

Part II Organizational Action *(continued)*

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ [See attached](#)

Blank lines for listing Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ [See attached](#)

Blank lines for providing information on resulting loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ [See attached](#)

Blank lines for providing other necessary information.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here Signature ▶ Claire Costa Date ▶ 11/5/2020

Print your name ▶ Claire Costa Title ▶ EVP & Head of Corporate Tax

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.

CITIZENS FINANCIAL GROUP, INC.
EIN: 05-0412693
Date Of Action: September 30, 2020
Attachment To Internal Revenue Service Form 8937

The information herein is provided pursuant to Section 6045B of the Internal Revenue Code of 1986, as amended (the "Code"). The information herein does not constitute tax advice. Holders of the Old Notes and New Notes (as defined below) are urged to consult their own tax advisors regarding the U.S. federal income tax consequences of the exchanges described herein and the tax basis resulting from the exchanges.

Line 10 – CUSIP Numbers:

<u>Old Notes:</u>	<u>New Notes:</u>
75524RAA7/U7535RAA4	174610AV7 / U1745PAE9
174610AL9	
174610AC9	
174610AJ4	
174610AK1	

14. Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action.

On September 30, 2020, holders of 5 outstanding series of notes of Citizens Financial Group, Inc. ("CFG") listed below (collectively, the "Old Notes") exchanged their Old Notes for newly issued 2.638% Subordinated Notes due 2032 of CFG (the "New Notes") and cash (the "Exchange").

- 4.150% Subordinated Notes due 2022
- 3.750% Subordinated Notes due 2024
- 4.023% Subordinated Notes due 2024
- 4.350% Subordinated Notes due 2025
- 4.300% Subordinated Notes due 2025

15. Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.

Exchange of Old Notes for New Notes

The tax treatment of an exchange of Old Notes for New Notes pursuant to the Exchange depends upon whether the Exchange qualifies as a recapitalization for U.S. federal

income tax purposes. In order for an Exchange to qualify as a recapitalization, the Old Notes and the New Notes must both be treated as “securities” under the relevant provisions of the Code. CFG believes that the Old Notes and New Notes should be treated as securities for this purpose, and that accordingly an exchange of Old Notes for New Notes should be treated as a recapitalization for U.S. federal income tax purposes.

Under the rules that govern a recapitalization, a U.S. holder generally recognized gain (but not loss), if any, on an exchange of Old Notes for New Notes in an amount equal to the lesser of (i) the excess of (a) the issue price of the New Notes (including any fractional amounts for which the holder received cash) that the holder received in the Exchange plus any cash (other than cash in lieu of fractional amounts of New Notes) that the holder received in the Exchange over (b) the holder’s tax basis in the Old Notes and (ii) any cash (other than cash in lieu of fractional amounts of New Notes) that the holder received in the Exchange.

A holder’s initial tax basis in the New Notes is equal to the holder’s adjusted tax basis in the Old Notes exchanged for the New Notes, increased by any gain that the holder recognized in the Exchange, and decreased by any cash that the holder received in the Exchange (including cash the holder received in lieu of fractional amounts of New Notes).

If you held Old Notes with differing tax bases and/or holding periods, the preceding rules must be applied separately to each identifiable block of Old Notes.

16. Describe the calculation of the change in basis and the data that support the calculation, such as the market values of securities and the valuation dates.

As described in 15 above, a holder’s initial tax basis in the New Notes is equal to the holder’s adjusted tax basis in the Old Notes exchanged for the New Notes, increased by any gain that the holder recognized in the Exchange, and decreased by any cash that the holder received in the Exchange (including cash the holder received in lieu of fractional amounts of New Notes).

Based on trading information following the issuance of the New Notes, CFG has determined that the issue price of the New Notes is \$100.162 per \$100 face amount of such New Notes, or 100.162% of the face amount of the Notes.

17. List the applicable Internal Revenue Code section(s) upon which the tax treatment is based.

Section 354; Section 356; Section 358; Section 368; Section 1001; Section 1273.

18. Can any resulting loss be recognized?

If, as we believe should be the case, each Exchange is treated as a recapitalization for tax purposes, then no loss will be recognized upon an exchange of Old Notes for New Notes.

19. Provide any other information necessary to implement the adjustment, such as the reportable tax year.

The Exchange was consummated on September 30, 2020. For a holder whose taxable year is the calendar year, the reportable tax year is 2020.

Pursuant to U.S. Treasury Regulation section 1.1273-2(f)(9), CFG has determined that, within the meaning of U.S. Treasury Regulation section 1.1273-2:

- The New Notes are “traded on an established market.”
- The issue price of the New Notes is \$100.162 per \$100 face amount of such New Notes, or 100.162% of the face amount of the New Notes.