	925
Exceptionals (non-impairment)*				(162)
EBITDA excluding exceptional items				763
Business Segment EBITDA as % of ESB Consolidated Group EBITDA excluding exceptional items				
ESB Networks				45%
NIE Networks				12%
Generation & Trading				50%
Customer Solutions				-4%
Other Segments				-3%
Total				100%

* Exceptional items 2022 - Fair value gain on fuel commodity swaps that do not meet the criteria for hedge accounting or own use exemption and therefore are accounted for as trading derivatives and are recognised in the balance sheet at fair value under IFRS 9 Financial Instruments with movements in fair value recognised in the income statement (€162m).

Note 2 ESB Regulated Networks and Unregulated Capital Expenditure Analysis

Definition: Financial measure of the amount of funds used to acquire, upgrade and maintain fixed assets.

Capital Expenditure	2017	2018	2019	2020	2021	H1 2022
	€'m	€'m	€'m	€'m	€'m	€'m
ESB Networks	501	590	581	749	734	347
NIE Networks	143	171	154	140	193	106
ESB Regulated Networks Capital Expenditure	644	761	735	889	927	453
ESB Unregulated Capital Expenditure	223	404	507	226	296	79
ESB Total Capital Expenditure	867	1,165	1,242	1,115	1,223	532
Regulated Networks Business capital expenditure						
as % of ESB Consolidated Capital Expenditure	74%	65%	59%	80%	76%	85%

* 2018 to H1 2022 Capex figures are gross of supply contributions in line with IFRS 15 'Revenue from Contracts with Customers', the impact of this change in accounting treatment results in higher network capex from 2018 onwards.

Note 3 Net Debt

Definition: Financial measure which indicates the overall debt situation of ESB.

Net Debt for any given date is the total of borrowing and other debt (including lease liabilities following the adoption of IFRS16 Leases from 1 January 2019) less cash and cash equivalents per the consolidated financial statements of the Group at that date.

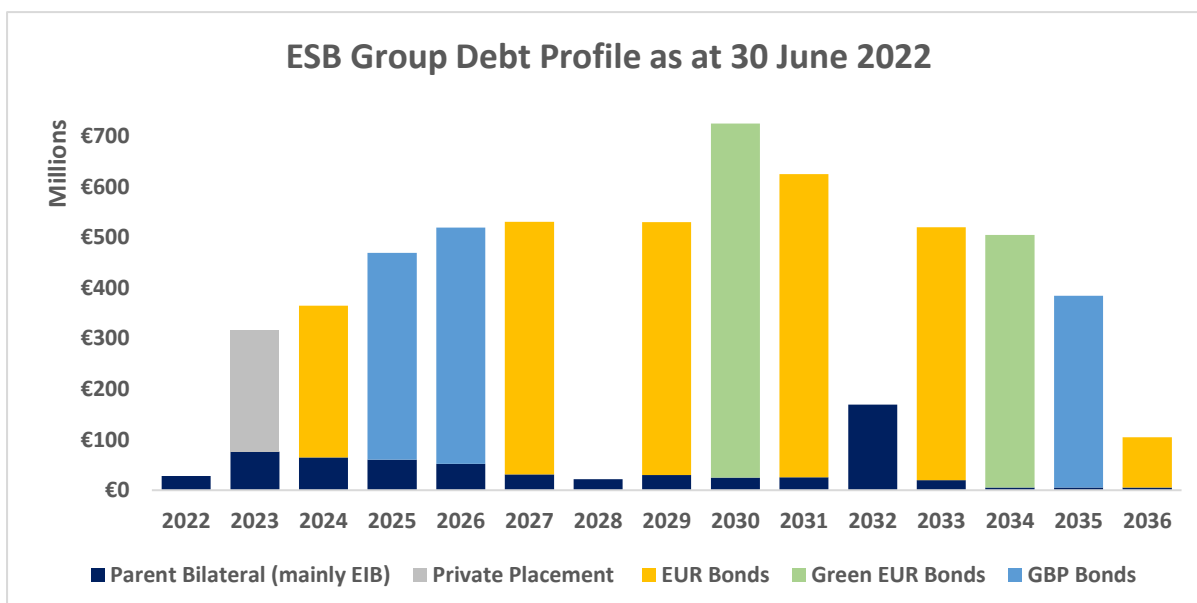
ESB Group Balance Sheet as at 30 June 2022	Jun-22	Dec-21	Dec-20
	€'billion	€'billion	€'billion
Borrowings	(5.81)	(5.36)	(5.24)
Lease liabilities	(0.11)	(0.12)	(0.13)
Total Debt	(5.92)	(5.48)	(5.37)
Cash & cash equivalents (included in current assets)	1.16	0.54	0.25
Net Debt	(4.76)	(4.94)	(5.12)

Borrowings

The analysis of borrowings of €5.8 billion by source at 30 June 2022 (€5.3 billion as at 31 December 2021) is summarised below:

% of Borrowings by source at	Jun-22	Dec-21	Dec-20
	€'billion	€'billion	€'billion
Bonds	64.6%	70.0%	70.1%
Green Bonds	20.6%	13.0%	13.3%
Private Placement	4.1%	4.5%	5.6%
Bilateral (mainly EIB)	10.7%	12.5%	10.8%
Project Finance			0.2%

ESB total debt maturity profile at 30 June 2022



Note 4 Gearing Percentage

Definition: Financial measure in the form of a leverage ratio used to evaluate the financial position.

Gearing percentage (%) is net debt divided by the sum of net assets and gross debt (excluding joint ventures) per the consolidated financial statements of the Group.

Total Assets

Definition: Financial measure to assess the value of the total assets of the Group.

Total Assets is the total of non-current assets and current assets per the consolidated financial statements of the Group. As at 30 June 2022, the Group's Total Assets excluding cash were €16.1 billion and the % of Total Assets excluding cash by business segments is summarised below.

Total Assets (excluding Cash) by Business Segment at 30 June 2022	
ESB Networks	49%
NIE Networks	16%
Generation & Trading	26%
Customer Solutions	5%
Other Segments	4%

Regulated Asset Base

Definition: Regulated Asset Base (RAB) is a valuation of the transmission and distribution networks related assets for regulatory purposes which are held by ESB Networks and NIE Networks respectively. In the case of the relevant assets held by ESB Networks, the RAB value is determined in accordance with the CRU's required methodology and, in the case of the relevant assets held by NIE Networks, the RAB value is determined in accordance with the UR's required methodology.

Regulated Asset Base	December '21	December '20
	€'billion	€'billion
ESB Networks	8.8	8.4
NIE Networks	2.1	1.8
Total Regulated Asset Base	10.9	10.2

Liquidity

Definition: Liquidity is a measure of the cash and committed facilities available to ESB at a point in time. Liquidity is the total of cash and cash equivalents per the Group's consolidated financial statements and undrawn committed facilities. As at 30 June 2022, the Group's liquidity was €2.6 billion made up of cash and cash equivalents of €1.2 billion and undrawn committed facilities of €1.4 billion. Included in cash on hand is almost €0.5 billion of net cash collateral amounts received in relation to exchange traded coal, gas and carbon contracts.

Alternative Performance Measures

The terms "EBITDA", "Net Debt", "Gearing Percentage", "Regulated Asset Base", "Total Assets excluding cash by business segment" and "Liquidity" are alternative performance measures and provide a measure of the key financial performance indicators of the Group's business. These alternative performance measures are included in this Offering Circular to allow potential Noteholders to better assess the Group's performance and business."

Board of ESB

The second paragraph under the heading "*Board of ESB*" (page 98) shall be deleted and replaced with the following:

"The Board of ESB currently comprises eleven members – a Chairman, five independent Board members and a Chief Executive (all of whom are appointed by the Government of Ireland for terms of up to five years and may be reappointed) and four worker Board members who are ESB staff members and who are appointed to the Board by the Minister for Environment, Climate and Communications of Ireland for a four year term and may be reappointed under the Worker Participation (State Enterprises) Act 1977 (as amended)."

In addition, Mr. Andrew Hastings, resigned as a Board member effective from 9 September 2022 in order to streamline his work commitments. Accordingly, Mr. Hastings' entry should be deleted from the table on page 99 of the Offering Circular.

Senior Management of ESB

The text under the heading “*Senior Management of ESB*” (commencing on page 102 of the Offering Circular) shall be deleted and replaced with the following:

“The executive management team at ESB is comprised of:

Name	Title	Biography
Paddy Hayes	Chief Executive	<p>Appointed: August 2021</p> <p>Career Experience: Prior to his current role, he headed up two of ESB’s main operating divisions as Executive Director of ESB’s Generation & Wholesale Markets business and then as Managing Director of ESB Networks. A Chartered Engineer, he holds a master’s degree in engineering from University College Dublin and an MBA from the University of Warwick. Paddy worked with British Steel in the UK before moving to the energy sector in 1999, to lead the Synergen joint venture between ESB and Statoil. He is a member of the board of directors of the Electric Power Research Institute (EPRI)</p>
Marie Sinnott	Company Secretary	<p>Appointed: August 2019</p> <p>Career Experience: Marie Sinnott is ESB Group Company Secretary, supporting the Chairman, Board, CEO and executive management in their strategic, governance and compliance responsibilities. Previously, Marie was ESB’s Group Head of Compliance and Enterprise Risk Management. During her career in ESB, she has held a number of other senior management roles in project management, change management and procurement areas. A University College Dublin commerce graduate, she holds an MSc in Economic Policy Studies from Trinity College Dublin and a Postgraduate Diploma in Corporate Governance from University College Dublin Smurfit School. Marie is also a member of the Dublin City University Governing Authority and a director of the Institute of International & European Affairs.</p>

Paul Stapleton

Executive Director, Group Finance
and Commercial

Appointed: October 2022

Career Experience: Paul Stapleton was appointed to the position of Executive Director, Group Finance & Commercial in October 2022. Prior to that, he was Managing Director of Northern Ireland Electricity Networks, an independent subsidiary of ESB. He joined ESB in 1991 and has worked in various roles in finance and managerial positions across the Group including General Manager of Electric Ireland, ESB Group Treasurer and Financial Controller of ESB Networks. He is a member of the Chartered Institute of Management Accountants and an IOD Chartered Director.

Marguerite Sayers

Deputy Chief Executive

Appointed: November 2014

Career Experience: Marguerite was appointed Deputy Chief Executive in 2022. Prior to this she held the position of Executive Director, Customer Solutions. Marguerite has worked in various technical and managerial positions in ESB since 1991, including Managing Director ESB Networks DAC, Generation Manager and Head of Asset Management for ESB Networks. She has a degree in Electrical Engineering from University College Cork, a diploma in Accounting and Finance from University of Limerick and a diploma in Project Management from University College Cork. She is a Chartered Engineer and a Fellow and past President of Engineers Ireland

Sinéad Kilkenny

Executive Director,
People and Organisational
Development

Appointed: December 2021

Career Experience: Sinéad Kilkenny joined ESB from Bus Éireann where she held the position of Chief People Officer since 2018. Prior to that, she held a number of senior leadership roles including Vice President People Services at Etihad Aviation Group in Abu Dhabi, in addition to HR roles in Ulster Bank and Intel Ireland. She also has an MBA from Trinity College Dublin and is a Chartered Fellow with CIPD.

Jim Dollard

Executive Director, Generation
and Trading

Appointed: July 2013

Career Experience: Jim was appointed Executive Director, Generation & Trading in May 2018. Prior to this he held the position of Executive Director for Business Service Centre and Electric Ireland. A chartered management accountant, Jim began his career at ESB in 1992 and has held a number of senior management positions throughout the Group. Jim holds a bachelor's degree in commerce and a master's degree in business studies from University College Dublin. He completed the Advanced Management Programme at Harvard Business School in 2017.

Pat Fenlon

Executive Director, Customer
Solutions

Appointed: July 2016

Career Experience: Pat was appointed Executive Director, Customer Solutions in 2022. Prior to this he held the position of Executive Director, Group Finance and Commercial. Pat held a number of senior financial and general management positions across ESB including General Manager of Electric Ireland, Corporate Change Manager and Group Finance & Commercial Manager. He is a fellow of Chartered Accountants Ireland and worked with PwC in Dublin before joining ESB in 1993.

Nicholas Tarrant

Managing Director, ESB
Networks

Appointed: June 2018

Career Experience: Nicholas Tarrant was appointed Managing

Director of ESB Networks in September 2021. Prior to this, he was Executive Director, Engineering and Major Projects. Nicholas has held a number of senior management positions including Managing Director, Northern Ireland Electricity Networks, and Generation Manager with responsibility for ESB's power generation portfolio. He is a chartered engineer at the Institute of Engineers of Ireland and is a chartered director. He holds an MSc (management) from Trinity College Dublin and completed the Stanford Executive Programme in 2014.

Paul Smith

Executive Director, Engineering and Major Projects

Appointed: December 2021

Career Experience: Paul Smith joined ESB in 1992 and has held a number of senior management roles in ESB including Station Manager at Aghada Generating Station, Head of Generation Operations and most recently, Head of Asset Development where he led the expansion of ESB's renewables portfolio in Ireland and the UK. He holds a B.Eng. in Electrical and Electronics Engineering from Queen's University Belfast and also an MBA from UCD Michael Smurfit Graduate Business School.

Geraldine Heavey

Executive Director, Enterprise Services

Appointed: June 2018

Career Experience: Geraldine Heavey was appointed to the position of Executive Director, Enterprise Services in June 2018. Prior to this she held the role of Group Finance & Commercial Manager. She has worked in various finance and managerial positions in ESB since 1993, including Financial Controller, Business Service Centre (BSC) and Electric Ireland, Manager, ESB Trading and Financial Controller, ESB Power Generation. She is an accountant and holds a Master's degree in Business Administration (MBA) from Dublin City University. Geraldine is an external member of DCU's Commercial

Board and chairs its Audit
Committee.”

5. Updates to General Information

The paragraph under the heading entitled “*Significant or Material Change*” on page 117 of the Offering Circular shall be deleted and replaced with the following paragraph:

“There has been no significant change in the financial or trading position of (i) ESB since 30 June 2022 and (ii) ESB Finance since 31 December 2021. There has been no material adverse change in the prospects of ESB or ESB Finance since 31 December 2021.”