



## **Proposed sale of PTSB**

### **PTSB Group of Unions opinion submitted pursuant to Rule 25.1(b) of the Irish Takeover Rules**

#### **Introduction**

This opinion is being submitted by the Unite, FSU and Mandate trade unions which represent PTSB staff.

In 2011, following the financial crash, the Irish state acquired 99.2% of the issued ordinary shares of the company. As the economy recovered, starting in 2015, the state interest was progressively reduced and now stands at 57.5%.

The potential of PTSB to act as a third banking force, in competition with Bank of Ireland and AIB, was strengthened in 2022 with the acquisition of elements of the Ulster Bank retail and SME business in Ireland.

In March 2026, in a move which underlines the bank's fundamental health, PTSB announced the first dividend payment since the financial crash in 2008.

This will represent the only dividend paid to the Irish Exchequer since the bank's bailout.

PTSB currently operates 98 branches around Ireland, including 25 branches previously operated by Ulster Bank.

As of March 2026, PTSB employed 2,918 staff.

It is thanks to the expertise and commitment of PTSB staff – including staff formerly employed by Ulster Bank – that the bank's medium-term targets anticipate growth in Return

on Tangible Equity (RoTE) exceeding 10% and approximately 13% for 2027 and 2028 respectively<sup>1</sup>.

In 2025, PTSB recorded total gross loans of €22.6 billion (up 4% on an underlying basis); total new lending of €3.4 billion (up 31%), and customer deposits of €25.6 billion, up 6% (€1.5 billion).

With a tangible book value of just under €2 billion, PTSB is in a healthy state. This is largely due to the expertise and commitment of its workforce, and to the sacrifices made by staff in the lean years following the financial crash, including:

- The loss of a Defined Benefit pension scheme, as well as the loss of a ‘guaranteed’ €125 million set aside for PTSB pensions to ensure the viability of the bank.
- Wage restraint over a period of several years after the crash during which staff received no pay increases.
- The completion of thousands of hours of unpaid overtime by staff across branches and departments following the crash

## **I. Formal Sale Process**

### **Information and consultation process**

On 30 October 2025, unions were provided with the announcement of the commencement of a Formal Sale Process undertaken with the support of the Bank’s largest shareholder, the Minister for Finance. The announcement included the information that Goldman Sachs International had been appointed as financial advisor in respect of the process.

On 18 March 2026, unions were provided with a copy of the announcement released by PTSB on Euronext Dublin and the London Stock Exchange confirming that BAWAG Group AG is one of a number of parties participating in the Formal Sale Process which was announced by PTSB on 30 October 2025.

On 14 April, unions were formally notified that the Board of PTSB had agreed the terms of a Recommended Cash Offer from BAWAG, under which BAWAG will acquire the entire issued share capital of PTSB, subject to shareholder, regulatory and other approvals.

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<sup>1</sup> PTSB (2025). *Permanent TSB Group Holdings plc announces Annual Results for 2025*. [online]. Available at: <https://www.permanenttsbgroup.ie/media/press-releases/2026/permanent-tsb-group-holdings-plc-announces-annual-results-2025>.

Unions expect to be fully consulted as this process continues, and to be supplied with all relevant information in real time, including BAWAG'S business plans, long-term strategic plans and expert solvency analyses and opinions.

### **Minimum union demands for disposal of PTSB**

It is the Group of Unions' view that the Minister for Finance, as the current majority shareholder, should publish minimum criteria which BAWAG is required to satisfy.

The transaction must:

- Ensure PTSB's long-term viability as a third banking force, providing real competition for both retail and business customers following the exit of Ulster Bank and KBC from the market
- Maintain the existing branch network and employment levels
- Secure quality jobs into the future, including retention of collectively agreed terms and conditions
- Provide an appropriate return for the Exchequer
- Ensure that the Group of Unions Model and all existing Industrial Relations practices are maintained going forward.

#### *Securing PTSB's long-term viability*

*"PTSB is well positioned to provide much-needed competition in the Irish market [...] Our "Altogether More Human" brand promise places customer experience at the centre of how we operate — combining the convenience of digital solutions with meaningful human support. This positions PTSB as an experience-led bank committed to challenging the status quo, building tBrust with customers and communities, and becoming Ireland's best personal and business bank through exceptional customer experiences" - PTSB 2025 Annual Report<sup>2</sup>*

The Group of Unions agrees that the focus on customer experience is critical to maintaining and strengthening PTSB's position as Ireland's third-largest full-service retail bank.

That is why, if PTSB is going to provide a real challenge to the two main 'pillar banks', BAWAG must commit to investing in the bank's infrastructure and, in particular, in customer services.

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<sup>2</sup> PTSB (2026). *PTSB Annual Report*. [online] Available at: <https://www.permanenttsbgroup.ie/~media/Files/P/Ptsb-CORP/documents/result-centre/annual-interim/2025/ptsb-annual-report-2025.pdf>.

PTSB staff, including those working in branches around Ireland, are central to delivering a high-quality customer experience and, thus, meeting PTSB’s strategic objectives.

### *Securing quality jobs into the future*

A recent survey of union members working for PTSB found that:

- 95.75 % of respondents are concerned or extremely concerned about job losses following a sale
- 94.5 % of respondents are concerned or extremely concerned about potential changes to existing pension schemes and benefits

Where a bank has benefitted from a strengthened balance sheet following government support, there is a strong case for responsible reinvestment in the workforce and in the communities they serve. A stable, highly-trained and appropriately remunerated workforce is fundamental to ensuring that PTSB can continue playing its part in the development of a resilient banking sector that supports long-term economic growth.

It should be noted that PTSB’s staff costs of €231 million in 2025 not only supports the bank’s long-term growth and viability, but also constitutes direct expenditure in the Irish economy, supporting local businesses throughout the country.

Conversely, any reduction in staff numbers following the sale, and/or any squeezing of pay, pensions and benefits, would cost the state in terms of increased state supports and reduced consumer spending.

The PTSB Group of Unions also stresses that strong collective bargaining structures, such as those that currently exist in the PTSB, are critical to ensuring stability going forward.

Any sale of PTSB must be accompanied by clear commitments to protect jobs, maintain collectively-agreed terms and conditions, and support engagement with the PTSB Group of Unions going forward.

### *Maintaining the branch network*

PTSB currently has 98 branches around Ireland, and it is the unions’ view that maintenance of this branch network is crucial to securing PTSB’s long-term viability. Physical bank branches are not only central to local communities but are also critical to financial

inclusion, with vulnerable groups and those on low incomes most reliant on the cash services provided by local branches.

At the same time, a strong network of local branches is vital for small and medium enterprises. As well as providing a personalized service, they can facilitate faster decision-making informed by knowledge of the local economy.

The importance of maintaining PTSB's branch network was highlighted in responses to the recent survey of union members in the bank:

- 80.25 % of respondents are concerned or extremely concerned about potential branch closures or a reduction in the branch network.
- 67.5 % of respondents believe that the current branch network is essential to PTSB's long-term success

#### *Type of buyer*

PTSB staff surveyed by the Group of Unions are clearly opposed to any sale of PTSB to a private equity buyer:

- 87.5 % of respondents are concerned or extremely concerned about the potential sale of the bank to a private equity firm

The clear preference of PTSB staff is for the bank to be sold to another bank or financial institution:

- 56.5 % of respondents would prefer PTSB to be sold to another bank
- 20.25 % of respondents would prefer PTSB to be sold to a financial institution
- 13 % of respondents would prefer PTSB to be retained in majority State ownership

It is reasonable to assume that the staff preference for PTSB to be sold to another bank or financial institution is premised on the assumption that such a buyer would continue working to secure PTSB's position as Ireland's third banking force going forward.

That, in turn, is premised on maintenance of the current branch network and headcount, which are critical to ensuring PTSB's long-term viability.

*Need to provide an appropriate return for the Exchequer*

The unions note that PTSB staff have a stake in the bank's future not only as workers but also as taxpayers.

In 2011, the then Permanent TSB received a €3.9bn bailout from the State, or which it has repaid approximately €2.8bn, a large portion of which came from the €1.3bn sale of its former Irish Life pensions and life assurance unit.

PTSB is currently the last bank still in partial State ownership, with the Government fully exiting its stake in AIB in early 2025.

When announcing the proposed sale of PTSB, then Finance Minister Paschal Donohoe stated that:

*A sale of the State's investment would be consistent with the objective of recovering taxpayer funds that were used to rescue the Irish banks and deploying these to more productive purposes<sup>3</sup>.*

It is the unions' view that mere 'recovery of taxpayer funds' is too narrow an objective. The potential return to the Exchequer from a sale of PTSB must be measured against the loss of the final bank in State ownership, and thus the loss of a state-controlled bank which could help further public policy objectives, ranging from strategic lending to SMEs to investment in housing, rural development and measures to combat financial exclusion.

To compensate for that loss, in addition to the short-term return, the final assessment of BAWAG's offer must include factors such as the long-term social and economic value of maintaining and strengthening PTSB as a third banking force, including the maintenance of the existing branch network, as well as the preservation of good jobs in local communities.

The incoming owner must prioritise sustainable productivity gains through investment in technology, training and improved processes over job cuts or erosion of terms and conditions. Meaningful consultation with unions will be critical to ensure that any restructuring plans consider the impact on workers, customers, and communities.

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<sup>3</sup> Department of Finance (2025). *Response from Minister Donohoe to the announcement made by Permanent TSB Group Holdings plc regarding the commencement of Formal Sale Process ('FSP')*. [online] gov.ie. Available at: <https://www.gov.ie/en/department-of-finance/press-releases/response-from-minister-donohoe-to-the-announcement-made-by-permanent-tsb-group-holdings-plc-regarding-the-commencement-of-formal-sale-process-fsp/>.

If the criteria outlined above are not met, it is the view of the PTSB Group of Unions that the Government should retain its majority stake in PTSB, and should further develop the bank as a strategic asset.

## II. Group of Union's opinion on BAWAG as a potential purchaser of PTSB

On 14 April, unions were formally notified that the Board of PTSB had agreed the terms of a Recommended Cash Offer from BAWAG, under which BAWAG will acquire the entire issued share capital of PTSB, subject to shareholder, regulatory and other approvals.

### *BAWAG background*

BAWAG traces its history back to 1922 and the establishment of a 'workers' bank' to provide finance to trade unions. Following its forced closure by the National Socialist regime in 1934, the bank reopened in 1947 and was renamed "*Bank für Arbeit und Wirtschaft*" (Bank for Labour and Business) (BAWAG) in 1963.

In 2000, BAWAG took over the Austrian Postsparkasse (Postal Savings Bank) from the Austrian government with the PSK integration being completed in 2005. It has continued to benefit from the Postsparkasse legacy: as legal successor to the former state bank, it continues to hold significant government contracts for payment transactions

In 2006 – well before the financial crash – the Austrian government had to bail BAWAG out to the tune of €900 million after the bank had to pay \$625 million to settle claims with creditors related to the bankruptcy of the New York brokerage firm Refco<sup>4</sup>.

In 2007, BAWAG was acquired by Cerberus Capital Management. A restructuring programme introduced in 2010 saw the loss of up to 700 jobs<sup>5</sup>.

In 2017, BAWAG was listed on the Vienna Stock Exchange.

Notwithstanding Cerberus exiting from BAWAG, senior management put in by Cerberus remained in place, with Anas Abuzaakouk becoming CEO. Chief Risk Officer David O'Leary also has a background with Cerberus.

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<sup>4</sup> Boeckler Foundation (2026). *Der Absturz der Gewerkschaftsbank*. [online] Available at: <https://www.boeckler.de/de/magazin-mitbestimmung-2744-der-absturz-der-gewerkschaftsbank-11430.htm> [Accessed 23 Apr. 2026].

<sup>5</sup> ORF. (2026). *Massiver Stellenabbau bei BAWAG*. [online] Available at: <https://wien.orf.at/v2/news/stories/2550487/> [Accessed 23 Apr. 2026].

Following the listing, BAWAG implemented redundancy plans (negotiated with works council), with 200 jobs shed in 2021<sup>6,7</sup>

BAWAG's core markets are Austria, Germany, Switzerland, Netherlands (DACH/NL region), Western Europe and the United States. Their stated focus is on organic growth, mergers and acquisitions, and minority investments.

Following the financial crisis, BAWAG undertook a number of major acquisitions as outlined below.

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<sup>6</sup> DER STANDARD. (2020). *Bawag will rund 200 Mitarbeiter abbauen*. [online] Available at: <https://www.derstandard.at/story/2000126781885/jobabbau-bawag-will-rund-200-mitarbeiter-bye-bye-sagen> [Accessed 23 Apr. 2026].

<sup>7</sup> Eurofound (2021) European Restructuring Monitor, Factsheet 106371: BAWAG PSK [online] Available at: <https://apps.eurofound.europa.eu/restructuring-events/detail/106371#:~:text=Type%20Internal%20restructuring%20Country%20Austria,or%203%2C694%20full%2Dtime%20equivalents>.

## BAWAG key acquisitions and impacts 2016 to date

Year	Entity	Job losses	Branch closures	Notes
2016	Volksbank Leasing			
	PayLife			
2017	Suedwestbank	250 (out of 600) jobs losses 2018/2019 <sup>8 9</sup>	Half of branches closed <sup>10</sup>	
2018	start:bausparkasse (previously Deutsche Ring)	Proposal to shed half the 100 jobs in late 2018 <sup>11</sup>		Sold in 2023
2019	BFL Leasing			
	Health Coevo AG			
	Zahnärztekasse AG			
2021	Hello Bank		All five regional branches closed following acquisition, business moved entirely online	Rebranded as Easybank
	DEPFA Bank	Dublin-based redundancies following acquisition <sup>12</sup>		DEPFA acquired from German state; had been nationalized following financial crisis; redundancies in train prior to acquisition
2023	Peak Bancorp, the holding company of Idaho First Bank			
2024	Knab (Dutch online bank)			
2025	Barclays Consumer Bank Europe	Unquantified job losses reported <sup>13</sup>		Rebranded as Easybank <sup>14</sup>

<sup>8</sup> Kurier(2018). *BAWAG-Tochter Südwestbank streicht 140 Stellen*. [online] Kurier.at. Available at: <https://kurier.at/wirtschaft/bawag-tochter-suedwestbank-streicht-140-stellen/400025821> [Accessed 23 Apr. 2026].

<sup>9</sup> Fondsprofessionell.de. (2023). *Medien: Südwestbank streicht massiv Stellen*. [online] Available at: <https://www.fondsprofessionell.de/news/unternehmen/headline/suedwestbank-streicht-massiv-stellen-143065/> [Accessed 23 Apr. 2026].

<sup>10</sup> Ibid

<sup>11</sup> Ver.di Trade Union. (2018) *ver.di kritisiert Kahlschlag bei Deutscher Ring Bausparkasse* [online] Available at: <https://hamburg.verdi.de/presse/pressemitteilungen/++co++856a61d6-e981-11e8-a084-525400afa9cc> [accessed 23 April 2026]

<sup>12</sup> Ihle, J. (2021). *Staff to go at Dublin-based German bank Depfa ahead of closure*. [online] Irish Independent. Available at: <https://www.independent.ie/business/irish/staff-to-go-at-dublin-based-german-bank-depfa-ahead-of-closure/40474619.html> [Accessed 23 Apr. 2026].

<sup>13</sup> Dohms, H.-R. (2025). *Die deutsche Barclays (Ex-Barclaycard) streicht jede Menge Jobs*. [online] Finanz-Szene.de. Available at: <https://finanz-szene.de/payments/nicht-nur-m-m-warburg-auch-die-deutsche-barclays-streicht-jede-menge-jobs/> [Accessed 23 Apr. 2026].

<sup>14</sup> Nestler, F. (2026). *Aus Barclays wird Easybank: Was sich für Kunden ändert*. [online] FAZ.NET. Available at: <https://www.faz.net/aktuell/finanzen/aus-barclays-wird-easybank-was-sich-fuer-kunden-aendert-accg-110815462.html> [Accessed 23 Apr. 2026].

## *BAWAG solvency and management*

In February, BAWAG reported a full year pre-tax profit of €1.16 billion for 2025, up 17% on 2024. Its revenues for the year rose by 36% to €2.2 billion.

BAWAG reaped a net profit of €860 million in 2025, and expects this to exceed €960 million in 2026, €1.1 billion in 2027 and €1.2 billion in 2028<sup>15</sup>.

The company anticipates over €1.5 billion excess capital by 2028 (net 55 % dividend payout ratio).

That strong performance has continued into the first quarter of 2026<sup>16</sup>.

The PTSB Group of Unions has, however, noted with concern the 2023 report by financial advisory firm Petrus Advisors which concluded that:

*“Following the failures and emergency rescues of Silicon Valley Bank, Signature Bank, Credit Suisse and First Republic Bank, we filtered our coverage universe for warning signals that fuelled the downfall of these banks. BAWAG stood out due to its degrading franchise and angry clients pressuring funding and market shares, its weak risk management and unethical compensation while lacking independent oversight. Due to the lack of an engaged shareholder base and a functioning supervisory board, we think BAWAG needs an intervention from the regulator and should not be allowed to distribute capital until the franchise has stabilised with necessary leadership changes”<sup>17</sup>.*

The Petrus report was clearly taken seriously enough that BAWAG felt it necessary to issue a response<sup>18</sup>.

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<sup>15</sup> BAWAG (2025). *Annual report 2025* | BAWAG Group. [online] Available at:

<https://www.bawaggroup.com/en/investor-relations/annual-report-2025> [Accessed 23 Apr. 2026].

<sup>16</sup> BAWAG (2026) (press release) *Strong start into 2026: €232 million net profit, RoTCE 27.6%, and CIR 32.5%* [online] Available at:

<https://www.bawaggroup.com/resource/blob/140276/03344b106a378e9624d95229e413da6c/20260421-bawag-group-q1-2026-release-data.pdf>

<sup>17</sup> Petrus Advisors (2023). *Six years of unprecedented management plundering leaves BAWAG Group on the edge of the cliff*. [online] Available at: [https://cdn.prod.website-files.com/659e7fe03e49ec9da4641072/65cca734d80cea3e67e5c530\\_20230630\\_-\\_bawag\\_-\\_back-up\\_materials\\_vf.pdf](https://cdn.prod.website-files.com/659e7fe03e49ec9da4641072/65cca734d80cea3e67e5c530_20230630_-_bawag_-_back-up_materials_vf.pdf) [Accessed 23 Apr. 2026].

<sup>18</sup> BAWAG GROUP STATEMENT REGARDING PETRUS ADVISERS' REPORT. (n.d.). Available at:

<https://www.bawaggroup.com/resource/blob/55894/2c7162f2d2a21bc377110c951ff02af7/20230630-statement-en-data.pdf> [Accessed 23 Apr. 2026].

Notwithstanding the time that has passed, the PTSB Group of Unions would urge shareholders, including the State, as part of due diligence when making a final assessment of BAWAG's offer, to conduct a full appraisal of BAWAG's current operation against the concerns raised by Petrus.

### *BAWAG footprint in Ireland*

A branch of BAWAG PSK was established in Dublin in 2023 to support their credit and retail business. Redundancies were implemented following BAWAG's acquisition of Dublin-based DEPFA (which was already being wound down) in 2021. In 2025, there were 16 FTE employees in Ireland.

The trading name of BAWAG's Dublin branch is MoCo<sup>19</sup>. BAWAG bought the company behind MoCo in 2023 for the nominal sum of €35: "*While it was originally envisaged that investors would get €1.2 million for the business, Bawag subsequently cut its offer to €350,000 to cover what MoCo owed to various creditors, leaving [Irish] investors with nothing*"<sup>20</sup>.

In January 2026 it was reported that BAWAG was in exclusive talks to buy Finance Ireland, but on 12 March the Irish Times reported that talks had broken down<sup>21</sup>.

At the end of 2025, Ireland accounted for 26 % of BAWAG's investment book, and BAWAG made a pre-tax loss of €3.6 million in Ireland.

### *BAWAG employee relations*

BAWAG has a Works Council in Austria and a current European Works Council Agreement<sup>22</sup>. Four Works Council nominees sit on the BAWAG Supervisory Board.

BAWAG has a collective agreement with the Austrian GPA union.

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<sup>19</sup> Brennan, J. (2025). *Austrian-owned MoCo launches savings offering as it continues to grow mortgages*. [online] The Irish Times. Available at: <https://www.irishtimes.com/business/2025/10/03/austrian-owned-moco-launches-savings-offering-as-it-continues-to-grow-mortgages/> [Accessed 23 Apr. 2026].

<sup>20</sup> Brennan, J. (2023). *Wealthy Irish investors wiped out as Austrian bank buys mortgage company*. [online] The Irish Times. Available at: <https://www.irishtimes.com/business/2023/06/30/wealthy-irish-investors-wiped-out-as-austrian-bank-buys-mortgage-company/> [Accessed 23 Apr. 2026].

<sup>21</sup> Brennan, J. (2026). *Austrian bank Bawag talks to buy lender Finance Ireland end without deal*. [online] The Irish Times. Available at: <https://www.irishtimes.com/business/financial-services/2026/03/12/bawag-talks-to-buy-finance-ireland-end-without-deal/> [Accessed 23 Apr. 2026].

<sup>22</sup> European Works Council database <https://www.ewcdb.eu/>

Their current collective bargaining coverage, as detailed in BAWAG's 2025 Annual Report, is as follows: Germany (78.6 %), Austria (97.0%) and Netherlands (99.6%).

However, the PTSB Group of Unions notes the following statement in the 2023 Petrus Advisors report cited above, which highlighted what they referred to as *'management's compensation bonanza'* and employee concerns reflected on Glassdoor: *'Employees are openly discontent about customer dissatisfaction, poor career opportunities and large compensation gap to senior management as well as management running the business from the US'*.

These concerns are reinforced by anecdotal reports by former Knab and Barclays Germany employees on Reddit warning that, in the wake of an acquisition by BAWAG, employees can expect significant layoffs with limited consultation<sup>23</sup>.

It should also be noted that, while BAWAG has a collectively agreed *Sozialplan* in Austria (including for, e.g., voluntary severance), the terms of this appear to be inferior to those collectively negotiated by unions in PTSB.

#### *BAWAG bid and return to the taxpayer*

BAWAG has offered approximately €1.6 billion for PTSB. This would be a 5 per cent discount to the bank's market capitalisation and below book value.

As noted in the media, such an offer is below most analysts' price targets for the stock. However, it would be in line with what has been described as *"BAWAG's well-worn acquisition playbook, which is to buy at a discount, strip out costs and quickly enhance profitability"*<sup>24</sup>.

In this regard, the unions note that analysts Carraighill have advised private shareholders to block the sale due to what they termed the *'derisory' price*<sup>25</sup>.

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[https://www.reddit.com/r/WorkReform/comments/1loeig5/what\\_to\\_expect\\_after\\_a\\_bawag\\_group\\_takeover\\_a/?rdt=36671](https://www.reddit.com/r/WorkReform/comments/1loeig5/what_to_expect_after_a_bawag_group_takeover_a/?rdt=36671)

<sup>24</sup> Ihle, J. (2026). *Bawag's bid for PTSB presents a headache for Simon Harris*. [online] Sunday Times. Available at: <https://www.thetimes.com/world/ireland-world/article/bawag-ptsb-bid-simon-harris-headache-xthvqkvkz> [Accessed 23 Apr. 2026].

<sup>25</sup> MacNamee, D. (2026). *Derisory: PTSB shareholders advised to reject Bawag deal*. [online] Businesspost.ie. Available at: <https://www.businesspost.ie/banking/derisory-ptsb-shareholders-advised-to-reject-bawag-deal/> [Accessed 23 Apr. 2026].

The GOU's are extremely concerned about the track record of BAWAG, as reported online, in 'gutting' institutions with staff bearing the brunt post-purchase. This will not be accepted by the GOU and so there is a serious onus on BAWAG to immediately provide greater assurances to staff, customers and shareholders, as outlined in this document, if they wish the sale to proceed.

In response to the survey cited above conducted by the Group of Unions, PTSB staff expressed a strong preference for PTSB to be acquired by another bank or other financial institution, rather than a private equity firm.

This preference is clearly premised on the assumption that another financial institution will move to consolidate and grow PTSB's position as a third banking force, thus providing lasting value to the Irish economy and local communities.

However, in light of BAWAG's track record of restructuring acquisitions at the expense of jobs and branch offices, the Group of Unions has significant reservations regarding the proposed sale of PTSB to BAWAG.

Taxpayers – including PTSB workers - spent €3.9 billion to bail out PTSB in 2011. PTSB's current financial health is due to the commitment and expertise of staff.

BAWAG's offer of approximately €1.6 billion would leave the taxpayer approximately €300 million short of recouping the money originally spent to bail out PTSB.

If PTSB is to be sold at an effective discount, the taxpayer, local communities and PTSB staff must receive assurances regarding the bank's long-term future in Ireland's banking landscape.

Unions note BAWAG's statement on 14 April that *"The proposed acquisition would combine local expertise with BAWAG Group's balance sheet strength and operational capabilities"*<sup>26</sup>.

That local expertise – the combined expertise of all PTSB staff members – is rooted in a strong national branch network. Any attempt to reduce that branch network will hollow out the expertise which is vital if PTSB is to develop into a real third banking force and offer an effective challenge to the two established 'pillar banks'.

In particular, the transaction must satisfy the following requirements:

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<sup>26</sup> BAWAG press statement, 14 April 2026 [online] Available at: <https://www.bawaggroup.com/resource/blob/140276/03344b106a378e9624d95229e413da6c/20260421-bawag-group-q1-2026-release-data.pdf>

### **GROUP OF UNIONS REQUIREMENTS FOR SALE OF PTSB TO BAWAG**

- A commitment on the part of BAWAG to invest in PTSB processes and customer experience with a view to developing the bank as a real challenger to the two existing ‘pillar banks’
- Assuming that the transaction is completed, any review conducted by BAWAG to include full participation of the Group of Unions at each stage
- Any restructuring to be subject to mandatory and meaningful consultation with PTSB Group of Unions at each stage
- Maintenance of existing branch network as opposed to the ‘*meaningful branch footprint*’ referenced in 2.2.3 of the Transaction Agreement between BAWAG and PTSB published on 14 April 2026
- No reduction in headcount beyond collectively agreed voluntary redundancies in process at the time of sale
- Commitment to maintenance of existing industrial relations practices and the established Group of Unions Model
- Adherence to all existing collective agreements and collectively negotiated terms and conditions including but not limited to: pay and benefits, Ulster Bank TUPE agreement, existing pension scheme, performance reset, on-all policy and allowances, access agreements and any other negotiated polices and agreements, and the value of the redundancy scheme as collectively negotiated in 2024
- All existing collectively negotiated terms and conditions to be viewed as a minimum baseline pending further improvement