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The Co-operative Bank Finance p.l.c. prices £250,000,000 Fixed Rate Reset Callable Notes due 2027

30 March 2022

The Co-operative Bank Finance p.l.c. has today priced its issue of green MREL-eligible £250,000,000 Fixed Rate Reset Callable Notes due 2027 (the "Notes"). Goldman Sachs International and NatWest Markets Plc are the Joint Lead Managers for the issuance. The Notes will bear interest at a rate of 6% per annum, payable semi-annually in arrears from and including the issue date to (but excluding) 6 April 2026. Thereafter, interest will be reset to the sum of the 1 year SONIA mid-swap rate and the margin. The bonds are expected to receive a rating of 'B1' from Moody's.

The net proceeds of the issue of the bonds or amounts equal thereto will be used by The Co-operative Bank p.l.c. for financing and/or refinancing, in whole or in part, Eligible Green Assets in accordance with its Green, Social and Sustainability Financing Framework, which, together with the Second Party Opinion from ISS ESG, is available on the group's website.

Nick Slape, Chief Executive Officer said:

"The launch of The Co-operative Bank's inaugural green, MREL-qualifying bond demonstrates further progress to meet end-state MREL requirements by 1 January 2023. Our Bank has provided our customers with a real ethical alternative for 150 years and the deployment of our Green, Social and Sustainability Financing Framework in this transaction compliments our long-standing commitment to support a more sustainable economy.

The funds raised will finance initiatives that drive meaningful environmental change which are aligned to specific UN Sustainable Development Goals and in keeping with our promise to protect and improve biodiversity and the environment."

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FCA/ICMA stabilisation applies

Forward-looking statements: This announcement, including information included or incorporated by reference in this announcement, may contain certain "forward looking statements" regarding the financial or capital position or plans for the Issuer and the Bank. All statements other than statements of historical fact included in any document may be forward looking statements. Forward looking statements also often use words such as "believe", "expect", "estimate", "intend", "anticipate" and words of a similar meaning. By their nature, forward looking statements involve risk and uncertainty that could cause actual results to differ materially from those suggested by them. Much of the risk and uncertainty relates to factors that are beyond the companies' abilities to control or estimate precisely, such as future market conditions and the behaviours of other market participants, and therefore undue reliance should not be placed on such statements, which speak only as at the date of this announcement. Neither the Bank nor any member of the group assume any obligation to, and do not intend to, revise or update these forward looking statements, except as required pursuant to applicable law.

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The communication of this announcement and any other materials relating to the Notes is not being made and such materials have not been approved by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000 (the "FSMA"). No such materials will be distributed to, and they must not be passed on to, the general public in the United Kingdom. In the United Kingdom, any materials relating to an offer of the Notes, if any, will be directed only at persons who are not retail investors and who are persons who have professional experience in matters relating to investments falling within article 19(1) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or other persons to whom it may be lawfully communicated under the Order.

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