ESB GREEN FINANCE FRAMEWORK

August 2026

About ESB

ESB was established in 1927 as a statutory body under the Electricity (Supply) Act, 1927. With a holding of 97.7%, ESB is majority owned by the Irish Government. The remaining 2.3% is held by the trustees of an Employee Share Ownership Plan. As a strong, diversified utility, ESB operates across the electricity market, from generation through transmission and distribution, to supply of customers, in addition to using our networks to carry fibre for telecommunications.

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For future us

Since ESB was established almost a century ago, we have been trusted to deliver bold energy solutions for the benefit of the communities we serve – from harnessing the power of the River Shannon at Ardnacrusha, to rural electrification, to today's drive for secure, decarbonised energy. To meet this latest challenge, ESB is innovating across its business to achieve net zero emissions by 2040: developing and connecting renewables, building resilient infrastructure, and enabling and supporting customers to live more sustainably using clean electricity. ESB has transformed how the country powered itself in the past, and now we're doing it again. Not just for us – for future us.

1.0 Introduction

ESB is a leading integrated electricity utility operating across generation, transmission, distribution and customer supply across the island of Ireland and Great Britain. Established in 1927, ESB has played a central role in the development and operation of electricity infrastructure and the delivery of energy services to customers, businesses and communities.

ESB operates across the electricity value chain, including renewable electricity generation, electricity transmission and distribution networks, customer supply and energy solutions. Through its activities, ESB supports the delivery of secure, reliable and affordable electricity while contributing to the transition to a lower-carbon energy system.

ESB's sustainability strategy, Driven to Make a Difference: Net Zero by 2040, reflects the Group's ambition to support the transition to net zero through investment in renewable energy, resilient infrastructure and customer-focused energy solutions.

This Framework reflects the continued evolution of sustainable finance market practices and has been updated in line with internationally recognised market standards and the EU Taxonomy regulation for environmentally sustainable activities.

2.0 ESB's Approach to Sustainability

2.1 Supporting Transition to a Net Zero Economy

ESB's 'Driven to Make a Difference: Net Zero by 2040' strategy is anchored in its corporate purpose which is "creating and connecting sustainable, reliable, affordable electricity; powering social and economic development and supporting the customers we serve to achieve Net Zero". Its strategy is underpinned by its long-term commitment to achieve Net Zero emissions by 2040. Through its activities across renewable generation, electricity networks, customer solutions and energy infrastructure, ESB is supporting the decarbonisation of the Irish and British energy system and enabling wider electrification across transport, heating and industry.

The Group's sustainability approach is aligned with the United Nations Sustainable Development Goals ("SDGs"), with a particular focus on goals 7 (Affordable and Clean Energy), 9 (Industry, Innovation, and Infrastructure) and 13 (Climate Action).

ESB believes that electricity will play a transformative role in addressing climate change by enabling the decarbonisation of the broader economy. In this context, the Group continues to invest in renewable energy generation, electricity networks and storage technologies to support Ireland's pathway to a secure and resilient net zero energy system.

2.2 ESB's Net Zero by 2040 Strategy

Through its strategy, ESB is focused on expanding renewable generation capacity, investing in resilient electricity networks and storage infrastructure to support higher levels of renewable integration, and enabling customers, businesses and communities to transition towards lower-carbon energy solutions, including electric vehicles and heat pumps.

In 2024, ESB published the Net Zero Pathway Report[1], detailing concrete steps to eliminate GHG emissions and support Ireland's broader decarbonisation goals. ESB's strategy sets a net zero emissions target to be achieved by 2040 and has committed to Scope 1, 2 and 3 emissions targets of 6.6 Mt/CO_2e by 2030 and further reductions by 2035 with targets of 1.8 Mt/CO_2e for Scope 1 and 2 and 2.2 Mt/CO_2e for Scope 3.

In 2025, rating agency Moody's published a Net Zero Assessment of ESB's Net Zero Pathway Report, assigning an NZ-3 score ("Significant"), consistent with a well-below 2°C ambition.

The strategy has identified three strategic objectives which are core to the delivery of ESB's net zero ambition. These objectives are:

Decarbonised Electricity

Develop and connect low-carbon technologies for a secure net zero electricity system by 2040

This objective reflects ESB's commitment to supporting the societal goal of achieving net zero emissions by increasing the volume of low-carbon technologies in use – both by developing renewable electricity assets and by enabling the connection of renewable generation and renewable-enabling technologies to our electricity networks.

Resilient Infrastructure

Provide resilient infrastructure and a reliable electricity system for a growing economy

This objective recognises the fundamental and increasing importance of having stable, robust infrastructure to ensure secure, reliable electricity supplies.

This includes reliable networks that can underpin widespread electrification and support social and economic development, and also a re-purposed and more sustainable dispatchable generation fleet, combined with existing and new storage assets, that can compete to meet society's need for non-intermittent sources of energy. This commitment also encompasses supporting and facilitating systems and infrastructure such as metering platforms, public electric vehicle charging networks, and telecommunications assets and systems.

Empowered Customers

Empower, enable and support customers and communities towards an affordable and clean energy future

This objective reflects our commitment to working alongside customers and communities as a trusted energy partner, providing best value sustainable energy and supporting them to achieve net zero. ESB Networks and NIE Networks will continue to put in place solutions for our networks customers to enable the electrification of heat and transport and will make it easy for customers and communities to make active choices in their use of energy.

1 ESB Net Zero Pathway Report 2024

2.0 ESB's Approach to Sustainability (continued)

A set of strategic performance indicators and success metrics have been developed to ensure transparency and accountability in the delivery of our strategy. These include a range of financial and non-financial metrics that will track progress towards achieving ESB's strategic ambitions. The following are some of the key targets across the three strategic objectives.

Decarbonised Electricity

- Grow ESB's renewable generation and storage portfolio to 4 GW by 2030 and 7 GW by 2035, supporting national climate targets and energy security
- Significantly increase the amount of renewable generation connected to ESB networks, enabling more rapid decarbonisation
- Reduce the carbon intensity of the electricity we generate to less than 100gCO_2/kWh by 2035, lowering overall national emissions
- Heightened focus on long-duration energy storage (utility-scale project by 2035), decarbonising flexible generation and addressing curtailment – strengthening electricity system resilience and sustainability

Resilient Infrastructure

- Deliver €16 billion networks capital investment and significantly increase ESB's high-voltage network by 2030 – providing greater capacity to support housing, decarbonisation and economic development
- Enhance the performance of the networks
- Deliver c. 3GW of firm generation to support security of supply
- Strengthen resilience across our operations, climate adaptation, and physical security, providing reliable energy supply capable of meeting future challenges

Empowered Customers

- Achieve 85% customer satisfaction across customer facing business lines
- Enable >300,000 new housing and business connections by 2030 in support of Government targets and enabling growth
- Deliver public transport projects connected with Government-aligned targets, supporting electrification and decarbonisation of transport infrastructure
- Focus on flexible tariffs, net-zero products and decarbonisation of Electric Ireland gas targets, helping customers to take control of their energy use for greater sustainability and affordability

2.3 Risk Management

ESB has a well-established risk management framework that provides clear lines of accountability to ensure that it delivers on its strategic objectives.

The Board has overall responsibility and accountability for risk management and internal control, including determining the nature and extent of the principal risks ESB is willing to take in achieving its strategic objectives. In line with the Irish Corporate Governance Code and the Code of Practice for the Governance of State Bodies, the Board oversees the Group's risk management approach, approves the Risk Management Plan and Risk Register at least annually, and ensures that an appropriate risk culture is embedded throughout the organisation.

To support its oversight responsibilities, the Board has adopted a Group-wide Risk Management Policy and Risk Management Framework designed to ensure that risk exposure remains proportional to the pursuit of ESB's strategic objectives and the creation of long-term stakeholder value.

The Board delegates oversight of principal risks, emerging risks and High Impact Low Probability ("HILP") risks to Board Committees in accordance with their respective Terms of Reference and areas of expertise. The Audit and Risk Committee has overall responsibility for ensuring that enterprise risks and opportunities are appropriately identified, assessed, monitored and controlled on behalf of the Board. The Committee also has some responsibilities in relation to sustainability reporting. The Committee advises the Board on the Group's overall risk appetite, risk tolerance and risk strategy. Committee Chairs regularly report to the full Board on key developments, emerging matters and areas requiring further consideration.

Sustainability-related risks are primarily identified, assessed and managed through the Group-wide, top-down strategic risk framework, complemented by the bottom-up identification and reporting of risks at business unit level. This governance framework supports ESB's commitment to robust risk management and continuous improvement in sustainability performance. At a business unit level, ESB adopts an integrated approach ensuring that each business unit is empowered to identify and manage sustainability-related risks in alignment with the Group's overall sustainability strategy. This approach allows business units to respond to emerging risks with agility and effectiveness, and ensures the comprehensive identification, management and mitigation of risks.

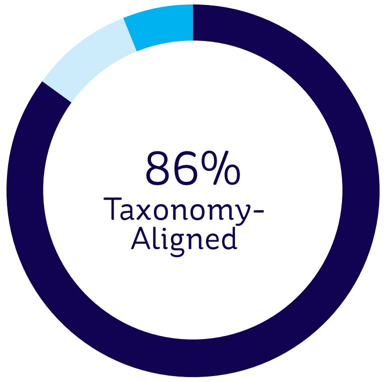
ESB continues to strengthen its climate risk management processes through ongoing climate risk and vulnerability assessments across its operations and infrastructure, including assessments of physical climate risks under different Intergovernmental Panel on Climate Change ("IPCC") climate scenarios.

3.0 Alignment with the EU Taxonomy

ESB has continued to strengthen its sustainability reporting in support of evolving regulatory and market expectations, including the EU Taxonomy framework for environmentally sustainable activities. ESB is already making voluntary disclosures under the EU Taxonomy Regulation to demonstrate how investments are aligned with sustainability criteria. As of 31 December 2025, ESB reported that 86%[2] of its capital expenditure was EU Taxonomy-aligned.

EU Taxonomy

This year ESB have made voluntary disclosures under EU Taxonomy Regulation. This allows ESB to show how investments are aligned with sustainability criteria*.



86%	Taxonomy-Aligned
9%	Taxonomy Eligible but not Taxonomy-Aligned
5%	Taxonomy Non-Eligible

* Source: Sustainability Report 2025

4.0 Rationale for the Green Finance Framework

Through this Green Finance Framework ("Framework"), ESB seeks to align its financing activities with its sustainability strategy and support investments with clear environmental benefits. ESB considers Green Finance Instruments ("Green Finance Instruments") to be an effective tool to finance and/or refinance projects that contribute to climate change mitigation and support the transition to a reliable, affordable and low-carbon energy system.

This Framework has been developed in alignment with the International Capital Market Association (ICMA) Green Bond Principles (GBP) 2025 and the Loan Market Association (LMA) Green Loan Principles (GLP) 2025. These principles are voluntary guidelines that support transparency, integrity and credibility in the green bond and green loan markets and provide guidance in the form of four key components:

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

This Framework has also been developed in alignment with the EU Taxonomy criteria, incorporating the relevant substantial contribution criteria, Do No Significant Harm (DNSH) requirements and minimum safeguards.

ESB will also ensure the Framework follows the recommendations of the principles on external reviews.

ESB may review and update this Framework, from time to time, to reflect changes in its business strategy, technological developments, regulatory changes and/or changes to market standards and expectations. Any future versions of this Framework will either keep or improve the current level of transparency, including the corresponding external review ("Second Party Opinion").

4.1 Scope of the Green Finance Framework

This Framework applies to potential Green Finance Instruments, including green bonds, green loans and any other green financial instrument issued by ESB.

This Framework may not apply to Green Finance Instruments issued under previous frameworks, and future versions of this Framework (including the relevant Eligibility Criteria) may not apply to Green Finance Instruments issued under this version of the Framework.

2 Investments in joint ventures are excluded.

5.0 Alignment with the Green Bond and Loan Principles

5.1 Use of proceeds

An amount equal to the net proceeds from the issuance of Green Finance Instruments will be used to finance and/or refinance, in whole or in part eligible projects ("Eligible Green Projects"), including eligible assets ("Assets"), capital expenditures ("CapEx") and/or operational expenditures ("OpEx") which comply with the eligibility criteria ("Eligibility Criteria") set out below.

For CapEx and OpEx, a look-back period of no earlier than 24 months prior to the date of issuance will apply.

Eligible Green Projects under the Framework are fully aligned with the Technical Screening Criteria of the EU Taxonomy.

Eligibility Criteria	EU Taxonomy Economic Activity[3]	Substantial Contribution to EU Environmental Objective	UN Sustainable Development Goals
Renewable Energy			
Solar power projects	4.1 Electricity generation using solar PV technology (NACE D35.11)	Substantial contribution to Climate Change Mitigation (Article 10), especially with regards but not limited to: 1. Generating, transmitting, storing, distributing or using renewable energy in line with Directive (EU) 2018/2001, including through the use of innovative technology with a potential for significant future savings or through the necessary reinforcement or extension of the grid 2. Improving energy efficiency, except for power generation activities as referred to in Article 19(3) 3. Establishing energy infrastructure required for enabling the decarbonization of energy systems	7 AFFORDABLE AND CLEAN ENERGY; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 13 CLIMATE ACTION
Offshore and Onshore wind power projects	4.3 Electricity generation from wind power (NACE D35.11)		7 AFFORDABLE AND CLEAN ENERGY; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 13 CLIMATE ACTION
Construction and operation of battery energy storage systems (BESS) projects	4.10 Storage of Electricity (NACE[4])		9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 11 SUSTAINABLE CITIES AND COMMUNITIES
Construction, operation, maintenance, administration and/or, modernization of transmission and distribution infrastructure, compliant with the relevant EU Taxonomy eligibility criteria Financing of infrastructure dedicated to creating or expanding a direct connection between a substation or network and a power generation plant with lifecycle GHG emissions exceeding 100 gCO_2e/kWh is excluded.	4.9 Transmission and distribution of electricity (NACE D35.12, D35.13)		7 AFFORDABLE AND CLEAN ENERGY; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 11 SUSTAINABLE CITIES AND COMMUNITIES; 13 CLIMATE ACTION

3 The activities are fully aligned with the EU Taxonomy, including the substantial contribution criteria, Do No Significant Harm (DNSH) requirements and minimum safeguards.
4 The economic activities in this category have no dedicated NACE code as referred to in the statistical classification of economic activities established by Regulation (EC) No 1893/2006.

5.2 Process for Project Evaluation and Selection

A dedicated Green Finance Committee (the "Committee") has been established to oversee the implementation of the Framework and ensure compliance with its requirements throughout the issuance process. The Committee is composed of representatives from ESB's Treasury, Sustainability and Strategy functions, together with representatives from relevant ESB business units, as appropriate.

The Committee will meet at least on an annual basis and is responsible for:

- Evaluating and selecting proposed projects against the Eligibility Criteria
- Reviewing the content of ESB's Green Finance Framework and updating it to reflect changes in corporate strategy, technology, market, or regulatory developments on a best effort basis
- Updating external documents such as Second Party Opinion and related documents from external consultants and/or accountants
- Monitoring internal processes to identify known material risks of negative social and/or environmental impacts associated with the Eligible Green Projects and implementing appropriate mitigation measures where possible
- Signing off on the allocation and impact reporting, including the external assurance statement of the allocation report. ESB may rely on external consultants and their data sources, in addition to its own assessment
- Liaising with relevant business finance segments and other stakeholders on the above

ESB acts in accordance with applicable social and environmental laws and applies a robust policy framework to manage risk across its business activities. As such all Eligible Green Projects are subject to ESB's environmental and social policies, which can be found on ESB's website.

5.3 Management of Proceeds

In accordance with the evaluation and selection process described above, ESB intends to allocate an amount equal to the net proceeds of any Green Finance Instruments issued under this Framework to Eligible Green Projects within two years from the date of issuance. ESB will establish appropriate internal tracking procedures and controls to monitor the allocation of proceeds to Eligible Green Projects.

Pending full allocation, unallocated proceeds will be held in cash, cash equivalents or other liquid treasury instruments in accordance with ESB's treasury management practices, for the repayment of other indebtedness and/or other capital management activities, at the company's own discretion. If, during the lifetime of a Green Finance Instrument, an Eligible Green Project is sold, no longer meets the Eligibility Criteria, or is otherwise considered no longer aligned with the environmental objectives of the Framework, ESB intends to reallocate an equivalent amount to other Eligible Green Projects as soon as reasonably practicable.

5.4 Reporting

ESB intends to publish an annual allocation and impact report covering the allocation of Green Finance Instrument proceeds to Eligible Green Projects and the associated impact. Allocation reporting will continue until full allocation of the proceeds and thereafter in the event of any material changes to the allocation portfolio; impact reporting will continue until maturity of the Green Finance Instruments. Allocation and impact report will be made available on ESB's website.

Allocation Reporting

ESB is committed to providing transparent reporting on the allocation of the proceeds of Green Finance Instruments, including, where feasible, detailed project-by-project information. Allocation reporting may include:

- Total funds distributed per EU Taxonomy Economic Activity and/or per Eligible Green Project, where relevant
- Total funds used for refinancing[5] or allocated to newly financed projects[6]
- Amount of unallocated proceeds
- Geographic distribution of Eligible Green Projects, where relevant

5 On the date of the transaction and upon investors' request, ESB commits to provide its best estimation on the share of refinancing.
6 Newly financed projects refer to Eligible Green Projects financed in the year of issuance or after the year of issuance of each Green Finance Instrument while anything earlier is considered refinancing

5.0 Alignment with the Green Bond and Loan Principles (continued)

Impact Reporting

Impact reporting is expected to include relevant metrics, where feasible and appropriate, together with other relevant indicators depending on the nature of the Eligible Green Projects financed. ESB intends to align its impact reporting with the approach described in the ICMA Handbook – Harmonised Framework for Impact reporting (June 2026).

Examples of impact metrics include:

- MW of installed renewables
- Annual renewable energy production (MWh)
- Estimated annual GHG emissions reduced/avoided (in tonnes of CO_2 equivalent)
- Capacity of energy storage facilities installed
- MW of renewables connected to the grid
- Number of smart meters installed
- Network length (km)
- Installed capacity of network (MVA)
- Customer minutes lost
- New home connections

5.5 External Review

Second Party Opinion

ESB has obtained a Second Party Opinion from Moody's to assess the alignment of the Framework with the ICMA Green Bond Principles 2025 and LMA Green Loan Principles 2025. In addition, Moody's provided the alignment assessment of ESB's Green Finance Framework with the EU Taxonomy.

The Second Party Opinion will be made available on ESB's website.

Verification

An external reviewer will provide an annual compliance review, until such time as the proceeds of the Green Finance Instrument have been allocated in full, confirming that an amount equal to the net proceeds of the Green Finance Instrument has been allocated in compliance (in all material respects) with the Eligibility Criteria defined in this Framework. The external reviewer will also review the reported impact indicators until maturity of the outstanding Green Finance Instruments.

6.0 Disclaimer

The information and opinions contained in this Green Finance Framework are provided as at the date of this document and are subject to change without notice. ESB (or any ESB entity) ("ESB") does not assume any responsibility or obligation to update or revise such statements, regardless of whether those statements are affected by the results of new information, future events or otherwise. This Green Finance Framework represents current ESB policy and intent, is subject to change and is not intended nor can be relied on, to create legal relations, rights or obligations. This Green Finance Framework is provided for information purposes only and does not constitute or form part of, and should not be construed as, an offer or invitation to sell ESB Green Finance Instruments (including green bonds, green loans and any other green financial instrument issued by ESB) ("Green Finance Instruments"), or the solicitation of an offer to underwrite, subscribe for or otherwise acquire any such Green Finance Instruments, and nothing contained herein shall form the basis of or be relied on in connection with any contract or commitment whatsoever. Any decision to purchase any Green Finance Instruments should be made solely on the basis of the information to be contained in any offering document produced in connection with the offering of such Green Finance Instruments. Prospective investors are required to make their own independent investment decisions. No representation is made as to the suitability of any Green Finance Instruments to fulfil environmental and sustainability criteria required by prospective investors. Each potential purchaser of Green Finance Instruments should determine for itself the relevance of the information contained or referred to in this Green Finance Framework or the relevant green finance documentation regarding the use of proceeds and its purchase of Green Finance Instruments should be based upon such investigation as it deems necessary.

ESB has set out its intended policy and actions in this Green Finance Framework in respect of use of proceeds, project evaluation and selection, management of proceeds and reporting, in connection with Green Finance Instruments. However, it will not be an event of default or breach of contractual obligations under the terms and conditions of any Green Finance Instruments if ESB fails to adhere to this Green Finance Framework, whether by failing to fund or complete Eligible Green Projects or to ensure that proceeds do not contribute directly or indirectly to the financing of the excluded activities as specified in this Green Finance Framework, or by failing (due to a lack of reliable information and/or data or otherwise) to provide investors with reports on uses of proceeds and environmental impacts as anticipated by this Green Finance Framework, or otherwise. In addition, it should be noted that all of the expected benefits of the Eligible Green Projects as described in this Green Finance Framework may not be achieved. Factors including (but not limited to) market, political and economic conditions, changes in Government policy (whether with a continuity of the Government or on a change in the composition of the Government), changes in laws, rules or regulations, the lack of available suitable projects being initiated, failure to complete or implement projects and other challenges, could limit the ability to achieve some or all of the expected benefits of these initiatives, including the funding and completion of Eligible Green Projects. In addition, each environmentally focused potential purchaser of Green Finance Instruments should be aware that Eligible Green Projects may not deliver the environmental or sustainability benefits anticipated and may result in adverse impacts. On this basis, all and any liability, whether arising in tort, contract or otherwise which any purchaser of Green Finance Instruments or any other person might otherwise have in respect of this Green Finance Framework or any Green Finance Instruments as a result of any failure to adhere to or comply with this Green Finance Framework is hereby disclaimed.

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