GOOD BANKING IS GOOD CITIZENSHIP.

Annual Report 2010
Citizens Bank and Charter One launched the Good Banking is Good Citizenship™ brand platform to underscore our long-standing core belief that a bank should contribute to the growth and vibrancy of its communities.

Our commitment to better serving our customers included a $170 million capital investment in infrastructure projects. That’s up 42 percent from 2009. Key initiatives under way include new commercial loan and mortgage systems, a new teller system with scanned image capture of transaction items at our branches, and online banking enhancements.

Commercial Banking expanded its reach into specialty markets with significant growth opportunities. They include small- to mid-sized enterprises, for-profit health care companies, franchise finance and debt syndication.

We introduced accessMOBILE™, an easy-to-use smart phone application that enables our clients to manage commercial banking transactions on a convenient and portable basis. We were the first bank in our 12-state banking footprint area to offer this service.

We launched a new mobile-banking application for the iPhone. This app lets retail customers check account balances, transfer funds, find ATM and branch locations, and make payments. We also launched the Student Money Bundle™, a new packaged account with a range of services and incentives for college students.

Since its December 2009 introduction, GoalTrack Savings℠ had more than 27,000 new enrollments with more than $116 million in committed savings goals. This innovative product lets Citizens Bank and Charter One customers set their own savings goals and gives bonuses for reaching the goals.

Home-equity lending is a strategic product for Citizens Bank and Charter One, attracting new customers and helping build stronger customer relationships. Nearly 90 percent of home-equity customers also have deposit relationships with us. Inside Mortgage Finance ranked our Home Lending Solutions mortgage business among the top 20 U.S. retail originators.

We moved more than 300 employees in Citizens’ consumer-driven businesses into new, high-profile space in Dedham, Massachusetts. It includes an Innovation Lab where a dedicated marketing team develops, pilots and tests new products, and conducts focus groups and interviews with existing and prospective customers. It is located in the heart of Legacy Place, a large open-air mall.

We received many awards for leadership and commitment to colleagues, customers and local communities across our 12-state marketplace. CFG was named second in the nation in delivering the best experience for small-business customers by the 4th Power 2010 Small Business Banking Study™. It also gave us top marks among banks in our markets.

For the third year in a row, Conceive magazine ranked CFG the top company nationwide for our range of family-building benefits to colleagues. For the fourth year in a row, the Dave Thomas Foundation for Adoption recognized CFG as the Best Adoption-Friendly workplace in financial services.
The past two and a half years have been challenging for Citizens Financial Group—and every other financial services company across the United States. As signs of an economic recovery take hold, we are moving in the right direction. At CFG, we are hitting our stride as we make transformational changes across our commercial and retail business lines, and at the same time help make RBS great again.

Every day our more than 21,000 colleagues bring their collective energy, talent, innovation and resolve to help us become the top super-regional bank. They make Our Credo more than just words and bring our brand to life.

2010 Overview
Throughout the year, we made steady progress in financial performance, further strengthening our balance sheet, improving our deposit mix and working down weaker segments of our loan portfolio. At the same time, we continued to invest in innovation, marketing and technology to enhance our position as a market leader and a trusted advisor for our customers.

During 2010, we saw a turnaround begin to take hold from the economic environment of the prior two years. We know we have much more work to do. Further uncertainties cloud the near future because economic conditions remain difficult in our core regions in New England, the Mid-Atlantic and Midwest. Unemployment is high. Interest rates are low. The housing market is soft. Commercial and retail customers are reluctant to borrow. Balance sheets remain subdued due to those factors, as well as deterioration in commercial and consumer credit.

Financial Results
CFG posted net income of $11 million for the year ended December 31, 2010, returning to a nominal level of profitability for the first time in two years. Results improved by $751 million from a year ago when we reported a net loss of $740 million. 2010’s operating environment remained challenged, punctuated by low and generally declining interest rates, high but stable unemployment and a soft housing market.

The fourth quarter also included the full impact of some changes mandated by the Dodd-Frank Wall Street Reform and Consumer Protection Act. Reported net income includes an after-tax loss of $11 million from the sale of RBS WorldPay on November 30, 2010. The transaction was part of RBS’s sale of its Global Merchant Services business.

Net interest income of $3.35 billion declined by $74 million or 2.2 percent while our average earning assets declined by 12.6 percent. Continued deposit mix and pricing discipline helped to sustain top-line revenues. In the face of a smaller balance sheet, we saw net interest margin grow steadily in every quarter, adding 29 basis points over the course of the year and ending 2010 at 2.78 percent.
Noninterest income of $1.73 billion increased by $67 million or 4.0 percent, reflecting higher debit card income, commercial banking fees and securities gains that were offset by impairment related to mortgage servicing rights and lower deposit fees. Those fees were adversely impacted by Regulation E, which began to phase in during the third quarter and became fully impactful in the fourth quarter. Reg E prohibits financial institutions from charging consumers fees on ATM or debit card transactions that would cause an overdraft, unless the consumer has given prior consent or opted-in to permit an overdraft on those kinds of transactions.

Included in noninterest income was the impact of discontinuing certain derivative positions that were designated as hedges of wholesale funding, which generated a realized loss of $321 million. A gain of $330 million from the sale of our available-for-sale investment portfolio offset that loss. That securities sale helped pay down approximately $5.4 billion of wholesale borrowings, principally three-month rolling Federal Home Loan Bank advances.

Noninterest expense of $3.48 billion was essentially unchanged from 2009 levels. Increases in staff and benefit costs were more than offset, principally by lower FDIC deposit insurance levies driven by lower term deposit balances.

Provision for credit losses of $1.64 billion decreased $1.14 billion or 41 percent as credit conditions across the portfolio generally improved. The pace of provisioning abated in light of the improving conditions and a smaller loan and lease portfolio. Our allowance for loan and lease loss compared to total loans and leases was unchanged at 2.3 percent.

Our capital position remains strong and improved steadily over the course of the year. As of December 31, 2010, our Tier 1 ratio of 13.04 percent improved 142 basis points from a year ago. It stands well ahead of the regulatory well-capitalized minimum of six percent.

Good Banking is Good Citizenship™
We are pleased how strongly our renewed brand platform —Good Banking Is Good Citizenship—resonated with the marketplace and colleagues when launched last May.

Good citizenship is embedded in our culture. It’s the charter of a good bank. It’s the foundation on which our image and good reputation are built. CFG’s brand evolution links our legacy with our future—because it communicates and reinforces the tangible aspects of good banking. It’s all about serving our customers, communities and colleagues by facilitating growth and prosperity.

Our four Brand Pillars—accountability, accessibility, innovation and community—are its foundation. Each pillar is a key focus as we continue implementing our five-year Strategic Plan to create a stronger, more resilient business by building on our core strengths. We’ve committed ourselves to the basics of serving our customers well.

Accountability
CFG’s sound lending practices are long-standing. Our credit quality continues to rank among the best within the top 20 commercial banks in the United States, including all of our super-regional peer banks against which we track our performance. Further strengthening our risk discipline
Throughout 2010, we made steady progress in financial performance, further strengthening our balance sheet, improving our deposit mix and working down weaker segments of our loan portfolio. At the same time, we continued to invest in innovation, marketing and technology to enhance our position as a market leader and a trusted advisor for our customers.

during 2010 has made our company better able to respond to external factors, such as regulatory changes and the subdued U.S. economic recovery.

Enhancing our risk-management capabilities is one of the critical business objectives within our Strategic Plan. To better meet that objective, we created two new Risk Management groups and made several appointments to our risk leadership team. Nancy Shanik joined us as CFG’s Chief Risk Officer.

We are being swift and strategic as we respond to the changing regulatory and competitive environment. For example, we turned Reg E’s requirements into an opportunity to improve our product offerings and communicate extensively with customers about their overdraft options. We educated our customers on overdraft policies and today our customers are choosing to opt-in at a higher rate than our peers.

Throughout our product and service changes, we ensured transparency by keeping customers informed through frequent and multi-channel communications. In addition, our MoneyHelp online tools are helping deliver financial peace of mind to our customers.

Often we experience events outside our control. The historic flooding that occurred in southern New England in late March and early April 2010 is a profound example. Citizens Bank responded with special financing and grants for local businesses, nonprofit agencies and individual customers. We supported our colleagues who suffered flood damages of their own through CFG’s Emergency Assistance Fund. This event was more than a disaster recovery exercise—it was leadership at its finest.

Innovation

We are building on the investments we’re making to shape our thinking about new products and services in both the consumer and commercial spaces. And we are focused on product and service delivery, as well as technology advances that enable us to make banking simpler, faster and more convenient.

We are committed to upgrading our infrastructure, with a 41 percent increase in capital investment in 2010 compared with the prior year. Our key initiatives include online banking enhancements and separate iPhone mobile banking apps for retail and commercial customers. New commercial loan and mortgage systems and a new teller system with item image capture that will speed transactions at our branches—and transform the experience for both customers and colleagues—are also in the works.

In the fall of 2010, we introduced accessMOBILE, an easy-to-use smartphone application that enables commercial clients to manage their cash management banking transactions, including wire transfer approvals, payments and transfers, anytime, anywhere. We were the first bank in our 12-state footprint, and second in the nation, to offer such a service.

On the consumer side, our new mobile banking application for the iPhone allows customers to check account balances, transfer funds, find ATM and branch locations, and make payments. We also launched the Student Money Bundle. It’s a new package of all the banking services students need at a great value.

1,100
new ATMs added in 2010

Citizens Financial Group
named first in its markets for
delivering the best experience
for small-business customers.
—ath Power
Our renewed brand platform—Good Banking is Good Citizenship—is the foundation upon which our image and good reputation are built. It links our legacy with our future by communicating and reinforcing the tangible aspects of good banking. It’s all about serving our customers, communities and colleagues by facilitating growth and prosperity.

GoalTrack Savings allows our customers to set their own savings goals and earn bonuses for achieving them. Since it was introduced in December 2009, Goal Track Savings has had more than 27,000 new enrollments, with more than $116 million in committed long-term savings goals.

Accessibility
Banking should fit the customer’s life, not the other way around. We are decades removed from the world of so-called “banker’s hours.” Customers should be able to bank when and where they want, and wherever they happen to be.

We offer comprehensive services through our network of more than 1,500 Citizens Bank and Charter One traditional and in-store branches, as well as an online banking platform and telephone banking that give customers 24/7 access to service and support.

In 2010, we expanded our ATM network by an additional 1,100 new ATMs through partnerships with Sunoco APlus Convenience Stores and Cumberland Farms. They deepened our presence within our footprint and extended our ATMs all the way down the East Coast to enhance services to our traveling customers. We continue to grow our in-store branch network, principally with Stop & Shop and Dunkin’ Donuts.

Our Home Lending Solutions mortgage business is ranked nationally among the top 20 retail originators by Inside Mortgage Finance. Home-equity lending is a strategic product that attracts new customers and serves as an anchor for stronger customer relationships. That’s an important component of becoming a trusted advisor to our customers. Nearly 90 percent of home-equity customers also have deposit relationships with us.

Good customer service is key to our ability to attract and retain customers. Citizens’ Contact Centers have made significant improvements in the customer experience, reducing the average time to answer a customer call by 50 percent over the last two years. This was achieved through improved staff and call forecasting, cross training and call routing.

Our Commercial Banking group fine-tuned its structure in 2010 to focus on new growth areas. In addition to working with existing customers, it expanded its reach into niche markets with significant opportunities. They include the small- to mid-sized enterprises sector, for-profit health care companies, franchise finance and capital markets/debt syndication.

Others are taking notice that we work hard every day to serve our customers well. In 2010 CFG was ranked second in the nation (up from 10th in 2009) in delivering the best experience for small-business customers by the 2010 Small Business Banking Study™. We received top marks among banks in our markets. This ranking is a welcome endorsement of our efforts to become a valued, primary banking partner for small business, where our resources and personalized service set us apart in a crowded field.

Community
I am very proud of our company’s strong connection to our local communities. Our Credo grounds us in corporate values that formed the basis of Good Banking Is Good Citizenship. We have a common language that articulates who we are, what we stand for, and what we do—both to each other and to the public. As one of the four brand pillars that guide our actions and help bring our brand to life, Community is integral to our business.

$18,000,000 spent in CFG community grant programs, sponsorships and activities

CFG ranked among top 20 originators by Inside Mortgage Finance
Restructuring for the Future

In July, we moved more than 300 employees in Citizens’ consumer-driven businesses into new, high-profile space in Dedham, Massachusetts. The space includes an Innovation Lab where a dedicated marketing team develops, pilots and tests new products, and conducts focus groups and interviews with existing and prospective customers. It is located in the heart of Legacy Place, a large open-air mall.

Providing better and faster service to our customers is as important as understanding their changing needs. Our new Lean Transformation program was introduced last fall in a pilot in Consumer Finance Operations. The Loan Servicing department’s 11 teams were reconfigured into six. They shifted their focus to customer value streams and employee development was strengthened. The results are encouraging—with an 18 percent increase in loan-servicing productivity. We anticipate similar results as Lean Transformation moves through other areas.

This was a year in which we took significant steps in implementing our five-year plan to create a stronger, more resilient business. We are well on our way to our goal of becoming the top super-regional bank.

This progress could not have been possible without the business and loyalty of our customers, the energy, focus and hard work of our more than 21,000 colleagues, and the inspiration and dedication of our community partners. For that, I thank you.

The economy has begun to turn around. Our colleagues are committed to our rebuilding efforts and continued hard work ahead as we meet each new challenge and embrace each opportunity to better serve our customers.

Ellen Alemany
Chairman and Chief Executive Officer
It takes a lot of good things to make up a good bank. Good ideas, good practices, good execution, good technology, and more than anything else: good people. People of diverse backgrounds and origins coming together to create a culture dedicated to serving our customers and the communities in which they live.
COMMERCIAL BANKING
An energized, customer-focused approach to our markets

Commercial Banking is focused on delivering global solutions locally to clients while maintaining and growing civic leadership roles in the communities where we live and work. Our experienced, dedicated commercial bankers have remained committed to building and maintaining strong relationships, despite the strains of prevailing economic conditions. Accessing the full range of capabilities of Citizens Financial Group and our parent, RBS, our bankers have provided customized financial solutions to our non-retail customers. These capabilities include lending products; a full set of cash management products that help clients collect, disburse and manage funds; risk-management products that help clients manage foreign exchange and interest rate exposure; and trade financing tools that help clients whose business includes importing and exporting. Through our newly formed RBS Citizens Capital Markets, our commercial bankers can help their clients raise debt. In partnership with RBS Securities, they can help their clients raise equity, as well as assist with their global financing needs.

YOUR SUCCESS IS A MEASURE OF OUR OWN.

Middle Market Banking
Middle Market colleagues are dedicated to developing and supporting long-term relationships with companies whose annual revenues are between $25 million and $500 million. They have a keen awareness of today’s uncertain business climate and understand the importance of keeping their clients well informed of market developments given the intense competitive pressures this segment faces. With access to resources and products vital to sustaining their clients’ businesses, our Middle Market colleagues are key partners in helping them achieve success under the current formidable economic conditions.

Commercial Enterprise Banking
Colleagues in Commercial Enterprise Banking, our small and medium enterprises division, focus their energies and expertise on companies with annual revenues between $5 million and $25 million. They work within an efficient, centralized credit-delivery system able to handle a large volume of clients which allows them to maintain close working relationships with individual clients. This segment serves the unique needs of smaller companies that rely heavily on our retail branch network but also need the full range of lending products and other services offered through Commercial Banking.
AMPAC PACKAGING LLC

Ampac is a Cincinnati-based global leader in the retail, food, security and medical packaging markets that does business in six countries on three continents. It was able to expand its business through a partnership with RBS Citizens and Charter One.

In 2010, Charter One expanded its commercial banking footprint to include central and southern Ohio. Having an on-the-ground presence enabled a local team of bankers to become syndication agent for the deal.

The transaction included revolver and term loan facilities, interest-rate risk management and foreign exchange services. Charter One Senior Vice President Paul A. Harris said the bank provided risk management solutions that will enable Ampac to grow and develop new products for use throughout the globe.

“The new incremental credit capacity provides an exciting opportunity for Ampac to continue on our path of building a strong global presence founded on innovation and manufacturing excellence,” said Ampac Chief Financial Officer Jonathan Dill.

“Charter One’s bankers understood our business and its needs very quickly. They had behind them the support of one of the largest banks in the world and put the resources that we needed at our fingertips,” he said. “We wanted to deal with fewer banks in favor of those that have the capacity to do bigger things. RBS Citizens is a great institution and was a perfect fit.”
Specialized Banking
Understanding the needs and challenges of niche businesses enables our Specialized Banking colleagues to respond quickly to provide tailored solutions. The industry sectors in which they have a noted expertise include technology, franchise finance, fuel distribution, security alarm, for-profit health care, not-for-profit health care and education, accounting and law firms, and publishing.

Government Banking
The Government Banking division is the primary sales, marketing and service-delivery group to more than 4,200 government entities throughout our footprint. Total deposits of $7.7 billion as of December 31, 2010 rank us No. 7 among the top 20 U.S. banks managing public deposits. At a time when state and local budgets remain under extreme pressure, our Government Banking colleagues have the expertise and local regulatory knowledge to meet the needs of governmental entities. They provide a range of services to state governments, counties, municipalities, public schools, trustees, commissions, authorities and districts including cash management, investment management, lending and other banking needs. The need to understand the pressures our government customers face has never been more acute. Our active role in the national, state and local associations that are important to our clients enhances that understanding.

FUSION TRADE
Fusion Trade is a global leader in providing electronics parts and components to original-equipment manufacturers and service providers in the computer, telecommunications, automotive, medical, defense and consumer-electronics industries.
Headquartered in Massachusetts with facilities in Europe and Asia, Fusion’s multi-lingual commodity teams are able to service customers’ needs any time of day, any day of the week. The company sources central processing units, microprocessors, memory, storage, semiconductors and passive devices.
As part of its commitment to quality and excellence, Fusion has developed market-proven systems and processes to correct the inefficiencies that are inherent in buying and/or owning electronic components and finished goods. That helps Fusion’s customers reduce costs and waste.
Citizens Bank services Fusion’s credit, foreign exchange, cash management and corporate cards needs. The companies continue to explore other ways to expand their growing banking relationship.
“With offices on three continents, we value the global capabilities Citizens offers to help ensure our business runs smoothly,” said Peter LeSaffre, Fusion’s President and CEO. “As a new customer to Citizens, we are excited to work with a financial institution that will serve as a trusted advisor as we look to increase sales and grow our business.”

Vice President/Portfolio Manager Anne W. Lee and Senior Vice President Frank A. Coccoluto of Citizens Bank’s Middle Market team with Fusion Trade President and CEO Peter LeSaffre at the company’s Andover, Massachusetts headquarters.
DIA•COM

With worldwide corporate headquarters in Amherst, New Hampshire, Dia•Com is a leading manufacturer of molded diaphragm seals that are used in many industrial applications. They include aerospace, automotive, medical instrumentation, pumps and valves, and food and water processing.

Dia•Com’s success is built upon the company’s superior products and its focus on forming strategic partnerships with its customers. By offering more than 3,000 custom-designed and manufactured products, many unique to individual customers, Dia•Com links its design solutions to its customers’ success.

When the company looked for a new banking partner in 2010, it wanted an institution that shared those values—one that would work towards developing a full relationship, rather than just looking at the specific transaction. Dia•Com needed a bank that could provide cash-flow financing and deposit products, but just as importantly, be a partner in its success.

Within 90 days from initial introduction, Citizens closed multi-million dollars in credit facilities and a full set of cash management services. Citizens Bank Senior Vice President Tim Whitaker has continued to provide guidance and offer additional services.

“Right from the beginning, Citizens Bank demonstrated its focus on developing a mutually beneficial relationship,” said Dia•Com President Scott Rafferty. “Citizens, in contrast to some other banks, recognized the strengths of our business model and cashflow, and could provide what we needed. Tim continues to be a resource to us and I know the bank is right down the street or a phone call away.”

Mid-Corporate Banking

Building and strengthening relationships with corporations generating annual revenues from $500 million to $2 billion, our Mid-Corporate Banking colleagues develop a thorough understanding of their clients’ complex needs, both domestically and internationally. They are able to provide their clients access to our capital markets and global resources as they do business in an intensely competitive and often unstable marketplace.
Commercial Real Estate Finance

Our Commercial Real Estate Finance division leverages the strength and market knowledge of experienced real estate lenders. CRE colleagues understand the difficulties their clients are facing and are able to provide a wide range of specialized solutions. They bank the best-known real estate developers, merchant builders and investors throughout our footprint. The credit products we offer include acquisition and development loans, bridge financing, permanent mortgage financing, construction financing, as well as letters of credit and revolving lines of credit. CRE offers a complete array of customized deposit products including tenant escrows and remote deposit as well as a complete suite of cash management products designed for commercial real estate companies.

Asset Finance

As the 10th-largest bank-affiliated lessor/lender in the United States, Asset Finance provides customers with a significant depth of resources and services including equipment acquisition, refinancing, working capital, and balance sheet management. Industry-specific experts cover business aviation, energy, marine and rail, among others.
For more than 30 years, the State of New Hampshire has relied upon Citizens Bank’s Government Banking team to help manage its cash, protect its assets and offer suggestions to optimize its financial resources.

Today, Citizens Bank provides banking services for 25 departments and agencies, providing a full array of tailored cash management products, investment and support services to meet the State’s needs.

“Citizens Bank and its Government Banking team puts in the time and effort to understand each of our business lines,” said State Treasurer Catherine Provencher. “Our agencies operate as distinct businesses, with unique policies and operational needs. Citizens Bank provides us customized solutions and consistently demonstrates its commitment to the relationship.”

Through quarterly meetings our Government Banking team ensures that the mix of products and services are aligned with the State’s current needs and identifies opportunities for product enhancements. With rising concern about fraud, the State set up Positive Pay on all its accounts, shielding funds against unauthorized disbursements and making it easier to monitor for suspect items.

In 2010, when the State implemented a new budget and accounting system, our Government Banking team helped ensure that banking transactions and services were not disrupted.

“The Treasury operates in the public eye, so a smooth transition was crucial,” said Provencher. “Citizens’ proactive support makes a difference and aids in demonstrating the integrity of our business operations to the Legislature and the residents of New Hampshire.”
The extraordinary sound of Zildjian cymbals results from an alloy that Armenian alchemist Avedis Zildjian developed in the early 1600s. During the Ottoman Empire, he made cymbals for the Sultan’s prestigious Janissary bands and later formed his own company in Constantinople in 1623.

Relocating from Turkey to America in 1929, the nearly 400-year-old, Norwell, Massachusetts-based firm is the oldest family-owned business in the country and the world’s leading manufacturer of cymbals. Top drummers representing every style of music use Zildjian cymbals today.

Vic Firth, a renowned timpanist with the Boston Symphony Orchestra for 50 years, founded the Vic Firth Company because he felt the need for higher quality drumsticks than those that were being manufactured. His company has pioneered new concepts and methods to constantly improve the manufacturing process, resulting in the world’s best drumsticks and mallets.

In December 2010, the world’s leading cymbal company merged with the global market leader in drumsticks, bringing together two New England manufacturers and well-respected legacy brands in the music industry.

The Zildjian Company and Citizens have been business partners since 1995 while the Vic Firth Company has been a customer since 1998. “We are proud to have a long-standing relationship with a bank that has the same values of providing excellent service and individual attention to its customers,” said Vic Firth.

Citizens Bank services all their banking needs from cash management, interest-rate risk management and foreign exchange services to mortgage and acquisition financing. “Our relationship manager, Lisa Murray, and her team understand our business and provide the financial guidance and advice that has helped us to continue to grow our company over the years,” said Craigie Zildjian, CEO, Zildjian Company.
**Business Capital**

Our asset-based lending division is one of the largest providers of secured asset-based loans in the United States. Its national effort is managed through seven regional offices in Atlanta, Boston, Cleveland, Chicago, New York City, Stamford and Pittsburgh. Business Capital colleagues can provide or arrange complete financing for all transaction sizes—from basic working capital lines of credit to complex, multi-bank syndications. Business Capital’s collaborative relationship with RBS Citizens Capital Markets and RBS Global Banking & Markets provides flexible access to other capital markets products and international services.

**RBS Citizens Capital Markets**

Formed in early 2010, RBS Citizens Capital Markets is responsible for structuring and executing all lead multi-bank loan opportunities across the CFG footprint. The group is also responsible for all loan sales and trading, as well as working with key business partners, including RBS Securities, Inc., to identify and evaluate other debt and equity capital market opportunities for our clients. Through our capital markets capabilities, this vital new effort has had tremendous success enhancing our clients’ competitive advantage. Mandates won in 2010 have put us well on our way to being among the top 10 capital markets providers.

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**TTI GLOBAL**

TTI Global is a recognized global leader in staffing, training, outsourcing and solutions for the automotive and industrial manufacturing industries. Since its founding 31 years ago, TTI has grown from a home-based, family-owned business producing and editing technical manuals for domestic auto companies to an international company. It has more than 1,350 employees in offices across the United States and in 11 other countries.

Lori Blaker, the daughter of founders Shirley and John Brzezinski, is the President and CEO of the multi-million dollar, second-generation company. TTI has continued to expand, working against the odds at a time when the automotive industry has faced its biggest challenges.

In early 2010, Charter One began its relationship with TTI with an expanded line of credit to allow TTI to continue its growth. Later in 2010, Charter One helped TTI acquire the England-based global commercial training, market research and customer satisfaction firm, Lorien Customer Focus, which is an RBS customer.

The acquisition increased TTI’s revenue by $13 million—and created an enlarged company that will add tremendous value to automotive dealerships, consumer durable goods manufacturers, industrial products and other sectors that rely on strong aftermarket service capabilities.

“Because of our expansion, we can help our clients track the impact that training is having on customer satisfaction and retention” said Blaker. “We are thrilled to be able to offer these services to our customers and expect that they will be a catalyst for their growth as well.”

Charter One provides TTI with a complete array of financial services including credit, domestic and international cash management, foreign exchange and interest-rate risk management services.
Aquatrols

An international company with headquarters in Paulsboro, New Jersey, Aquatrols develops products to promote water and resource conservation for turf, greenhouse, nursery and agricultural managers. Established in 1955, Aquatrols is a second generation family-owned business.

Seeking an integrated, one-stop banking relationship, Aquatrols joined the customer roster of Citizens Bank’s Commercial Enterprise Banking team in 2010. Following a 15-year relationship with a former banking institution, the company required a broader product mix to meet its needs—particularly the growth of its international business.

After a six-month competition with other banks, Citizens won the business with a comprehensive package that will position Aquatrols for future growth.

The relationship includes credit, cash management, international trade, merchant card and foreign exchange services. The package will enhance the operational efficiency of the company and allow Aquatrols to better distribute its products to its growing global customer base.

“We wanted to partner with a banking institution that could balance a local focus with international capabilities,” said Tracy Jarman, President/CEO of Aquatrols. “With the bank’s diverse product set and RBS’s European network, the relationship was a natural fit as it mirrored our regional focus and global reach.”
Corporate Risk Solutions—Foreign Exchange
Unexpected market volatility and changes in foreign exchange trends can negatively impact profitability if not managed properly. To give our clients the edge in the international marketplace, dedicated Global Markets teams in New England, the Mid-Atlantic and the Midwest emphasize a consultative approach to helping clients manage their foreign exchange risk. We can provide full international product delivery in more than 75 currencies and offer strategies to hedge against currency rate fluctuations that may adversely affect our clients’ businesses.

Corporate Risk Solutions—Interest-Rate Risk Management
Interest-rate exposure can be a risk for any company, regardless of size. Our seasoned professionals assist clients with evaluating, structuring, and executing appropriate interest-rate risk management solutions to meet borrower objectives in any market environment. The team works to identify interest-rate exposure, sets objectives for hedging, considers the instruments available, and proposes solutions that incorporate a company’s individual risk-management criteria. Hedging instruments include options, forwards, swaps, swaptions, caps, floors, collars and combinations and variations of these instruments. We have outstanding resources to make available and a track record of success with our clients.

Global Transaction Services—Trade Finance
We make trading across borders as efficient, straightforward and secure as possible for businesses of all sizes that are involved in importing and exporting. Trade finance services require a thorough understanding of cross-border issues. Full knowledge of regulatory constraints and the impact of tax and accounting codes, as well as complete familiarity with the economies of countries in which our clients do business, make our specialists valuable partners.

Our solutions range from the traditional payments products that underpin international trade—such as letters of credit—to support for open-account trading and the financing of supply chains. Our award-winning Web-based trade platform offers a secure point of access to all our trade processing and supply-chain finance solutions. In addition, we are a Delegated-Authority Lender for the U.S. Export-Import Bank. Our supply-chain solutions strengthen the relationships between buyers, strategic partners and core suppliers—relationships upon which our clients’ success depends.

GOOD BANKING BEGINS HERE.
XCOAL ENERGY & RESOURCES
Latrobe, Pennsylvania, is perhaps best known for its most famous son, professional golfer Arnold Palmer. Now, a new local commodity marketing firm has taken off, literally, and RBS Citizens Asset Finance was there to help customize a solution that met its aviation needs.

Xcoal Energy & Resources has emerged as one of the country’s leading metallurgical coal marketing firms and coal logistics companies. Its international business has been steadily growing thanks to increased demand from Asian steel manufacturers for high-quality metallurgical coal. As a result, Xcoal’s executive management team regularly travels to various locations throughout the world including Asia, South America and Europe. With the company’s growing international customer base, it became clear that acquiring a long range business aircraft would be necessary to facilitate Xcoal’s strategic growth model.

Citizens Bank Vice President Euclid Noble has maintained contact with Xcoal over the years working to generate business. When Xcoal decided to acquire the larger aircraft allowing for longer distance and accommodations for up to 12 passengers, RBS Citizens Asset Finance provided the financing solution. Tom Aiken, Asset Finance’s aircraft specialist, worked with Xcoal’s aircraft management company, L.J. Aviation in Latrobe. Aiken was contacted very early in the process, helped identify several possible aircraft, and provided the highest level of customer service throughout the process.

This teamwork resulted in the financing of a 2009 Bombardier Global 5000 for Xcoal, allowing the management team to travel more efficiently to various customer and supplier locations throughout globe.

“What made this a success was how everyone worked together at all levels to help this deal come together,” said Ernie Thrasher, Xcoal’s Chief Executive Officer. “We were very happy with the end result.”

Global Transaction Services—Cash Management
The demands on all companies in today’s business environment mandate that cash be managed efficiently, whether domestically or globally, in an increasingly complex framework of transactions. At the same time, the pressure is escalating to reduce the amount of capital tied up in the day-to-day running of a business.

The depth of our world-class innovative solutions—including our new accessMOBILE™ smart phone application—and the breadth of our global reach give us the flexibility to meet client demands, no matter how complex or geographically wide-ranging they are. Global Transaction Services is a Top Five cash manager globally because of its leading product range and extensive geographical coverage.

From single proprietorships to large multi-national clients, our domestic and international services are designed to accelerate collections of accounts receivables, manage the distribution of funds and provide enhanced short-term liquidity.
Clockwise from lower left: Atlas Holdings Principal Jacob Hudson, AGI World CEO Tony Garnish, Atlas Holdings Partner Philip Schuch and their lender, RBS Citizens Business Capital Senior Vice President Fridolf Hanson.

ATLAS HOLDINGS

Atlas Holdings LLC, a private equity firm based in Greenwich, Connecticut, was looking for the right banking partner to support its complex purchase of AGI, a global media and entertainment packaging company, from MeadWestvaco Corporation.

It found the expertise, resources and sophisticated cross-border capabilities to meet its requirements at Citizens Financial Group and RBS. In November 2010, a team of colleagues from RBS Citizens Business Capital in the United States and RBS Invoice Financing in the United Kingdom collaborated to structure and close a $70 million global senior credit facility for Atlas.

“The combined RBS team in the U.S. and the U.K. is the perfect fit for us—local knowledge alongside global resources. The group immediately and clearly understood our industry and specific needs as we worked through a unique transaction together,” said Andrew Bursky, Chairman of Atlas Holdings.

The AGI businesses acquired by Atlas Holdings specialize in innovative packaging for Blu-ray Discs, DVDs, music, video games and a variety of personal care and consumer goods products. They have approximately 1,450 employees and operations in the United States, United Kingdom, Austria, France, Ireland, Germany, Poland, the Netherlands and Australia.

This transaction also provided additional opportunities for RBS, including significant deposit relationships, both in the United States and United Kingdom, as well as corporate credit cards and cash management services.
Our local delivery of customized solutions starts with having a great brand, a world-class suite of domestic and global products, and outstanding clients. Upon this principal foundation we then develop close working relationships with each of our clients and provide them with local, timely decision-making. Our experienced local presidents and teams of bankers on the ground throughout our footprint know their communities and their clients. Their responsiveness and dedication has enabled our company to build and grow relationships with our clients and community partners who work so hard to achieve their own corporate, personal and community goals.

Local Leadership

**Connecticut**
Edward O. “Ned” Handy III
President
Branches 51
ATMs 128

**Delaware**
Daniel K. Fitzpatrick
President
Branches 26
ATMs 55

**Illinois**
Scott C. Swanson
President
Branches 111
ATMs 302

**Massachusetts**
Girard R. Sargent
President
Branches 257
ATMs 798

**Michigan**
Sandra E. Pierce
President
Branches 108
ATMs 121

**New Hampshire**
Cathleen A. Schmidt
President
Branches 83
ATMs 198
(also includes a commercial loan office in Maine)

**New Jersey**
Daniel K. Fitzpatrick
President
Branches 15
ATMs 105

**New York**
James P. Gaspo
President
Branches 230
ATMs 463

**Ohio**
Kenneth E. Marblestone
President
Branches 150
ATMs 181

**Pennsylvania**
Daniel K. Fitzpatrick
President
Branches 387
ATMs 959
(also includes a commercial loan office and 4 ATMs in Virginia)

**Rhode Island**
Edward O. “Ned” Handy III
President
Branches 82
ATMs 195

**Vermont**
Cathleen A. Schmidt
President
Branches 25
ATMs 46
A GOOD CITIZEN IS NEVER HARD TO FIND.
Good banking is built on providing good value, and that’s what we strive for. Customers are at the heart of everything we do. We provide thoughtful, helpful advice because we take the time to get to know our customers. Our innovative products are rewarding, our banking channels are accessible and our colleagues are confident. By showing customers how we can work together to help them achieve their financial goals, we believe we deliver good value like no one else can.

A GOOD BANK ENABLES CITIZENS TO INVEST IN OTHER CITIZENS.

Good Banking is Good Citizenship. In today’s economy, it’s imperative we give customers a compelling reason to bank with us. At Citizens Bank and Charter One we do that through our commitment to delivering good value supported by good banking practices. As a result, we helped customers nearly 4 million times during 2010.

We have helped customers by showing them we value their business. Our comprehensive rewards program, Green$ense, is best in class and helps customers earn rewards just for doing their everyday banking. With the introduction of the Green$ense credit card this year, both programs reward customers more for using their debit and credit cards for everyday transactions. In addition, new products like GoalTrack Savings reward customers for achieving their savings goals, and auto loan customers are rewarded for having their checking relationships with us.

Innovation

Our commitment to innovation this year has helped ensure we provide the products and services that fit our customers lives and business. We have added many new products and enhancements to our comprehensive suite of offerings to help customers achieve their goals.

The Student Money Bundle™, Business Flex Loan, TruFit Student Loan™ and the new suite of products designed exclusively for our Premier Banking and Private Banking customers ensure we are meeting all needs. In addition to our products, we also offer customers the opportunity to sit down with one of our colleagues for a complete financial review to ensure we get to know them, their needs, and how we can work together to achieve complete financial soundness and success.
Jessica A. Almeida, Assistant Branch Manager, Citizens Plaza, Providence, Rhode Island.
Assistant Vice President Pradip Thakkar manages Charter One’s in-store branch at the Hoffman Vail Produce supermarket in Hoffman Estates, Illinois.

Customer experience
Accountability and trust are core tenets of a solid customer experience. In our ever-changing economy, it’s more important than ever to ensure they are at the heart of our customer interactions. This year we built trust by maintaining open and transparent lines of communication with customers when they needed support the most. With the implementation of Standard Overdraft Practices and introduction of Reg E, we gave customers the power to choose how they wanted their overdrafts handled.

Throughout our product and service changes, we ensured transparency by keeping customers informed through frequent and multi-channel communications. In addition, our MoneyHelp online tools are empowering customers with financial independence to achieve financial peace of mind.

CFG’s Consumer Finance Division rolled out a branded campaign in early 2011 to highlight our commitment to home lending and leadership position in the markets we serve. Citizens for Homes™ is the first branded program that supports our Good Banking is Good Citizenship platform. The program is called Charter for Homes™ in Illinois, Michigan and Ohio. The division is focusing on providing trusted advice and a consistent, best-in-class customer experience. Citizens for Homes and Charter for Homes are designed to ensure we offer the best loan product to address each customer’s borrowing needs.

Convenience
We put customers in control by giving them the ability to bank when, where and how it fits their life. We continue to offer comprehensive services through our online banking platform, and we can now issue debit cards instantly in many of our branches. Our extensive network of more than 1,500 traditional and in-store branches, many of them open seven days, gives customers the opportunity to meet in person with one of our colleagues. Our telephone banking gives customers 24/7 access to service and support.

This year, we also expanded our ATM network through partnerships with Sunoco APlus Convenience Stores and Cumberland Farms, adding an additional 1,100 new ATMs, extending our ATM presence up and down the East Coast, from Maine to Florida. We have also introduced Intelligent Deposit Machines at select locations, giving added functionality to ATM users. We also expanded into the world of mobile banking, introducing our iPhone and iPad apps for Citizens Bank and Charter One customers.

Providing value
The future of good banking rests in our ability to continue to deliver good value to our customers. Consumers and businesses will choose Citizens Bank or Charter One because we deliver a true value through exceptional and honest service, innovative products and channel of choice.
Mancini’s Bakery is legendary in Pittsburgh. Storefronts display signs heralding the sale of Mancini’s famous Italian breads. The city’s finest restaurants and most famous sandwich shops boast of having Mancini’s on the menu.

When Jim Mancini opened the bakery doors in 1926, he built a business that treats everyone like family, from employees to customers to vendors. Eighty-five years later, owner Mary Mancini Hartner shares her uncle’s way of doing business.

Her relationship with Citizens started when she went to her regular branch in Kennedy Township, Pennsylvania, to review a personal account issue. Branch Manager Nancy Pascuzzi reviewed things, line by line, until the issue was identified.

That positive interaction led Hartner to Business Banking Officer Terry Fisher, who reviewed the baker’s business needs. Fisher and Assistant Vice President Kimberly Early, a Business Banking Relationship Manager, met with Hartner at the bakery’s kitchen table, and a new business banking relationship was born. Hartner said the extended hours at her nearby in-store branch enable her to bank at her convenience.

“I felt like I was getting the dream team along with great services,” Hartner said. “One of the things that was lacking at my prior bank was a real relationship, but here it feels like family. It was a good fit, right from the start. Having a relationship with my bank is important to me because I want to know I have someone I can call directly for help.”

That kind of relationship harkens back to the days of her Uncle Jim and father, Ernest Mancini, working side-by-side in the bakery. “Just like ‘Cheers,’ you want to be where everybody knows your name,” Hartner said. “I found that at Citizens.”
Customers

We work for them. If they like us, if they trust us, if they believe in us, if they think we are a good bank and a trusted advisor, we all grow and prosper. Treat them with dignity, respect, kindness—go out of your way to show them that their business matters. If every one of us delivers on this—not just through personal service and financial guidance, but through convenience and innovative products and solutions—we will deliver a better experience for our customers and be rewarded with their loyalty.

Colleagues

We want to be a rewarding place to work, a place where our colleagues are challenged to use their talents, and where there are great opportunities to grow and develop. We will be a company that is compassionate in times of personal difficulty, and we will treat every colleague with respect, dignity and professionalism at all times. We believe a highly engaged, diverse team of colleagues will deliver an exceptional experience for our customers.

Community

We have always been a bank committed to the community. We believe that the success of the communities we serve is critical to our success—when the community prospers, we all prosper. Our history is one of making prudent investments in places and people we know. We give back. We encourage community involvement and volunteerism. We believe in a healthy environment. We expect our people to be looked up to as leaders and responsible citizens.

Several thousand Citizens Bank, Charter One and RBS Citizens colleagues signed online “digital pledges” customizing the ways they pledged to be Good Citizens.
“We’ve always believed that if our communities prosper our business prospers. By addressing the areas of greatest need, we are able to help revitalize our neighborhoods and reinforce our commitment to building strong relationships with our local community partners.” —Chairman and CEO Ellen Alemany

At Citizens Financial Group, we believe that the success of the communities we serve is vital to the success of our company. As good citizens, we are committed to addressing the needs of the communities where we live and work. We give back by working together and investing resources that create solutions to the toughest challenges in our neighborhoods.

In response to the diverse needs of our local communities, our giving has increasingly focused on three major areas: human services, affordable housing and economic development. These focus areas allow us to maximize our impact by making targeted investments in the nonprofit organizations that we know are making a difference.

In 2010, we invested more than $18 million through charitable giving and community sponsorships to support more than 2,000 nonprofit organizations. Our commitment to the community is deeply rooted in the belief that we are all in it together. These few pages illustrate the collaborative role that our resources and colleagues have played in improving the lives of our neighbors and stability of our neighborhoods.

Charter One colleagues Lee Szambecki and Tiffany Lyon volunteer at an urban farm as part of the Charter One Growing Communities initiative in Cleveland.
Regional Manager Vicky Antoniou and Citizens Bank Branch Managers Christine Rust of Milford and Dawn Lockridge of Georgetown unload 75 backpacks to deliver to Kent/Sussex Adopt-a-Family in Milford, Delaware.

Citizens Bank colleagues regularly volunteer to prepare meals and sort donations at local agencies, including MANNA in Philadelphia. The Metropolitan Area Neighborhood Nutrition Alliance provides nutritious, medically appropriate food to people with life-threatening illnesses.

Human services
One donation + one child = endless possibilities

Many of us are fortunate to remember the excitement that came with going back to school. It was time to buy new school clothes, supplies, backpacks and lunch boxes. But for many families, these back-to-school expenses are a luxury.

CFG’s Gear for Grades initiative is designed to provide thousands of underserved children the tools they need to succeed. Pencils, notebooks, folders and other new school supplies were collected during the summer at more than 1,200 Citizens Bank and Charter One branches in 11 markets across the Citizens Financial Group footprint. In addition to donating much-needed school supplies, colleagues spent time stuffing backpacks and distributing them to children in need.

With the help of colleagues, customers and members of the community, the campaign provided 25,000 backpacks filled with school supplies to children in need in our local communities. Since its inception eight years ago, the program has made going back to school easier for more than 150,000 school children and their parents.
Fighting hunger

Given today’s challenging economy, food banks across the country are facing dramatic increases in demand. In many cases, those who used to donate to food banks are now in need of their services. We have developed many creative initiatives in our local markets to help our partners meet this growing need.

In Michigan, Charter One partnered with Forgotten Harvest and Gleaners Community Food Bank as the lead underwriter of *Summer Vacation from Hunger*. This three-year-old program addresses the critical issue of children at high risk of hunger in metropolitan Detroit. A grant provided 150,000 healthy lunches every day to children who might otherwise go hungry during the summer when subsidized school lunches are not available. Our colleagues contributed nearly 300 volunteer hours packaging food for this initiative.

For the fourth consecutive year, Citizens partnered with Philabundance, Philadelphia’s largest hunger relief organization, in support of the *Children’s Hunger Initiative and Fresh For All*. In 2010 Philabundance doubled the number of sites where fresh food was distributed to those in need with the help of our grant. These efforts also leveraged additional volunteer support for the organization. Nearly 300 Citizens Bank colleagues have contributed more than 600 volunteer hours to Philabundance since 2004.

**NOTHING CAMPAIGN**

With one of the highest unemployment rates in the United States, about 14 percent of Rhode Island households are affected by hunger to some degree. The Rhode Island Community Food Bank reached out to Citizens Bank to partner on an innovative approach to help address hunger and at the same time, engage younger donors.

Citizens Bank provided a grant to help launch the “Nothing” campaign in May. The campaign had a goal of raising money and awareness by making something out of nothing. The simple but powerful concept was developed pro bono by a local ad agency.

Through this innovative campaign, the food bank urged Rhode Islanders to buy branded, empty cans of “Nothing” to illustrate in a simple yet impactful way that every day, 100,000 residents have nothing to eat.

For two months, 40,000 empty cans with slots for cash collections were sold for $2.99 at 137 local supermarkets throughout Rhode Island. Proceeds from each sale provided 10 pounds of food for a family in need.

The multi-faceted, award-winning campaign included television and radio commercials, billboards and social media. CFG colleagues continue to support the organization through board involvement, colleague engagement and volunteerism. In 2011, the Nothing Campaign, now a social venture of the Rhode Island Community Food Bank, will be launched in other states in our footprint.
A GOOD BANK IS AT THE HEART OF A HEALTHY COMMUNITY.

Housing

Building affordable homes and ensuring secure housing

Helping ensure access to safe, affordable housing is an important focus of our company. In Illinois, Charter One continued our long commitment to expanding access to affordable housing through Mercy Housing Lakefront’s Englewood Apartments development, which is part of the City of Chicago’s Plan to End Homelessness.

The newly constructed building provides 99 housing units and on-site social services for individuals who are chronically homeless and disabled or at a high-risk of homelessness. The building also features a number of sustainable green design elements, as well as a multi-purpose room, computer lab, laundry facilities and classroom.

Consistent with our efforts to give more than a check, our colleague volunteers served a Welcome Home Dinner where more than 60 residents, case managers and facility staff enjoyed dinner and conversation. This was the first opportunity for many residents to meet their neighbors.

For the third year in Connecticut, Citizens contributed to the Fairfield County Collaborative for Affordable Housing and its nonprofit partners. The collaborative focuses on increasing the supply of affordable housing in Fairfield County and supporting local nonprofit housing developers by helping grant makers pool their funds and maximize the impact of their contributions through a coordinated program with technical support from the Local Initiatives Support Corporation. The collaborative has made 23 grants since its inception to eight nonprofit housing developers totaling more than $1.7 million, with a pipeline of 733 housing units under development.

In New Hampshire, Citizens made a grant to the New Hampshire Community Loan Fund to support the statewide Individual Development Account Collaborative, which provides “matched” savings accounts that allow many low-income families to save for a first home. The Community Loan Fund administers the program in conjunction with 22 community partners, facilitating statewide impact while minimizing duplication of administrative costs. Program participants completed more than 2,000 hours of financial literacy training in 2010, and leveraged more than $4.5 million to purchase their first homes.

Senior Vice President John Golden, Director of Business Banking in Illinois and Michigan, and other Charter One colleagues serve dinner to formerly homeless residents of Mercy Housing Lakefront’s new Englewood Apartments project in Chicago.
As good citizens, we are committed to addressing the needs of the communities where we live and work. We give back by working together and investing resources that create solutions to the toughest challenges in our neighborhoods.

**Economic development**  
*Strengthening and developing our local communities*

Healthy, growing communities are vital to our business. In Ohio, Charter One unveiled a significant new initiative to support urban development efforts in the Ohio City Market District, a diverse and exciting neighborhood on Cleveland’s Near West Side. The *Charter One Growing Communities* initiative is a collaboration with our community partners and the City of Cleveland to enhance the neighborhood surrounding the West Side Market as it prepares to celebrate its 100th anniversary. This initiative includes a development competition to help small businesses launch in the neighborhood and micro-grants for small businesses, including West Side Market vendors and urban farmers. Urban farm development is another program component as well as support for farm stands at the new seven-acre Ohio City Farm and the transformation of vacant properties in the heart of the city into urban farms. Nutrition, health education, financial literacy and workforce development programs for neighborhood residents will help connect local communities to the effort.

In Massachusetts, Citizens supported the *Interise StreetWise MBA™ Program*, a nine-month curriculum that uses a facilitative and peer-based learning process to help established small-business owners access new markets, capital, and knowledge. Interise reported that 87 percent of participants are women, people of color and recent Americans in low- or moderate-income communities who are under-represented in small business. Since 2004, this program has created 275 jobs with an average salary of at least $35,000.

In New York, Citizens has helped reinvigorate three Buffalo neighborhoods through support of the *LISC Building Sustainable Communities* program, administered by the Local Initiatives Support Corporation. With our assistance, LISC has been able to help community residents transform distressed neighborhoods into healthy and sustainable communities of opportunity that add to the vitality of Buffalo and the well being of its residents. These efforts include the development of more than 100 improvement projects, from affordable homes to community gardens. By building strong partnerships with our local nonprofit partners, we have been able to develop innovative programs with impact that combat hunger, strengthen neighborhoods and revitalize our communities.

Citizens Bank’s grant to the New Hampshire Community Loan Fund supported a statewide *Individual Development Account Collaborative* that provides participants with “matched” savings accounts. The program leveraged more than $4.5 million to help many low-income families to save money to buy their first homes.
Throughout 2010, colleagues across CFG found a number of ways—both big and small—to help us become more sustainable and reduce our environmental footprint. According to our latest all-colleague survey, nearly 75 percent of colleagues see CFG as an environmentally responsible company. That figure is likely to increase as our programs and commitment to sustainable operations continue to grow.

In 2010, CFG colleagues recycled 5,500 tons of office paper—the equivalent of saving 94,000 trees, 38.5 million gallons of water and 2.5 million gallons of oil. This also reduced our contribution to landfills by 16,500 cubic yards, saved 23 million kilowatt hours of electricity and avoided 3.3 million pounds of air pollution.

More than a half-million customers are enrolled in Green$ense, our innovative checking account that provides incentives to bank with us in a paperless manner. Since this program was launched in late 2008, the response has been dramatic. By using Green$ense, our customers have made a collective impact of:

- Saving more than 4,100 trees.
- Preserving 142 acres of forest.
- Avoiding 19,000 tons of CO2 equivalents.
- Generating 72 fewer dump trucks filled with solid waste.
- Saving 3.3 million gallons of water, which would fill five Olympic-sized swimming pools.

A program that promotes the recycling of old office furniture also demonstrates how good business and good citizenship intersect. At a single building in New London, Connecticut, colleagues diverted 12,000 pounds of waste from landfills by donating surplus desks, bookcases, chairs and tables to support the local chapter of Habitat for Humanity.

Citizens Bank participated in an internship program through the Environmental Defense Fund’s Climate Corp Fellows program during the summer of 2010. The intern, a Yale School of Management graduate student, worked with our Environmental Services group. He identified a range of energy efficiency projects that have been implemented across our footprint and will reduce our energy usage by 4.45 gigawatt hours per year. In addition to making our operations “greener,” these steps will save us $573,000 in energy costs annually.

During Citizens Bank’s annual Green Day celebration, nearly 1,000 colleagues shared their own tips on how they “go green” at work and at home, while others participated in community clean ups and a variety of environmental-themed events.

Continuing to think and act green makes a world of difference. It is good for the company, good for our customers, good for our colleagues—and good for the planet.
FINANCIAL REVIEW
EXECUTIVE LEADERSHIP
AND
BOARD OF DIRECTORS

The Royal Bank of Scotland Group plc ("RBS") reports the results of Citizens Financial Group’s core businesses as “U.S. Retail and Commercial” in its published financial statements. The results discussed in this Annual Report are the full Citizens Financial Group results as reported to U.S. regulators in accordance with United States Generally Accepted Accounting Principles.
## Highlights

### Balance Sheet Data:

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</thead>
<tbody>
<tr>
<td>Total assets</td>
<td>$129,689</td>
<td>$147,681</td>
<td>$159,925</td>
<td>$159,940</td>
<td>$160,831</td>
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<tr>
<td>Investment securities</td>
<td>21,814</td>
<td>28,172</td>
<td>27,909</td>
<td>28,078</td>
<td>29,449</td>
</tr>
<tr>
<td>Loans and leases:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consumer</td>
<td>41,857</td>
<td>46,876</td>
<td>53,701</td>
<td>55,125</td>
<td>54,921</td>
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<tr>
<td>Residential mortgage</td>
<td>9,703</td>
<td>11,413</td>
<td>15,283</td>
<td>18,222</td>
<td>18,433</td>
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<tr>
<td>Commercial</td>
<td>21,877</td>
<td>21,253</td>
<td>25,293</td>
<td>22,501</td>
<td>18,302</td>
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<td>Commercial real estate</td>
<td>8,920</td>
<td>10,463</td>
<td>10,915</td>
<td>9,817</td>
<td>8,618</td>
</tr>
<tr>
<td>Leases</td>
<td>3,016</td>
<td>3,290</td>
<td>3,364</td>
<td>2,993</td>
<td>2,763</td>
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<td>Credit card</td>
<td>1,649</td>
<td>1,785</td>
<td>2,475</td>
<td>2,404</td>
<td>2,569</td>
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<tr>
<td>Total loans and leases</td>
<td>87,022</td>
<td>95,080</td>
<td>111,031</td>
<td>111,062</td>
<td>105,606</td>
</tr>
<tr>
<td>Allowance for loan and lease losses</td>
<td>2,005</td>
<td>2,209</td>
<td>1,731</td>
<td>978</td>
<td>757</td>
</tr>
<tr>
<td>Goodwill and other intangible assets</td>
<td>11,362</td>
<td>11,443</td>
<td>12,021</td>
<td>13,701</td>
<td>13,744</td>
</tr>
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<td>Deposits</td>
<td>92,155</td>
<td>98,053</td>
<td>94,606</td>
<td>102,197</td>
<td>99,955</td>
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<td>Federal funds purchased and securities sold under agreements to repurchase</td>
<td>5,112</td>
<td>5,222</td>
<td>5,401</td>
<td>14,594</td>
<td>10,267</td>
</tr>
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<td>Borrowed funds</td>
<td>7,784</td>
<td>18,508</td>
<td>34,926</td>
<td>17,555</td>
<td>24,451</td>
</tr>
<tr>
<td>Stockholder’s equity</td>
<td>22,694</td>
<td>22,276</td>
<td>19,952</td>
<td>22,351</td>
<td>23,548</td>
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### Operating Data:

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<tr>
<td>Net interest income</td>
<td>$3,345</td>
<td>$3,419</td>
<td>$4,035</td>
<td>$4,054</td>
<td>$3,950</td>
</tr>
<tr>
<td>Provision for credit losses</td>
<td>1,644</td>
<td>2,783</td>
<td>1,932</td>
<td>683</td>
<td>331</td>
</tr>
<tr>
<td>Noninterest income</td>
<td>1,733</td>
<td>1,666</td>
<td>2,025</td>
<td>2,132</td>
<td>2,024</td>
</tr>
<tr>
<td>Net interest expense</td>
<td>3,483</td>
<td>3,495</td>
<td>4,887</td>
<td>3,229</td>
<td>3,074</td>
</tr>
<tr>
<td>Income (loss) before income taxes of continuing operations</td>
<td>(49)</td>
<td>(1,193)</td>
<td>(759)</td>
<td>2,274</td>
<td>2,569</td>
</tr>
<tr>
<td>Income (loss) before income taxes of discontinued operations</td>
<td>26</td>
<td>52</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Loss on sale of discontinued operations</td>
<td>(11)</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Net income (loss)</td>
<td>11</td>
<td>(740)</td>
<td>(930)</td>
<td>1,489</td>
<td>1,668</td>
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### Other Data:

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<tbody>
<tr>
<td>Return on average tangible assets</td>
<td>0.01%</td>
<td>(0.51)</td>
<td>(0.62)</td>
<td>1.02</td>
<td>1.16</td>
</tr>
<tr>
<td>Return on average tangible common equity</td>
<td>0.11</td>
<td>(9.65)</td>
<td>(13.13)</td>
<td>18.23</td>
<td>22.92</td>
</tr>
<tr>
<td>Net interest margin</td>
<td>2.78</td>
<td>2.49</td>
<td>2.84</td>
<td>2.82</td>
<td>2.83</td>
</tr>
<tr>
<td>Allowance for loan and lease losses as a % of total loans and leases</td>
<td>2.30</td>
<td>2.32</td>
<td>1.56</td>
<td>0.88</td>
<td>0.72</td>
</tr>
<tr>
<td>Allowance for loan and lease losses as a % of nonperforming loans and leases</td>
<td>85</td>
<td>101</td>
<td>154</td>
<td>154</td>
<td>217</td>
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<tr>
<td>Nonperforming loans and leases as a % of total loans and leases</td>
<td>2.71</td>
<td>2.31</td>
<td>1.01</td>
<td>0.57</td>
<td>0.33</td>
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<tr>
<td>Capital ratios</td>
<td></td>
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<tr>
<td>Risk-based capital ratios:</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Tier 2</td>
<td>14.87</td>
<td>11.09</td>
<td>10.82</td>
<td>10.97</td>
<td>11.80</td>
</tr>
<tr>
<td>Total</td>
<td>14.87</td>
<td>11.09</td>
<td>10.82</td>
<td>10.97</td>
<td>11.80</td>
</tr>
<tr>
<td>Leverage ratio</td>
<td>10.44</td>
<td>8.68</td>
<td>6.96</td>
<td>6.91</td>
<td>7.30</td>
</tr>
</tbody>
</table>

*Adjusted for discontinued operations
Summary

In 2010, Citizens reported net income of $11 million, compared to a net loss in 2009 of $740 million. Included in net income is a loss on the sale of RBS WorldPay, Inc. of $11 million. This subsidiary was sold on November 30, 2010 as part of RBS’s disposition of its global merchant acquiring business.

Asset quality is improving. The provision for credit losses and net charge-offs were down significantly compared to 2009. The provision for loan losses was $1.6 billion in 2010, down from $2.8 billion in 2009.

Capital levels have increased as we continue to reposition our balance sheet with a focus on core activities.

Results of Operations

Net income was $11 million for the year ended December 31, 2010, compared to a net loss of $740 million in 2009.

Net interest income for the year ended December 31, 2010 was $3.3 billion, down from $3.4 billion in 2009. The slight reduction in net interest income was the result of a smaller balance sheet. A better deposit mix, more favorable deposit pricing, and balance sheet restructuring effort resulted in an increase in the net interest margin of 29 basis points to 2.78% in 2010.

Noninterest income was $1.7 billion for the year ended December 31, 2010, up $67 million from 2009. The increase resulted mainly from higher ATM and debit card fees and higher derivatives income, offset by lower deposit fees.

Noninterest expense was $3.5 billion for the year ended December 31, 2010, down $12 million from 2009, primarily from lower FDIC assessments (on lower deposit balances).

Financial Condition

Total assets were $129.7 billion at December 31, 2010 compared to $147.7 billion at December 31, 2009.

Investment securities available for sale were $20.5 billion compared to $26.8 billion in 2009, down primarily due to a balance sheet restructuring completed in the third quarter in which securities were sold and certain hedging strategies were terminated. Gains realized from the sale of securities offset losses related to the terminated hedging strategies, and the proceeds were used to pay down borrowings.

Loans and leases at December 31, 2010 were $87.0 billion, down from $95.1 billion at December 31, 2009. Reduced customer demand and normal loan payments resulted in decreased loan balances in consumer loans of $5.0 billion, residential mortgage loans of $1.7 billion and commercial real estate loans of $1.5 billion.

Total deposits at December 31, 2010 were $92.2 billion, compared with $98.1 billion at December 31, 2009. Term deposits and checking decreased $7.1 billion and $0.7 billion, respectively, but were partially offset by an increase in savings of $1.9 billion.

Capital Resources and Liquidity

Citizens’ capital levels were further strengthened during 2010. Citizens’ leverage ratio was 10.44% and 8.68% at December 31, 2010 and 2009, respectively. The total risk-based capital ratio was 14.39% and 13.03% at December 31, 2010 and 2009, respectively. The increase in capital ratios is primarily due to the balance sheet restructuring and the sale of RBS WorldPay, Inc.

Citizens was deemed “well capitalized” at December 31, 2010 and 2009, based upon regulatory definitions.

Liquidity at Citizens is maintained to provide reliable, stable and cost effective sources of funding for asset growth and deposit fluctuations. Primary sources of liquidity are derived from growth in retail deposits, loan repayments and earnings. Additional sources of liquidity available to fund asset growth include the sale or pledging of Citizens’ investment portfolio, secured borrowings from the Federal Home Loan Bank and the Federal Reserve Bank, and borrowings from RBS.

Asset Quality and the Allowance for Loan and Lease Losses

Citizens’ allowance for loan and lease losses was $2.0 billion at December 31, 2010 compared to $2.2 billion a year ago. The ratio of allowance to total loans and leases was 2.30% and 2.32% at December 31, 2010 and 2009, respectively. Net charge-offs were $1.8 billion for the year ended December 31, 2010, down from $2.3 billion in 2009. Citizens recorded provision for credit losses of $1.6 billion and $2.8 billion in 2010 and 2009, respectively.

Nonperforming loans and leases totaled $2.4 billion at December 31, 2010 compared to $2.2 billion a year ago. This increase was primarily due to increased loan modifications (modified to enable customers to better manage repayment), which are classified as nonperforming until they display a sustained period of repayment. Allowance for loan and lease losses as a percentage of nonperforming loans decreased to 85 primarily from the increase in loan modifications. Modified loans are charged off at or before modification, reducing the need for the allowance. Excluding the impact of loan modifications, the allowance for loan and lease losses as a percentage of nonperforming loans was consistent with the 2009 level. Total nonperforming assets as a percentage of total assets were 1.91% and 1.54% at December 31, 2010 and 2009, respectively. Other real estate owned was $118 million and $77 million at December 31, 2010 and 2009, respectively.
## CONSOLIDATED STATEMENTS OF OPERATIONS

For Years Ended December 31,

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Interest Income:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest and fees on loans and leases:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consumer</td>
<td>$2,010</td>
<td>$2,436</td>
</tr>
<tr>
<td>Commercial</td>
<td>830</td>
<td>899</td>
</tr>
<tr>
<td>Residential mortgage</td>
<td>530</td>
<td>683</td>
</tr>
<tr>
<td>Commercial real estate</td>
<td>287</td>
<td>323</td>
</tr>
<tr>
<td>Credit card</td>
<td>183</td>
<td>227</td>
</tr>
<tr>
<td>Loans held for sale</td>
<td>18</td>
<td>21</td>
</tr>
<tr>
<td>Investment securities</td>
<td>881</td>
<td>1,212</td>
</tr>
<tr>
<td>Interest-bearing deposits in banks</td>
<td>14</td>
<td>13</td>
</tr>
<tr>
<td>Total interest income</td>
<td>4,753</td>
<td>5,814</td>
</tr>
<tr>
<td><strong>Interest Expense:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposits</td>
<td>632</td>
<td>1,301</td>
</tr>
<tr>
<td>Federal funds purchased and securities sold under agreements to repurchase</td>
<td>475</td>
<td>521</td>
</tr>
<tr>
<td>Borrowed funds</td>
<td>301</td>
<td>573</td>
</tr>
<tr>
<td>Total interest expense</td>
<td>1,408</td>
<td>2,395</td>
</tr>
<tr>
<td><strong>Net interest income</strong></td>
<td>3,345</td>
<td>3,419</td>
</tr>
<tr>
<td><strong>Provision for credit losses</strong></td>
<td>1,644</td>
<td>2,783</td>
</tr>
<tr>
<td><strong>Net interest income after provision for credit losses</strong></td>
<td>1,701</td>
<td>636</td>
</tr>
<tr>
<td><strong>Noninterest Income:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service charges on deposits</td>
<td>628</td>
<td>715</td>
</tr>
<tr>
<td>Net gains on sales of securities available for sale</td>
<td>419</td>
<td>29</td>
</tr>
<tr>
<td>ATM and debit card</td>
<td>284</td>
<td>241</td>
</tr>
<tr>
<td>Mortgage banking</td>
<td>145</td>
<td>154</td>
</tr>
<tr>
<td>Other service fee income</td>
<td>144</td>
<td>118</td>
</tr>
<tr>
<td>International fees</td>
<td>114</td>
<td>120</td>
</tr>
<tr>
<td>Credit card fees</td>
<td>93</td>
<td>107</td>
</tr>
<tr>
<td>Investment services revenue</td>
<td>91</td>
<td>81</td>
</tr>
<tr>
<td>Bank-owned life insurance</td>
<td>49</td>
<td>49</td>
</tr>
<tr>
<td>Other leasing income</td>
<td>36</td>
<td>30</td>
</tr>
<tr>
<td>Trust income</td>
<td>25</td>
<td>26</td>
</tr>
<tr>
<td>Customer derivatives</td>
<td>18</td>
<td>(2)</td>
</tr>
<tr>
<td>Other-than-temporary impairment:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total other-than-temporary impairment losses</td>
<td>(164)</td>
<td>(134)</td>
</tr>
<tr>
<td>Portions of loss recognized in other comprehensive income (before taxes)</td>
<td>147</td>
<td>125</td>
</tr>
<tr>
<td><strong>Net impairment losses recognized in earnings</strong></td>
<td>(17)</td>
<td>(9)</td>
</tr>
<tr>
<td>Other net losses</td>
<td>(331)</td>
<td>(8)</td>
</tr>
<tr>
<td>Other income</td>
<td>35</td>
<td>15</td>
</tr>
<tr>
<td><strong>Total noninterest income</strong></td>
<td>1,733</td>
<td>1,666</td>
</tr>
<tr>
<td><strong>Noninterest Expense:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and employee benefits</td>
<td>1,637</td>
<td>1,542</td>
</tr>
<tr>
<td>Equipment expense</td>
<td>357</td>
<td>358</td>
</tr>
<tr>
<td>Outside services</td>
<td>312</td>
<td>296</td>
</tr>
<tr>
<td>Occupancy</td>
<td>335</td>
<td>321</td>
</tr>
<tr>
<td>Amortization of intangibles</td>
<td>81</td>
<td>141</td>
</tr>
<tr>
<td>Promotional expense</td>
<td>124</td>
<td>122</td>
</tr>
<tr>
<td>Other operating expense</td>
<td>637</td>
<td>715</td>
</tr>
<tr>
<td><strong>Total noninterest expense</strong></td>
<td>3,483</td>
<td>3,495</td>
</tr>
<tr>
<td><strong>Loss from continuing operations before income tax benefit</strong></td>
<td>(49)</td>
<td>(1,193)</td>
</tr>
<tr>
<td><strong>Income tax benefit from continuing operations</strong></td>
<td>(61)</td>
<td>(420)</td>
</tr>
<tr>
<td><strong>Income (loss) from continuing operations</strong></td>
<td>12</td>
<td>(773)</td>
</tr>
<tr>
<td><strong>Income from discontinued operations</strong></td>
<td>26</td>
<td>52</td>
</tr>
<tr>
<td><strong>Loss on sale of discontinued operations</strong></td>
<td>(11)</td>
<td>-0</td>
</tr>
<tr>
<td><strong>Income tax expense from discontinued operations</strong></td>
<td>16</td>
<td>19</td>
</tr>
<tr>
<td><strong>(Loss) income from discontinued operations</strong></td>
<td>(1)</td>
<td>33</td>
</tr>
<tr>
<td><strong>Net Income (Loss)</strong></td>
<td>$11</td>
<td>($740)</td>
</tr>
</tbody>
</table>
## Consolidated Balance Sheets

### As of December 31,

<table>
<thead>
<tr>
<th>(in millions, except share data)</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and due from banks</td>
<td>$4,918</td>
<td>$7,084</td>
</tr>
<tr>
<td>Interest-bearing deposits in banks</td>
<td>163</td>
<td>141</td>
</tr>
<tr>
<td>Securities available-for-sale, at fair value</td>
<td>20,549</td>
<td>26,835</td>
</tr>
<tr>
<td>Other investment securities</td>
<td>1,253</td>
<td>1,326</td>
</tr>
<tr>
<td>Mortgage loans held-for-sale, at fair value</td>
<td>716</td>
<td>456</td>
</tr>
<tr>
<td>Credit card loans held-for-sale, at lower of cost or fair value</td>
<td>—</td>
<td>518</td>
</tr>
<tr>
<td>Loans and leases</td>
<td>87,022</td>
<td>95,080</td>
</tr>
<tr>
<td>Less: Allowance for loan and lease losses</td>
<td>2,005</td>
<td>2,209</td>
</tr>
<tr>
<td><strong>Net loans and leases</strong></td>
<td>85,017</td>
<td>92,871</td>
</tr>
<tr>
<td>Goodwill</td>
<td>11,311</td>
<td>11,311</td>
</tr>
<tr>
<td>Other intangibles</td>
<td>51</td>
<td>132</td>
</tr>
<tr>
<td>Bank-owned life insurance</td>
<td>1,214</td>
<td>1,170</td>
</tr>
<tr>
<td>Derivative assets</td>
<td>1,082</td>
<td>1,033</td>
</tr>
<tr>
<td>Premises and equipment</td>
<td>1,041</td>
<td>1,006</td>
</tr>
<tr>
<td>Accrued interest receivable</td>
<td>410</td>
<td>510</td>
</tr>
<tr>
<td>Deferred taxes, net</td>
<td>327</td>
<td>550</td>
</tr>
<tr>
<td>Mortgage servicing rights</td>
<td>193</td>
<td>179</td>
</tr>
<tr>
<td>Other assets</td>
<td>1,444</td>
<td>1,530</td>
</tr>
<tr>
<td>Assets of discontinued operations</td>
<td>—</td>
<td>1,029</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$129,689</td>
<td>$147,681</td>
</tr>
<tr>
<td><strong>Liabilities and Stockholder’s Equity:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Liabilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposits</td>
<td>$92,155</td>
<td>$98,053</td>
</tr>
<tr>
<td>Federal funds purchased and securities sold under agreements to repurchase</td>
<td>5,112</td>
<td>5,222</td>
</tr>
<tr>
<td>Borrowed funds</td>
<td>7,784</td>
<td>18,508</td>
</tr>
<tr>
<td>Due to broker</td>
<td>693</td>
<td>—</td>
</tr>
<tr>
<td>Derivative liabilities</td>
<td>117</td>
<td>1,922</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>1,134</td>
<td>1,091</td>
</tr>
<tr>
<td>Liabilities of discontinued operations</td>
<td>—</td>
<td>609</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>106,995</td>
<td>125,405</td>
</tr>
<tr>
<td><strong>Stockholder’s Equity:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preferred stock:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$1.00 par value, 30,000 shares authorized, no shares outstanding in 2010 and 2009</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Common stock:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$.01 par value, 5,000 shares authorized, 3,382 shares issued and outstanding in 2010 and 2009</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Additional paid-in capital</td>
<td>18,538</td>
<td>18,538</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>4,847</td>
<td>4,836</td>
</tr>
<tr>
<td>Accumulated other comprehensive loss</td>
<td>(691)</td>
<td>(1,098)</td>
</tr>
<tr>
<td><strong>Total Stockholder’s Equity</strong></td>
<td>22,694</td>
<td>22,276</td>
</tr>
<tr>
<td><strong>Total Liabilities and Stockholder’s Equity</strong></td>
<td>$129,689</td>
<td>$147,681</td>
</tr>
</tbody>
</table>
EXECUTIVE COMMITTEE*

Ellen Alemany
Chairman and
Chief Executive Officer

Martin Bischoff
Vice Chairman
Consumer and Business Banking

David Bowerman
Vice Chairman
RBS Citizens Business Services

Brad L. Conner
Vice Chairman
Consumer Finance

Barbara S. Cottam
Executive Vice President
Head of Corporate Affairs

John Fawcett
Chief Financial Officer

Sheldon I. Goldfarb
Chief Legal Officer

Robert D. Matthews Jr.
Vice Chairman
Commercial Banking

Nancy L. Shanik
Chief Risk Officer

Evelyn Tressitt
Chief Human Resources Officer

Prabhat Vira
Head of Global
Transaction Services

*All members of the Executive Committee also serve on the Executive Leadership Group
EXECUTIVE LEADERSHIP GROUP*

Our company’s senior management team:

Brad Artery
Senior Vice President
Chief Procurement Officer
RBS Citizens Business Services

Richard M. Barry
Chief Credit Officer
Wholesale Banking

Anthony Borzaro Jr.
Executive Vice President and CFO
Commercial Banking

Joel J. Brickman
Executive Vice President
Secretary and Chief Legal Counsel
Consumer and Business Banking

Christopher R. Carmosino
President
Business Capital

Lucille A. Cavan
Executive Vice President
Human Resources—
Consumer and Business Banking,
and Consumer Finance

Jay Cook
Chief Risk Officer
RBS Americas

Richard Daingerfield
Executive Vice President
General Counsel

Kenneth J. Deveaux
Executive Vice President
Head of GTS Solutions International
Global Transaction Services

Dennis A. Devine Jr.
Group Executive Vice President
Director of U.S. Retail Banking
Consumer and Business Banking

Joseph Dewhirst
Group Executive Vice President
Treasurer

Alan M. Earsman
Executive Vice President and CFO
RBS Citizens Business Services

Cindy M. Erickson
Executive Vice President
Human Resources—
RBS Citizens Business Services

Daniel K. Fitzpatrick
President
Pennsylvania, New Jersey
and Delaware

James P. Gaspo
President
New York

James J. Gifas
Executive Vice President
Head of GTS Solutions U.S.
Global Transaction Services

Michael J. Gleason
Executive Vice President
Government Banking

Neil Grassie
Executive Vice President
Head of Group Property
RBS Citizens Business Services

Edward O. Handy III
President
Rhode Island and Connecticut

Joseph A. Hoffman
President
RBS Cards

Robert M. Howard
Executive Vice President and CFO
Consumer Finance

Fraser Ingram
Executive Vice President
Chief Technology Officer
RBS Citizens Business Services

Risa Katz
Executive Vice President
Head of Corporate Financial Planning and Analysis
CFG and RBS Americas

James E. Kivlehan
Executive Vice President
Head of Business Development and Analytics
Consumer Finance

Craig R. Lamp
President
Education and Auto Finance

Maria E. Leonard
Executive Vice President
Head of Audit
CFG and RBS Americas

Mark Links
Head of Regulatory and Operational Risk
RBS Americas

Michael R. Lofgren
Senior Vice President
Group Sourcing &
Vendor Management

Kenneth E. Marblestone
President
Ohio

Kenneth B. Martin
Executive Vice President
Commercial Enterprise Banking

Elaine McGinn
Head of Planning and Business Support
Human Resources

Theresa M. McLaughlin
Group Executive Vice President
Chief Marketing Officer

Richard A. Meringolo
Executive Vice President
Specialty Banking

Michael Millard
Executive Vice President
Head of Wealth Management

Tony Moscrop
Executive Vice President
Head of Change Management
RBS Citizens Business Services

Derek Nazareth
Executive Vice President
Director of Sales &
Service Support
Consumer and Business Banking

Robert Nelson
Executive Vice President
Director of Strategic Planning

Christine Noel
Executive Vice President
Director of Public and Community Affairs

Cheryl A. Nolda
President
Home Lending Solutions

Ronald S. Ohlsberg
Executive Vice President
Controller

Ralph J. Papa
Senior Advisor
Office of the Chairman

Marc A. Paulhus
President
Asset Finance

Sandra Pierce
President
Michigan

Wahida Plummer
Senior Vice President
Chief Administrative Officer

John Popolizio
Executive Vice President,
Head of Security and Risk,
CFG and RBS Americas

Joanna M. Robbins
Senior Vice President
Human Resources—
Commercial Banking and
Global Transaction Services

Kenneth W. Robinson
Senior Vice President
Director of Public Policy and Government Relations

Sean Rowles
Executive Vice President
Chief Credit Officer, Consumer Finance and Business Banking

Girard R. Sargent
President
Massachusetts

Cathleen A. Schmidt
Executive Vice President
Human Resources

Scott C. Swanson
President
Illinois

Stephen R. Taylor
Executive Vice President and CFO
Consumer and Business Banking

Maria Tedesco
Group Executive Vice President
Director of Business Banking

Geoffrey C. Thomas
Executive Vice President
Product Marketing

Kevin M. Walsh
Executive Vice President
Director of Sales and Relationship Management,
Consumer Finance

Stephen R. Woods
Executive Vice President
Head of Corporate Banking

*Also includes all members of
the Executive Committee (p. 38)
New England
- Lawrence A. Aubin Sr.
  President and CEO
  Aubin Corporation
- Stephen P. Barba
  Executive Director
  of University Relations
  Plymouth State University
- James F. Conway III
  Chairman, President and CEO
  Courier Corporation
- Edward M. Crowley
  President and
  Chief Operating Officer
  Dichello Distributors, Inc.
- Donna C. Cupelo
  Regional President—
  New England
  Verizon Corporation
- Arthur Ryan
  Former Chairman, Chief Executive
  Officer & President
  Prudential Financial Inc.
- Dr. Graham B. Spanier
  President
  The Pennsylvania State University
- Shivan S. Subramaniam
  Chairman and
  Chief Executive Officer
  FM Global
- Judith M. von Seldeneck
  Chief Executive Officer
  Diversified Search Odgers Bernsen
- Wendy A. Watson
  Former Executive Vice President, Global Services
  State Street Bank & Trust Company

Mid-Atlantic
- Joseph Bartolacci
  CEO
  Matthews International
- William Burrows
  CEO
  Burrows Paper Corporation
- Alan R. Guttman
  CEO
  The Guttman Group
- Samuel F. Heleba
  President and CEO
  Graphic Controls Acquisition Corporation
- Sharmain Matlock-Turner
  President and CEO
  Urban Affairs Coalition
- Dian C. Taylor
  President and CEO
  Artesian Water Company
- Ann Weaver Hart
  President
  Temple University
- Harold L. Yoh III
  Chairman and CEO
  Day & Zimmermann, Inc.
- Charles F. Walton
  Chairman
  Smithers-Oasis Company

Midwest
- David Beecken
  Partner
  Beecken Petty O’Keefe & Company
- Tobias W. Buck
  CEO, Chairman of the Board
  Paragon Medical
- Beth Chappell
  President and CEO
  Detroit Economic Club
- Ralph M. Della Ratta
  Managing Director
  Western Reserve Partners LLC
- Brian M. Hermelin
  Partner
  Rockbridge Growth Equity
- Ben C. Maibach III
  President
  Barton Malow Company
- Baiju R. Shah
  President and CEO
  BioEnterprise
- Mark Simanton
  Chairman & CEO
  IMS Companies LLC
- Dr. Graham B. Spanier
  President
  The Pennsylvania State University
- Charles F. Walton
  Chairman
  Smithers-Oasis Company
Founded in 1924, A. Duie Pyle is a family-owned regional transportation, warehousing and distribution services company that specializes in industrial, chemical, health care, automotive, electrical and consumer products.

Headquartered in West Chester, Pennsylvania, the company owns 17 less-than-truckload transportation facilities in the northeast and seven warehouse and distribution centers in Delaware, Massachusetts and Pennsylvania offering more than two million square feet of space.

Consistently recognized as a transportation industry leader, A. Duie Pyle has grown from a southeastern Pennsylvania carrier into the northeast’s leading regional carrier, with 2010 revenues exceeding $230 million.

An aggressive and persistent team approach resulted in a financing deal of more than $35 million. The relationship also includes deposit, credit, and cash management services, with the ability to diversify product offerings as the company continues to grow.

“Throughout the proposal process, Citizens demonstrated a strong commitment to customer service and the local community,” said Peter Latta, Chairman of A. Duie Pyle. “The Citizens team has been forthright, consistently delivered on their promises on a timely basis, and has exceeded our service expectations. It has the regional focus with diversified capabilities that will allow our company to sustain both short- and long-term growth.”
$40,000,000
Credit Facilities, Lead Agent, plus Cash Management, Equipment Finance and Foreign Exchange Services
- FOR -
IMS

$24,000,000
Credit Facilities plus Full Domestic and International Cash Management, Foreign Exchange and Interest-Rate Risk Management Services
- FOR -
MEDCO
and G2S Equipement de Fabrication et d’Entretien, ULC

Credit Facilities plus Cash Management, Foreign Exchange, Interest-Rate Risk Management and Trade Finance Services
- FOR -

Credit Facilities
plus
Cash Management Services
- FOR -
TriMark

$85,000,000
Credit Facility, Lead Bank, plus Cash Management and Deposit Services
- FOR -
Suit-Kole

$50,000,000
Credit Facilities, Lead Agent, Administrative Agent plus Domestic Treasury, Interest-Rate Risk Management, Corporate Card, Wealth Management and Foreign Exchange Services
- FOR -

$25,000,000
Credit Facilities plus Cash Management Services
- FOR -
HEARTSIDES

$125,000,000
Restructured Syndication, Joint Lead Arranger, plus Interest-Rate Risk Management Services
- FOR -
ORCHiD

$5,500,000
Corporate Aircraft Financing
- FOR -
WeatherTech

$17,500,000
Credit Facilities plus Letters of Credit and Cash Management Services
- FOR -
vineyard vines

$40,000,000
Revolving Line of Credit plus Cash Management, Foreign Exchange and Corporate Card Services
- FOR -

$6,500,000
Revolving Line of Credit plus Cash Management and Deposit Services
- FOR -

$25,000,000
Credit Facilities plus Cash Management, Deposit, Foreign Exchange and Interest-Rate Risk Management Services
- FOR -
ACS INDUSTRIES, INC.
It’s what’s inside that counts

Revolving Line of Credit and Term Loan facilities, Treasury Management, Corporate Credit Cards and Interest-Rate Risk Management Services
- FOR -

$3,975,000
Credit Facilities plus Deposit and Interest-Rate Risk Management Services
- FOR -

Revolving line of Credit and Term loan facilities, Treasury Management, Corporate Credit Cards and Interest-Rate Risk Management Services
- FOR -

$25,000,000
Credit Facilities plus Cash Management, and Foreign Exchange Services
- FOR -

$40,000,000
Credit Facilities, Lead Agent, plus Cash Management, Equipment Finance and Foreign Exchange Services
- FOR -

$25,000,000
Credit Facilities plus Cash Management and Interest-Rate Risk Management Services
- FOR -

$85,000,000
Credit Facility, Lead Bank, plus Cash Management and Deposit Services
- FOR -

$5,500,000
Corporate Aircraft Financing
- FOR -

$25,000,000
Credit Facilities plus Cash Management, and Foreign Exchange Services
- FOR -

$40,000,000
Credit Facilities, Lead Agent, plus Cash Management, Equipment Finance and Foreign Exchange Services
- FOR -

$25,000,000
Credit Facilities plus Cash Management, Equipment Finance and Foreign Exchange Services
- FOR -

$40,000,000
Credit Facilities plus Full Domestic and International Cash Management, Foreign Exchange and Interest-Rate Risk Management Services
- FOR -

Credit Facilities plus Cash Management, Foreign Exchange, Interest-Rate Risk Management and Trade Finance Services
- FOR -

Credit Facilities
plus
Cash Management Services
- FOR -
TriMark

$85,000,000
Credit Facility, Lead Bank, plus Cash Management and Deposit Services
- FOR -
Suit-Kole

$50,000,000
Credit Facilities, Lead Agent, Administrative Agent plus Domestic Treasury, Interest-Rate Risk Management, Corporate Card, Wealth Management and Foreign Exchange Services
- FOR -

$25,000,000
Credit Facilities plus Cash Management Services
- FOR -
HEARTSIDES

$125,000,000
Restructured Syndication, Joint Lead Arranger, plus Interest-Rate Risk Management Services
- FOR -
ORCHiD

$5,500,000
Corporate Aircraft Financing
- FOR -
WeatherTech

$17,500,000
Credit Facilities plus Letters of Credit and Cash Management Services
- FOR -
vineyard vines

$40,000,000
Revolving Line of Credit plus Cash Management, Foreign Exchange and Corporate Card Services
- FOR -

$6,500,000
Revolving Line of Credit plus Cash Management and Deposit Services
- FOR -

$25,000,000
Credit Facilities plus Cash Management, Deposit, Foreign Exchange and Interest-Rate Risk Management Services
- FOR -
ACS INDUSTRIES, INC.
It’s what’s inside that counts

Revolving Line of Credit and Term Loan facilities, Treasury Management, Corporate Credit Cards and Interest-Rate Risk Management Services
- FOR -

$3,975,000
Credit Facilities plus Deposit and Interest-Rate Risk Management Services
- FOR -

Revolving Line of Credit and Term loan facilities, Treasury Management, Corporate Credit Cards and Interest-Rate Risk Management Services
- FOR -

$25,000,000
Credit Facilities plus Cash Management, and Foreign Exchange Services
- FOR -

$40,000,000
Credit Facilities, Lead Agent, plus Cash Management, Equipment Finance and Foreign Exchange Services
- FOR -
| Credit Facilities plus Cash Management, Deposit, Equipment Finance, Foreign Exchange and Interest-Rate Risk Management Services | $215,000,000 | Syndicated Revolving Line of Credit and Term Loan, Agent and Lead Bank | FOR - | American Rock Salt Ty, Inc. |
| Revolving Credit and Term Loan facilities, Syndication Agent, plus Foreign Exchange and Interest-Rate Risk Management Services | $15,000,000 | Line of Credit plus Cash Management, Foreign Exchange and Merchant Services | FOR - | Pilot Financial |
| Credit Facilities plus Cash Management, Deposit, Equipment Finance, Foreign Exchange and Interest-Rate Risk Management Services | $70,000,000 | Global Senior Credit Facility, Administrative Agent, plus Cash Management and Commercial Card Services | FOR - | Atlas Holdings |
| Credit Facilities plus Cash Management, Deposit, Equipment Finance, Foreign Exchange and Interest-Rate Risk Management Services | $12,500,000 | Credit Facilities plus Cash Management, Foreign Exchange and Interest-Rate Risk Management Services | FOR - | Stonewall Kitchen Est. 1991 |
| Credit Facilities plus Cash Management, Deposit, Equipment Finance, Foreign Exchange and Interest-Rate Risk Management Services | $24,150,000 | Credit Facilities (for Construction and Renewable Energy Financing) plus Deposit and Treasury Services | FOR - | eMagINE The Magic of Movies & More |
| Credit Facilities plus Cash Management, Deposit and Interest-Rate Risk Management Services | $40,000,000 | Revolving Line of Credit plus Foreign Exchange and Cash Management Services | FOR - | Ampac |
| Credit Facilities plus Cash Management, Deposit and Interest-Rate Risk Management Services | $16,000,000 | Equipment Finance Facilities plus Debt Capital Market and Interest-Rate Risk Management Services | FOR - | Suburban Propane |
| Credit Facilities plus Cash Management, Deposit and Interest-Rate Risk Management Services | $25,200,000 | Term and Construction Financing plus Deposit and Interest-Rate Risk Management Services | FOR - | The Berkeley Carroll School |
| Credit Facilities plus Cash Management, Deposit, Foreign Exchange and Interest-Rate Risk Management Services | $9,000,000 | Credit Facilities plus Cash Management, Deposit, Foreign Exchange and Interest-Rate Risk Management Services | FOR - | Maplefields |
| Asset-Based Revolving Line of Credit plus Cash Management, Corporate Risk Solutions and Loan Syndication Services | $50,000,000 | Credit Facilities plus Cash Management, Interest-Rate Risk Management and Merchant Services | FOR - | Orion Recycling |
| Credit Facilities plus Cash Management and Deposit Services | $3,200,000 | Credit Facilities plus Cash Management and Deposit Services | FOR - | Zildjian Vic Firth |
| Credit Facilities plus Cash Management, Interest-Rate Risk Management and Wealth Management Services | $40,200,000 | Total Credit Facilities plus Cash Management, Interest-Rate Risk Management and Wealth Management Services | FOR - | Olga's KITCHEN |
| Credit Facilities plus Cash Management and Deposit Services | $5,658,000 | Credit Facilities plus Cash Management and Deposit Services | FOR - | Chicago Ave Pub ILTACO FOODS |
Citizens Financial Group’s Annual Report is printed on Environment® Paper. This 100 percent recycled paper reduces solid waste disposal and lessens landfill dependency. By utilizing this paper:

- 280 trees were preserved for the future.
- 198,179,200 BTUs of energy were conserved.
- 808 pounds of waterborne waste were not created.
- 13,150 pounds of solid waste were not generated.
- 118,849 gallons of wastewater flow were saved.
- 25,892 net pounds of greenhouse gases were prevented from forming.