

## **Ulster Bank Progress on Phased Withdrawal: Sale of Performing Tracker Mortgage Portfolio to Allied Irish Banks, p.l.c.**

(01 June 2022) Today, Ulster Bank Ireland DAC (“Ulster Bank”) announces an update of its phased withdrawal process, as confirmed on 19 February 2021.

As part of the phased withdrawal from the Republic of Ireland, NatWest Group (“NWG”) and Ulster Bank Ireland DAC (“UBIDAC”) have entered into a legally binding agreement to sell a c.€6bn performing tracker and linked mortgage portfolio to Allied Irish Banks, p.l.c. (a subsidiary of AIB Group p.l.c.) (“AIB”).

Completion of this sale, which remains subject to obtaining any relevant regulatory approvals and satisfying the conditions in the mortgage sale deed, is expected to occur in Q2 2023. Potentially impacted Ulster Bank customers mortgage products and their legal and regulatory protections will not change in any way as a consequence of this sale. Customers do not need to take any action on the back of today’s announcement and we will be in contact with potentially impacted customers in the coming weeks and months.

The portfolio comprises c47,000 customers. The average remaining term duration is approximately 13 years. 90% of the mortgages relate to private dwelling homes with 10% related to buy to let properties.

Ulster Bank Chief Executive Jane Howard said:

*“Today’s announcement is another significant step in Ulster Bank’s orderly, phased withdrawal from the market. I am pleased that AIB will be acquiring this portfolio, subject to any relevant regulatory approvals. The most important message today is to confirm to potentially impacted Ulster Bank tracker mortgage customers that their tracker mortgage product and their legal and regulatory protections do not change, as a consequence of this transaction. We want to reassure customers that they will continue to retain their tracker mortgage in line with their mortgage documentation.”*

*“We will be communicating with potentially impacted mortgage customers over the coming weeks and months to keep them apprised of this progress. Following any relevant approvals, we will work closely with AIB to ensure that the transfer of the portfolio is as smooth as possible.”*

**Ends.**

Note to Editor: This transaction does not include Offset mortgages

### **Forward-looking statements**

This announcement contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995, such as statements that include, without limitation, the words

'expect', 'estimate', 'project', 'anticipate', 'commit', 'believe', 'should', 'intend', 'will', 'plan', 'could', 'probability', 'risk', 'target', 'goal', 'objective', 'may', 'endeavour', 'outlook', 'optimistic', 'prospects' and similar expressions or variations on these expressions. These statements concern or may affect future matters, such as NWG and/or UBIDAC's future economic results (including estimated risk weighted assets, losses on disposal and withdrawal costs), business plans and strategies. In particular, this announcement may include forward-looking statements relating to NWG and/or UBIDAC in respect of, but not limited to: NWG's phased withdrawal from the Republic of Ireland and any agreements relating thereto and NWG and/or UBIDAC's future economic results, business plans and strategies. Forward-looking statements are subject to a number of risks and uncertainties that might cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statements. Factors that could cause or contribute to differences in current expectations include, but are not limited to: the actual timing of the completion of the relevant sale, movements in the loan balances before completion of the relevant acquisition and the continued application of the going concern assumption to UBIDAC, future acquisitions or divestments, the outcome of legal, regulatory and governmental actions and investigations, the level and extent of future impairments and write-downs (including with respect to goodwill), legislative, political, fiscal and regulatory developments, accounting standards, competitive conditions, technological developments, interest and exchange rate fluctuations, general economic and political conditions and the impact of climate related risks and the transitioning to a net zero economy. These and other factors, risks and uncertainties that may impact the above, and any forward-looking statement or actual results are discussed in NWG's 2021 Annual Report and Accounts (ARA) (see Risk Factors in the ARA, including the risk factor entitled "*NatWest Group continues to implement its purpose-led strategy, which carries significant execution and operational risks and may not achieve its stated aims and targeted outcomes*"), UBIDAC's 2021 Annual Report and Accounts (including the sections entitled: "*Principal risks and uncertainties*", "*Material Uncertainty related to going concern*" and "*Going Concern*") and NWG's filings with the US Securities and Exchange Commission, including, but not limited to, NWG's most recent ARA on Form 20-F and Reports on Form 6-K. The forward-looking statements contained in this announcement speak only as of the date of this announcement and NWG and UBIDAC do not assume or undertake any obligation or responsibility to update any of the forward-looking statements contained in this announcement, whether as a result of new information, future events or otherwise, except to the extent legally required.