

Ulster Bank Announces Phased Withdrawal from the Republic of Ireland Following Conclusion of NatWest Group Strategic Review

- ***Orderly phased withdrawal to take place over a number of years***
- ***No immediate change for customers with full banking services to continue across all channels for existing and new customers***
- ***No new compulsory redundancy departures this year***
- ***Non-binding Memorandum of Understanding with Allied Irish Banks, p.l.c. agreed for the sale of a c.€4bn portfolio of performing commercial loans, and the transfer of the colleagues wholly or mainly assigned to this loan book***
- ***Early discussions with Permanent TSB Group Holdings plc among other strategic banking counterparties, regarding other parts of the business***

Ulster Bank Ireland DAC (“Ulster Bank” or “the Bank”) announces today (19 February 2021) that, following a strategic review undertaken by its parent company NatWest Group (“NWG”), it will commence a phased withdrawal managed in an orderly and considered manner, from the Republic of Ireland over the coming years. The decision to withdraw from the market does not impact Ulster Bank in Northern Ireland.

Announcing the phased withdrawal, Ulster Bank Chief Executive Officer, Jane Howard said:

“The decision by NatWest to withdraw from this market is hugely disappointing and today will be a difficult and worrying time for our colleagues across the Bank. It may also lead to customer questions and concerns as to how this decision may impact them and their day-to-day banking needs.

“I want to be clear that there will be no change for customers today, changes will happen over the coming years. Ulster Bank will continue to offer a full banking service in our branches, online and through normal channels for existing and new customers for the foreseeable future. Customers do not need to take any action as a consequence of this announcement. We will communicate with customers in a timely manner over the coming weeks and months.

“We will now consult with employee representative bodies to determine how best to plan and manage an orderly withdrawal of the Bank over the coming years. There will be no new compulsory departures from the Bank this year. I am acutely conscious of our responsibilities to our colleagues and I am wholeheartedly committed to managing this process in a fair and responsible manner.

“The phased withdrawal will include the careful and responsible execution of a strategy over time to deliver constructive solutions for our customers and their banking services within the Republic of Ireland.”

As part of this phased withdrawal, a non-binding Memorandum of Understanding (“MoU”) with Allied Irish Banks, p.l.c. has been agreed for the sale of a c.€4bn portfolio of performing commercial loans, and the transfer of the colleagues wholly or mainly assigned to this loan book. The potential sale contemplated by the MoU remains subject to due diligence, further negotiation and agreement of final terms and definitive documentation. This process is subject to all of the relevant supervisory engagement and assessment, regulatory and other approvals. The proposed sale may not be

concluded on the terms contemplated in the MoU, or at all. Ulster Bank relationship managers will continue to actively engage with business customers throughout this process.

NWG is also in early discussions with Permanent TSB Group Holdings p.l.c. among other strategic banking counterparties about their potential interest in buying certain retail and SME assets, liabilities and operations. These discussions may or may not result in agreement. Our preference is to continue to focus our discussions with counterparties who can provide customers with full banking services in the Irish market. Ulster Bank will continue to communicate with customers throughout this process and remains open for business, new and existing through all business channels.

Jane Howard continued:

“We will engage with customers, colleagues, their representatives and our communities in the coming months to listen to their concerns and to work with them and alongside them and to update on how change will be responsibly managed through the phased withdrawal process. Despite the disappointment of this decision, Ulster Bank and NatWest, will work hard to minimise the impact on colleagues and customers and ultimately to provide a successful banking transition for customers. In the meantime, we remain open for business across all of our channels for both existing and new customers.”

Ends

Forward-looking statements

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