



## Governance and remuneration

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# Our Board

A Group Audit Committee (GAC)

Ri Group Board Risk Committee (BRC)

N Group Nominations and Governance Committee (N&G)

T Group Technology, Innovation and Simplification Committee (TISC)

Re Group Performance and Remuneration Committee (RemCo)

Solid background denotes Committee Chair

## Rick Haythornthwaite

Chair



Date of appointment: 8 January 2024 (Board),  
15 April 2024 (Chair)

### Contribution to the Board

Rick is a highly experienced Chair who combines a successful commercial career with a deep knowledge of financial services markets and technology, as well as a strong track record of delivery at significant customer-facing organisations. Rick's Chair experience extends across industry sectors, including Ocado Group plc, which provides technology and automation solutions for grocery retailers; Embedded Finance, a fintech company; QiO Technologies Limited, the industrial AI company that Rick co-founded; Xynteo, a Norway-based sustainability consultancy and Mastercard Inc., a global technology company.

### Relevant experience

While Rick was Chair of Mastercard Inc. the company was transformed from a credit card company to a global technology company and its market capitalisation increased from \$5 billion to over \$350 billion. He also chaired Arc International Holdings, Centrica plc and Network Rail Limited, and was a partner at Star Capital. Rick's past non-executive directorships include Globant S.A., Cookson plc, Lafarge S.A., Land Securities plc and ICI plc. Rick also led the Haythornthwaite Review of UK Armed Forces Incentivisation.

Rick has been responsible for several high-profile business transformations and rescues, including Invensys, then one of the world's leading industrial controls companies, as CEO.

### External appointments:

- Chair of AA Limited
- Senior advisory partner at Moelis & Co
- Visiting Fellow at the Saïd Business School, Oxford University

## Paul Thwaite

Group Chief Executive Officer



Date of appointment: 25 July 2023

### Contribution to the Board

Paul has over 30 years' experience in financial services having held senior roles within Wholesale, Corporate, International, Risk and Retail Banking, across the UK, Europe and the US. Prior to his appointment as Chief Executive Officer, Paul was Chief Executive of the bank's Commercial & Institutional business, bringing together the teams that support NatWest's business customers, ranging from entrepreneurs and start-ups through to multi-nationals and financial institutions. Throughout his executive and non-executive career, Paul has taken an active role in promoting talent, and building and leading inclusive teams across multiple regions, geographies and disciplines, to deliver performance for customers and wider stakeholders.

### Relevant experience

Paul brings strong UK and international expertise in strategic and cultural transformation, scale leadership, balance sheet management and risk, plus a sharp focus on customer experience.

### External appointments:

- Member of the Board of Trustees at the University of Manchester

## Katie Murray

Group Chief Financial Officer



Date of appointment: 1 January 2019

### Contribution to the Board

Katie Murray is a Chartered Accountant with more than 30 years' experience in financial services across the UK, Europe and Africa. She brings deep expertise in financial leadership, large-scale transformation, capital management, investor relations and corporate development, with a strong track record of supporting organisations through complex strategic and regulatory change. As Group Chief Financial Officer of NatWest Group, Katie plays a central role in shaping NatWest Group's long-term strategy, financial resilience and stakeholder engagement. She has led key initiatives to strengthen balance sheet resilience, enhance performance discipline and support sustainable value creation for shareholders and wider stakeholders. She also leads NatWest's climate transition plan, supporting the UK's journey to net zero. Katie is a recognised leader in promoting diversity and inclusion across the profession and has sponsored a number of initiatives to improve representation and progression in financial services.

### Relevant experience

Katie was appointed Group Chief Financial Officer of NatWest Group in January 2019, following senior roles within NatWest Group as Director of Finance and Deputy CFO. Previously, Katie was the Group Finance Director for Old Mutual Emerging Markets, based in Johannesburg, having held various roles across Old Mutual from 2002. Katie is also a member of The Institute of Chartered Accountants of Scotland.

### External appointments:

- Non-executive director and Audit Committee Chair of Phoenix Group Holdings plc

## Lena Wilson CBE

Senior Independent Director



Date of appointment: 1 January 2018 (Board),  
1 April 2025 (Senior Independent Director)

### Contribution to the Board

Lena contributes significant knowledge and experience to the Board drawn from a broad executive and non-executive career. She has extensive transformation and development skills, with experience in enterprise, stakeholder management, ESG and general management. As a former Chair of the NatWest Group Colleague Advisory Panel, Lena provides valuable insights on customer and people issues in particular.

### Relevant experience

Lena has a portfolio of Chair roles in the listed and private sectors. She has been a FTSE 100 non-executive director for over 20 years and previously served on the boards of Scottish Power Renewables Limited and Intertek Group plc and as Chair of Picton Property Income Limited and AGS Airports Limited. Lena was Chief Executive of Scottish Enterprise (2009-2017) and prior to that, was Senior Investment Advisor to The World Bank in Washington DC.

Lena was a member of the Prime Minister's Business Council, Scotland's Financial Services Advisory Board and Chair of Scotland's Energy Jobs Taskforce. In June 2015 she received a CBE for services to economic development in Scotland and was elected a Fellow of the Royal Society of Edinburgh.

### External appointments:

- Chair and Nominations Committee Chair of FirstGroup plc
- Visiting Professor, University of Strathclyde Business School
- Member of the European Advisory Board of Workday Inc.

## Our Board continued

**Josh Critchley**

Independent non-executive director



Date of appointment: 3 November 2025

**Contribution to the Board**

Josh is a senior financial services leader with over 30 years' experience in investment banking. He has advised company boards and management teams around the world on complex financial, operational, and capital market matters. His expertise in capital markets and investment banking strengthens the Board's knowledge, especially in supporting strategy and growth.

**Relevant experience**

Josh is the former Vice Chair of Global Investment Banking at the Royal Bank of Canada (RBC). Prior to that, he spent twelve years (2011–2022) leading RBC's European and Asian Investment Banking teams, including 7 years as a member of the firm's Global Operating Committee. He originally joined RBC in 2009 to help expand its investment banking and equities presence in Europe, supporting the bank's transformation into a full-service investment banking provider. Before joining RBC, Josh held senior roles at Goldman Sachs and Merrill Lynch.

**External appointments:**

- Trustee and Investment Committee Chair at Great Ormond Street Hospital Charity
- Honorary Senior Visiting Fellow at Bayes Business School, City St George's, University of London

**Roisin Donnelly**

Independent non-executive director



Date of appointment: 1 October 2022

**Contribution to the Board**

Roisin brings extensive customer, marketing and branding experience to the Board, gained during her long executive career at Procter & Gamble. She has a strong background in digital transformation and data, and significant knowledge and experience of developing ESG strategies at board level. Roisin also brings practical board and committee experience to the role, having served on a number of listed company boards. In April 2023, Roisin was appointed as NatWest Group's Consumer Duty Board Champion. She is also the Chair of the NatWest Group Colleague Advisory Panel, which provides a valuable link to colleague and customer issues.

**Relevant experience**

Roisin spent over 30 years leading marketing and brand building at Procter & Gamble in different UK and international roles. Most recently Roisin served as Chief Marketing Officer for Procter & Gamble Northern Europe (2014–2016) and prior to that served as Chief Marketing Officer for Procter & Gamble UK and Ireland (2002–2014). Roisin's previous non-executive directorships include HomeServe plc, Just Eat plc, Holland and Barrett Limited, and Bourne Leisure Limited. She is an Honorary Fellow of the Marketing Society.

**External appointments:**

- Non-executive director of Premier Foods plc
- Non-executive director and Remuneration Committee Chair of The Sage Group plc
- Member of the Digital Advisory Board, Coca-Cola Europacific Partners plc
- Non-executive Advisor, Internet Advertising Bureau
- Trustee of The British Heart Foundation

**Re****T****A****N****Re****Ri****Patrick Flynn**

Independent non-executive director



Date of appointment: 1 June 2018

**Contribution to the Board**

Patrick contributes significant retail and commercial banking experience to the Board, together with a background in complex organisational restructuring and technology transformation. This experience enables Patrick to provide insightful contributions to Board discussions on complex matters, alongside his significant financial knowledge and expertise.

**Relevant experience**

Patrick was the Chief Financial Officer and a member of the Executive Board of ING Group for over eight years to May 2017. Prior to that, he worked for HSBC for 20 years. He is also a Fellow of Chartered Accountants Ireland.

**External appointments:**

- Senior Independent Director and Audit Committee Chair of Aviva plc

**A****Ri****T****Geeta Gopalan**

Independent non-executive director



Date of appointment: 1 July 2024

**Contribution to the Board**

Geeta brings substantial financial and banking expertise to the Board with over 25 years of expertise in business leadership and management roles across commercial and retail financial services in the UK and internationally, as well as social investment and community development. Geeta has a strong track record as a non-executive director, having served on boards in a variety of industries including financial services, pharmaceuticals and technology.

**Relevant experience**

Geeta has served as a non-executive director of Virgin Money UK plc, where she chaired the Risk Committee; Dechra Pharmaceuticals Ltd, Ultra Electronics Plc, WiZink Bank S.A., and Vocalink.

Geeta is also a Qualified Chartered Accountant of the Chartered Accountants Institute, India.

**External appointments:**

- Non-executive director of Intrum AB
- Non-executive director of Auto Trader Group plc
- Non-executive director of Clear Score Technology Limited
- Trustee and Finance Committee Chair at The Old Vic Theatre

## Our Board continued

**Yasmin Jetha**

Independent non-executive director



Date of appointment: 1 April 2020

**Contribution to the Board**

Yasmin brings a wealth of retail banking and customer experience to the Board, as well as valuable technology and innovation insights. On 1 April 2020 Yasmin re-joined the Board of NatWest Group plc, having first been appointed in June 2017. Yasmin stepped down in April 2018 to serve solely as a director of our key ring-fenced entities. She continues to serve on these boards in addition to the Board of NatWest Group plc.

**Relevant experience**

During her executive career, Yasmin held Chief Information Officer roles at Bupa and the Financial Times, where she later became the Chief Operating Officer. Prior to that Yasmin held several senior roles at Abbey National PLC, in a career spanning nearly 20 years, where latterly she served as an executive director on the board.

**External appointments:**

- Non-executive director of Guardian Media Group plc

**Stuart Lewis**

Independent non-executive director



Date of appointment: 1 April 2023

**Contribution to the Board**

Stuart brings extensive risk management, financial services and regulatory experience to the Board gained during his executive career, predominantly at Deutsche Bank, where he served for 10 years on the Management Board as Chief Risk Officer. Stuart also brings practical board-level experience, having served on a number of boards and committees in both executive and non-executive capacities.

**Relevant experience**

Stuart was previously a non-executive director of the London Stock Exchange Group plc. He was also previously a Member of the Foundation Board of the International Financial Risk Institute and served as Chair.

**External appointments:**

- Non-executive director of Singapore Exchange Limited
- Member of the Board of Trustees of the Global Association of Risk Professionals
- Visiting Professor in Practice in the Finance Department, London School of Economics

A N Ri

**Gill Whitehead OBE**

Independent non-executive director



Date of appointment: 8 January 2025

**Contribution to the Board**

Gill has over 25 years of executive experience in the consumer technology and media sectors having worked at Ofcom, Google, Channel 4 and the BBC. She is a Visiting Policy Fellow at the University of Oxford's Internet Institute, focusing on global developments in online and AI safety. Her board experience spans FTSE 50 companies, public bodies, and sport. Gill is a fellow of the Institute of Chartered Accountants of England and Wales.

**Relevant experience**

Gill has served as a non-executive director of the Financial Ombudsman Service and Camelot (operator of the National Lottery). She also served as Google UK's Senior Director of Client Solutions & Analytics. Prior to this, Gill worked in media at Channel 4 and the BBC and supervised several big tech firms at Ofcom. Gill was awarded an OBE for services to women's rugby in the King's New Year Honours list for 2026.

**External appointments:**

- Non-executive director and Audit Committee Chair of Informa plc
- Non-executive director of the British Olympic Association
- Chair of the Women's Rugby World Cup 2025
- Member of the Advisory Council at Frontier Economics

Ri T

**Gary Moore**

Chief Governance Officer and Company Secretary



Date of appointment: 14 February 2025

**Contribution to the Board**

Gary works closely with the Chair to ensure effective and efficient functioning of the Board and appropriate alignment and information flows between the Board and its committees. He is responsible for advising the Board and individual directors on all governance matters, while also facilitating Board induction and directors' professional development.

**Relevant experience**

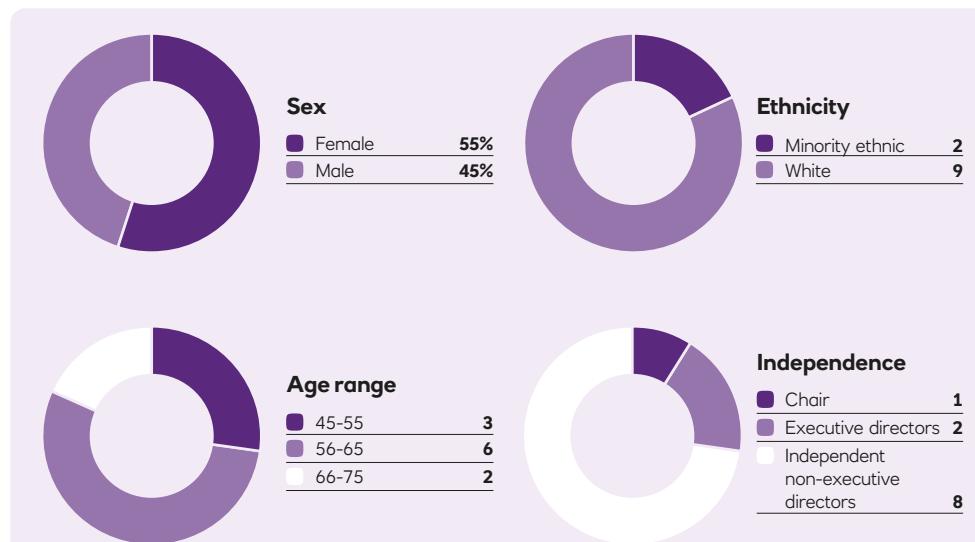
Gary is a qualified lawyer with significant governance, legal and regulatory experience. Prior to his appointment as Chief Governance Officer and Company Secretary, Gary held various roles in the Corporate Governance function, including Head of Corporate Secretariat and Deputy Company Secretary. Prior to joining NatWest, Gary was a Senior Associate at Allen & Overy.

**Former directors**

- Mark Seligman retired from the Board on 31 March 2025
- Frank Dangeard stepped down from the Board on 23 April 2025

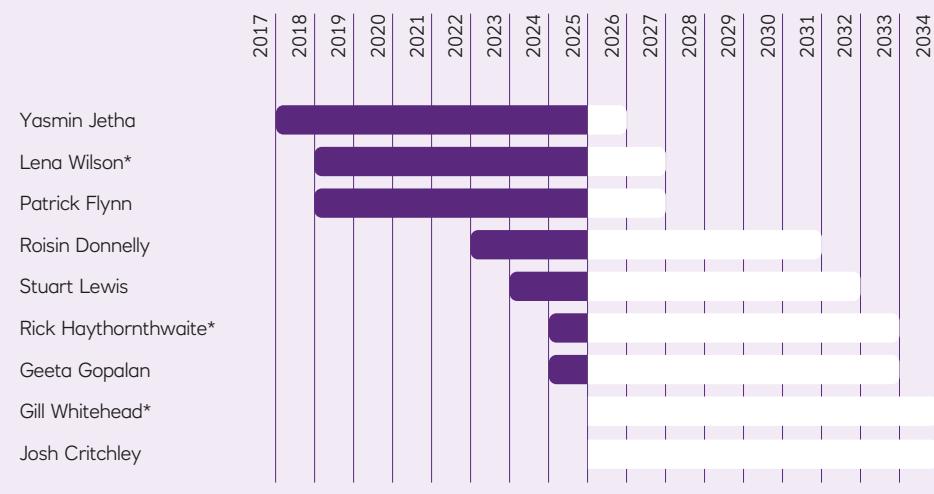
# Board composition overview

As at 31 December 2025 there were 11 directors on the Board.



## Chair and non-executive directors' tenure

Full Board average tenure: 3.4 years



## Board and committee changes

### 2025

1 January

Geeta Gopalan joined the Group Audit Committee, Group Board Risk Committee and Group Sustainable Banking Committee.

8 January

Gill Whitehead was appointed as an independent non-executive director, and joined the Group Board Risk Committee and Group Sustainable Banking Committee.

31 March

Mark Seligman retired from the Board and as Senior Independent Director.

1 April

Lena Wilson assumed the role of Senior Independent Director.

23 April

Frank Dangeard stepped down as a director and as Chair of NatWest Markets Plc and NatWest Markets N.V.

10 June

Patrick Flynn joined the Group Performance and Remuneration Committee.

3 November

Josh Critchley was appointed as an independent non-executive director.

11 December

Josh Critchley joined the Group Performance and Remuneration Committee.

### 2026

23 February\*

Albert Hitchcock will join the Board as an independent non-executive director.

31 March

Yasmin Jetha will retire from the Board, and Patrick Flynn will step down as a member of the Group Performance and Remuneration Committee.

\* Albert's appointment date will be one week later than previously announced, due to a scheduling adjustment.

# Executive management team



**Paul Thwaite**  
Group Chief Executive Officer



**Katie Murray**  
Group Chief Financial Officer



**Sean Pilcher**  
Interim Group Chief Risk Officer



**Solange Chamberlain**  
CEO, Retail



**Emma Crystal**  
CEO, Private Banking & Wealth Management



**Robert Begbie**  
CEO, Commercial & Institutional



**Scott Marcar**  
Group Chief Information Officer



**James Holian**  
Chief Customer & Operations Officer



**Maria Kokkinou**  
Group Chief People Officer



**Rachel Hopcroft CBE**  
Group Chief Corporate Affairs Officer



**Margaret Jobling**  
Group Chief Marketing Officer



**Will Luker**  
Group Chief Legal Officer and General Counsel



**Nick Curle**  
Group Chief Audit Executive



**Peter Norton**  
Group Director, Strategy, Economics and Corporate Development

The executive management team supports the Group Chief Executive Officer (CEO) in managing NatWest Group's businesses and in the discharge of his regulatory accountabilities.

The team holds regular meetings, including the Group Executive Committee.

Further information on the responsibilities of the executive management team can be found on page 107.

# Chair's introduction



**'The Board remains committed to supporting our customers and the wider UK economy. We will continue to evolve our Board and governance operating model to ensure we are well-positioned for the challenges and opportunities ahead.'**

## Dear Shareholder,

I am pleased to present the 2025 Corporate governance report.

Before going any further, I'd like to pause and reflect on the sad news of Frank Dangeard's passing in August. Frank was a highly valued and respected director, colleague and friend to many of us at NatWest, and his wise counsel will be greatly missed.

2025 was a year of meaningful transformation and progress for the Board of directors.

Building on the themes identified during the 2024 Board effectiveness review and my own reflections since taking on the role of Chair, we entered 2025 with a renewed commitment to evolve our Board and governance operating model, focused on our ambition to develop further as a high-performing Board.

During 2025, the Board's priorities have included strengthening directors' expertise, enhancing strategic engagement, improving Board dynamics, sharpening our focus on ESG, and leveraging data and analytics to guide our decisions. These priorities have shaped the Board agenda and are described in more detail on page 102 and reflected throughout this Corporate governance report.

In support of a refreshed governance operating model, the Board and management conducted a comprehensive review of the remit of the Board and its committees, to ensure each forum remains focused on the most critical matters. Notably, the Group Sustainable Banking Committee (SBC) transitioned into the Group Technology, Innovation and Simplification Committee, underscoring our commitment to technological advancement and organisational agility, with a number of SBC focus areas, such as ESG, Consumer Duty, organisational development and culture

elevated to become Board-level matters.

By delegating routine matters to Board committees, we have been able to devote more time in Board meetings to strategic discussions on customer-centric topics such as digital assets, climate and sustainability, and the innovation economy. The Board has also considered how changes in the regulatory, geopolitical and economic environment inform our approach to resilience and relevance, with a particular focus on safeguarding and enhancing the customer experience in a changing world.

The introduction of new performance metrics has further enhanced our understanding of business performance and customer outcomes. During 2025, the Board held a number of performance-related spotlight sessions on key topics, including: deposits, mortgages, customer onboarding, and customer experience. These sessions were underpinned by performance data and analysis, which provided the Board with deeper insights into progress against strategic objectives, enabled more informed decision-making, and supported targeted actions to drive improvements in such areas. As part of our commitment to deepening strategic engagement and understanding the needs of our customers and colleagues, the Board visited Birmingham and the West Midlands in September 2025, meeting with local clients, colleagues and stakeholders to hear first-hand about the opportunities and challenges facing the region. You can find further details of the visit on page 112.

2025 also brought several changes in Board membership. Lena Wilson succeeded Mark Seligman as Senior Independent Director following Mark's retirement at the end of March.

## Principal areas of focus

- Purpose and strategy
- Culture
- Stakeholder engagement
- Customers
- Risk and controls
- Financial
- Legal, regulatory and governance

The Board welcomed Josh Critchley as an independent non-executive director in November 2025 and I am delighted that Albert Hitchcock will join the Board as an independent non-executive director on 23 February 2026.

Yasmin Jetha will retire from the Board on 31 March 2026 having made an outstanding contribution. Yasmin leaves with our very best wishes for the future. See page 99 for full details of Board and committee membership changes in 2025/2026.

I would like to thank my fellow directors for their valuable contribution and professionalism throughout 2025. The Board's collective expertise and constructive challenge has been central to our progress, and I am grateful for the support and engagement shown both in the boardroom and across the business.

I look forward to continuing our work together as we support delivery of NatWest Group's strategic priorities in the year ahead.

**Rick Haythorntwaite**  
Chair of the Board

12 February 2026

# Governance at a glance

## Continuing to evolve and enhance our Board and committee governance in support of our sustainable strategy.

In February, 2025 the Board set an ambition to develop further as a high-performing Board, driving innovation, ensuring robust governance and delivering sustained, profitable growth.

The Board agreed to progress a series of actions under the themes shown below to build further on the Board's strong foundations and acknowledging the key findings of the 2024 Board effectiveness review. The outcomes of our Board evolution action plan are highlighted throughout this Corporate governance report and sign-posted opposite.



## Our Board evolution action plan

### Strengthening Board expertise by...

- p.103 Using our Board skills matrix to support Board composition and succession planning, and new non-executive director induction.
- p.113 Developing an enhanced approach to Board learning, including the use of online tools and resources.
- p.122 Evolving and systemising our search and recruitment process and practices for new non-executive directors.

### Enhancing strategic engagement by...

- p.108 Re-balancing Board and committee oversight responsibilities to support the Board's strategic focus.
- p.108 Continuing to bring a range of external perspectives into the boardroom.
- p.137 Establishing the Group Technology, Innovation and Simplification Committee.

### Improving Board dynamics by...

- p.108 Fostering a culture of collaboration, constructive challenge and collegiality.
- p.116 Considering Board culture and behaviours and how the Board sets the 'tone from the top'.

### Sharpening ESG focus by...

- p.36 Considering NatWest Group's definition of sustainability, and its climate ambition and targets.
- p.106 Enhancing Board visibility and oversight of ESG matters.

### Leveraging data and analytics by...

- p.108 Reviewing how Board and committee agenda time is allocated.
- p.116 Sharpening strategic focus through performance management oversight.

# Diversity in the boardroom



## Board skills and experience

The Board recognises the value and importance of a comprehensive Board skills matrix to support effective governance and strategic oversight. In December 2025, our Board skills assessment was refreshed following a review of the six critical and ten general skills identified in 2024 as priorities for the Board over a three to five-year period. Using the BoardOutlook technology platform, all directors participated in an online process which involved both self-assessment and peer calibration elements. The 2025 Board skills assessment outputs confirmed the Board's view of the collective expertise and capabilities of the Board against the organisation's strategic priorities and governance needs, as reflected in the Board skills matrix below. The detailed data and analysis offered through the Board skills assessment has underpinned Board composition and succession planning, as well as supporting NED induction and professional development.

→ **Details of the broader experience our directors contribute to the Board can be found in their biographies on pages 96 to 98 and further information on the Board skills matrix is provided in the N&G report on page 122.**

## Board skills matrix 2025

### Critical skills

Banking and financial services	Customer and partner
■■■■■■■■■■○○○○	■■■■■■■■■■○○○○
Risk management	Consumer digital
■■■■■■■■■■○○○○	■■■■■■■■■■○○○○○○

### Strategy, innovation and disruption

■■■■■■■■■■○○○○	Enterprise digital
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### General skills

Corporate governance	Major change and transformation
■■■■■■■■■■■■■■	■■■■■■■■■■■■○
Regulatory engagement	Talent and leadership
■■■■■■■■■■○○○○	■■■■■■■■■■○○○
Accounting and financial reporting	Remuneration
■■■■■■■■■■○○○○	■■■■■■■■■■○○○○
Mergers, acquisitions and divestments	Sustainability
■■■■■■■■■■○○○○	■■■■■■■■■■○○○○○○
CEO experience	Marketing, brand and communications
■■■■■■■■■■○○○○	■■■■■■■■■■○○○○○○

Dark squares represent expert or advanced levels of skills or experience.

## Board and executive management diversity disclosures

### UK Listing Rule (UKLR) 6.6.6R (10)

#### Table for reporting on gender identity or sex

	Number of Board members	% of the Board	Number of senior positions on the Board	Number in executive management	% of executive management
Men	5	45	2	8	57
Women	6	55	2	6	43
Other categories	0	0	0	0	0
Not specified/prefer not to say	0	0	0	0	0

#### Table for reporting on ethnic background

	Number of Board members	% of the Board	Number of senior positions on the Board	Number in executive management	% of executive management
White British or other White (including minority-White groups)	9	82	4	10	71
Mixed/Multiple ethnic groups	0	0	0	0	0
Asian/Asian British	2	18	0	0	0
Black/African/Caribbean/Black British	0	0	0	0	0
Other ethnic group	0	0	0	0	0
Not specified/prefer not to say	0	0	0	4	29

### UK Listing Rule (UKLR) 6.6.6R (9)

#### Compliance

The company has met the targets on board diversity set out below as at 31 December 2025.

UK Listing Rules requirement	Outcome	Group's position at 31 December 2025
At least 40% of Board directors are women	Target met	55% of Board directors were women
At least one senior Board position held by a woman	Target met	The positions of CFO and Senior Independent Director are held by women
At least one Board director from a minority ethnic background	Target met	Two Board directors are from a minority ethnic background

Footnotes (these apply to both the UKLR 6.6.6R (9) and (10) tables above, unless otherwise stated).

(1) All data as at 31 December 2025 (the reference date).

(2) Data was collected via self-reporting methods – for Board directors this was via email and for members of the executive management team it was collected via our HR system Workday.

(3) The Group CEO and Group CFO are members of both the Board and executive management and so are counted in both groups (UKLR 6.6.6R (10) table only).

(4) Senior Board position is CEO, CFO, Chair or Senior Independent Director.

→ **Our boardroom inclusion policy aims to promote diversity and inclusion in our Board and committee composition via targets which aspire to meet those set out in the UK Listing Rules, the FTSE Women Leaders Review and the Parker Review. A copy of the policy is available at [natwestgroup.com](http://natwestgroup.com).**

→ **For further information on our inclusion initiatives, see page 62.**

# UK Corporate Governance Code 2024

All directors are committed to observing high standards of corporate governance, business integrity and professionalism. Throughout 2025, NatWest Group plc applied the Principles and complied with the Provisions of the 2024 UK Corporate Governance Code (the Code or UKGC Code) with the exception of Provision 29, which is effective from 1 January 2026. The company continued to comply with Provision 29 of the 2018 UK Corporate Governance Code during 2025.

There was one short-term exception to the company's compliance with Provision 32 that 'the board should establish a remuneration committee of independent non-executive directors with a minimum membership of three.' For a period of c.7 weeks in 2025, the Group Performance and Remuneration Committee (RemCo) had two independent non-executive directors as members, after Frank Dangeard stepped down from the Board on 23 April at short notice. Patrick Flynn joined RemCo on 10 June 2025 and Josh Critchley subsequently joined on 11 December 2025. Mr Flynn will step down as a member of RemCo on 31 March 2026.

## Applying the Code Principles

The UK Listing Rules require companies to make a statement of how they have applied the Code's Principles, in a manner that would enable shareholders to evaluate how the Principles have been applied. The boxes opposite are aligned to the five sections of the Code and include cross-references to relevant parts of this report where additional information can be found on our approach.

### Section 1 – Board leadership and company purpose

- Our strategy (page 15)
- Our business model (page 12)
- Principal areas of Board focus in 2025 (pages 109 to 111)
- Board oversight of purpose, strategy and culture (page 116)
- How the Board engaged with stakeholders (including our Colleague Advisory Panel) (pages 117 to 118)

### Section 2 – Division of responsibilities

- Our governance framework (role and responsibilities of the Board and Board committees) (page 105)
- Division of responsibilities (page 107)
- Subsidiary governance and ring-fencing (page 114)
- Board and committee membership and attendance (page 108 and relevant Board committee reports)
- Board policies and processes, including external appointments and time commitment (page 115)

### Section 3 – Composition, succession and evaluation

- Directors' biographies and committee memberships (pages 96 to 98)
- Board composition overview as at 31 December 2025 (sex, ethnicity, age range, independence, tenure) (page 99)
- Board and Board committee changes in 2025 and 2026 (page 99)
- Board skills and experience, including the Board skills matrix (page 103)
- 2025 Board effectiveness review (pages 119 to 121)
- Group Nominations and Governance Committee report (Board appointments, Board composition and succession planning, executive succession) (page 122)
- Board and executive management diversity disclosures and our Boardroom inclusion policy (page 103)

### Section 4 – Audit, risk and internal control

Information on how the company has applied the Principles and complied with the Provisions set out in this section of the Code can be found throughout the Annual Report and Accounts.

The following sections are of particular relevance:

- Group Audit Committee report (page 124)
- Viability statement (page 80)
- Compliance report (page 169)
- Group Board Risk Committee report (page 131)

The Board regularly assesses the company's emerging and principal risks in a variety of ways including through review of the Group Risk Report and dedicated training

Details of the company's principal risks, procedures in place to identify top and emerging risks, and how these are managed or mitigated, can be found on pages 74 to 79 (Risk overview) and pages 177 to 274 (Risk and Capital Management)

### Section 5 – Remuneration

- Directors' remuneration report (page 140) (Group Performance and Remuneration Committee activity and decisions during 2025; remuneration policy for executive directors; wider workforce remuneration)

→ For further information on our approach towards [Principle 0 of the Code](#), and preparations for Provision 29 of the 2024 Code becoming effective, see page 130.

→ The information referred to on this page supports our [statement of compliance](#) on page 169.

# Our governance framework

## NatWest Group plc Board

- Is collectively responsible for promoting the long-term success of the company, driving shareholder value and NatWest Group's contribution to wider society.
- Establishes NatWest Group's strategy and leads the development of its culture.
- Provides leadership of the company within a framework of prudent and effective controls, which enables risk to be assessed and managed.
- Sets the strategic aims of the company and its subsidiaries, ensures that the necessary resources are in place for NatWest Group to meet its objectives.
- Is responsible for the allocation and raising of capital, and reviews business and financial performance.
- Ensures that the company's obligations to its shareholders and other key stakeholders are understood and met.

To assist in providing effective oversight and leadership, the Board has established the following committees:

<b>Group Nominations and Governance Committee (N&amp;G)</b>	<b>Group Audit Committee (GAC)</b>	<b>Group Board Risk Committee (BRC)</b>	<b>Group Technology, Innovation and Simplification Committee (TISC)</b>	<b>Group Performance and Remuneration Committee (RemCo)</b>
Assists the Board in the appointment of directors and with Board committee composition.  Reviews the structure, size and composition of the Board and approves appointments to the boards of principal and material regulated subsidiaries.  Monitors NatWest Group's governance arrangements.  Considers succession planning for the Board and senior management.  → <a href="#">Committee report on page 122.</a>	Assists the Board in discharging its responsibilities in relation to the disclosure of NatWest Group's financial and non-financial reporting.  Reviews accounting and financial reporting and regulatory compliance and NatWest Group's system of internal controls.  Monitors the processes for internal audit, risk management, external audit and whistleblowing.  → <a href="#">Committee report on page 124.</a>	Provides oversight and advice to the Board on current and potential future risk exposures of NatWest Group; future risk profile; and the approval and effectiveness of the enterprise-wide risk management framework.  Reviews NatWest Group's performance relative to risk appetite; the effectiveness of internal controls required to manage risk; and all material risk exposures.  → <a href="#">Committee report on page 131.</a>	Responsible for supporting the Board in overseeing NatWest Group's use of technology, data and innovation to support delivery of its strategic ambitions.  Oversees NatWest Group's progress on technological enablers of simplification initiatives to ensure delivery and increase competitive advantage.  → <a href="#">Committee report on page 137.</a>	Responsible for the overview of NatWest Group's remuneration policy and the directors' remuneration policy, ensuring that arrangements are designed to promote the long-term success of NatWest Group.  Approves pay and performance outcomes for executive directors and senior members of management.  Approves the annual Group-wide bonus pool.  → <a href="#">Committee report on page 140.</a>

## Executive governance

The Group Executive Committee (ExCo) supports the CEO in discharging his responsibilities in managing NatWest Group's business day to day.

→ [For further information on individual roles and responsibilities, see page 107.](#)

## Board committee connectivity

Having non-executive directors on multiple Board committees supports effective governance by strengthening coordination and alignment on shared areas of focus, particularly in relation to audit, risk and remuneration matters.

Board committee members also work together to enhance their knowledge and understanding of the business through business visits and teach-ins. In 2025 these included joint GAC and BRC visits to the Risk, Internal Audit and Finance functions.

## Further information

- Board and Board committee terms of reference are available at [natwestgroup.com](#) and are reviewed at least annually.
- The Board terms of reference include a formal schedule of matters specifically reserved for the Board's decision.
- Internal reviews confirmed the Board and its committees had fulfilled their remits as set out in their terms of reference during 2025.

→ [For further information on the evolution of the Group Sustainable Banking Committee \(SBC\) into the Group Technology, Innovation and Simplification Committee in 2025, see page 137.](#)

# Climate governance



The governance structure for climate-related activities is embedded across the organisation. We continue to monitor the effectiveness of these arrangements to ensure that the risks and opportunities for the bank and our stakeholders are considered. The NatWest Group plc Board, Board committees, executive fora, cross-bank working groups and day-to-day decision-making all have a role to play in the delivery of this integrated governance approach. A complete list of climate-related topics considered by the Group Board and committees is shown in the timeline.

## Board and Board committee responsibilities

### Group Board

(For further information on the Board's oversight of climate matters, refer to the s.172 statement on pages 36-37)

Responsible for promoting the long-term sustainable success of NatWest Group, sets strategic aims, monitors and oversees the risks and opportunities presented by the transition including strategic climate targets. It also oversees actions being taken and progress against our climate ambition and climate transition plan.

From June 2025, the Board was also responsible for overseeing actions being taken to run the bank as a sustainable business.

### GAC

Considers financial and non-financial disclosures and receives assurance regarding the robustness of controls supporting these disclosures.

### BRG

Considers current and potential future climate risk exposures.

### RemCo

Oversees the link between climate strategy and remuneration.

### SBC

Up to June 2025, SBC oversaw actions being taken to run the bank as a sustainable business and progress against our climate ambition, when this activity transitioned to the Board.

## Executive governance

The Group CEO holds Joint Senior Manager Function accountability for identifying and managing financial risks from climate change, together with the Group Chief Risk Officer (Group CRO). The Executive team has delegated responsibility from the Group CEO for identifying and managing financial risks and opportunities from climate change and the execution of the transition plan. This is primarily delegated to the Chief Financial

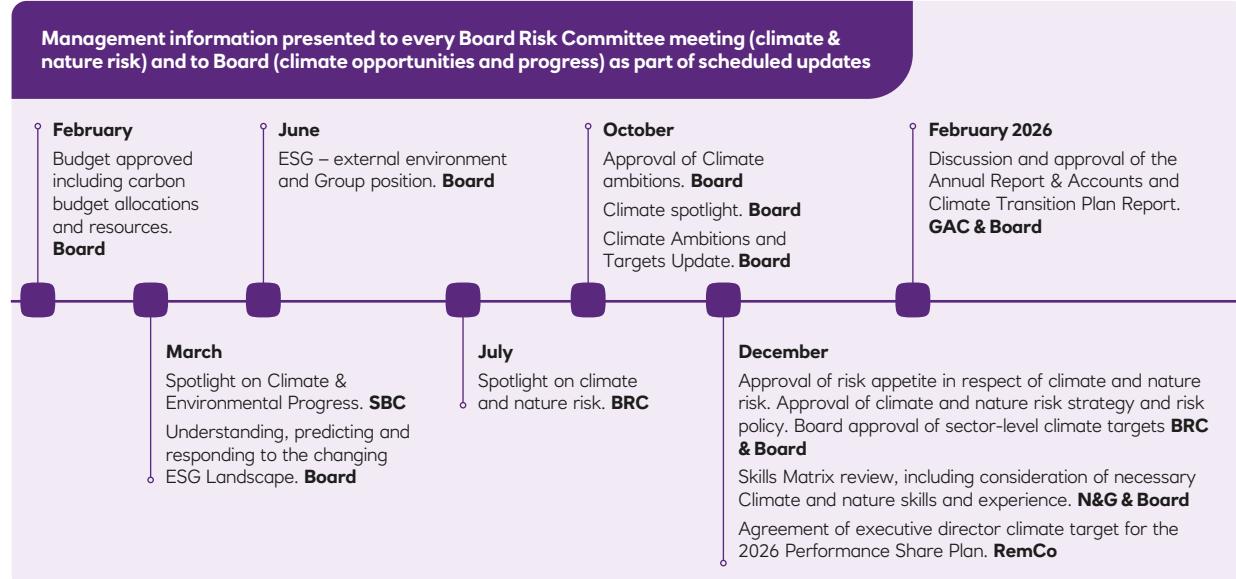
Officer (Group CFO), Group Chief Information Officer (Group CIO), Chief Customer & Operations Officer, Group Director, Strategic, Economics & Corporate Development and the business CEOs.

The **Group Executive Committee** supports the Group CEO in managing NatWest Group's businesses and operates under individual accountability. ExCo has primary oversight responsibility at Group level for implementation of the climate transition plan and climate-

related ambitions, targets and commitments. Additional Executive level committees operate under individual accountability to support relevant Executive Management Team members in discharging their individual accountabilities. These committees provide a forum for debate and challenge of the key issues set out in their Terms of Reference. These include the **Group Executive Risk Committee** which reviews and challenges all material risk exposures including operational,

reputation and climate risk; the **Group Executive Disclosure Committee** which reviews all material financial and non-financial disclosures, including climate disclosures; the **Group Reputational Risk Committee** which considers the reputational impact of climate change actions and the Environmental & Social Risk Framework; and **segment and function leadership teams** which manage delivery against allocated carbon budgets and associated targets.

Areas of Board and committee focus	Board	Audit Committee	Board Risk Committee	Performance & Remuneration Committee	Nominations & Governance Committee
Risk	✓	✓	✓	✓	
Opportunities	✓			✓	
Progress against transition plan	✓	✓	✓	✓	
Disclosures	✓	✓			
Education	✓				
Skills	✓				✓



# Division of responsibilities

As at the date of publication of this report the Board has 11 directors, comprising the Chair, two executive directors and eight independent non-executive directors, one of whom is the Senior Independent Director. Director biographies and details of the Board committees of which they are members can be found on pages 96 to 98.

<b>Chair and CEO</b>	The role of Chair is distinct and separate from that of the CEO and there is a clear division of responsibilities, with the Chair leading the Board and the CEO managing the business day to day.
<b>Senior Independent Director (SID)</b>	During 2025, Mark Seligman held the role of SID until 31 March 2025 and from 1 April 2025 Lena Wilson assumed the role. Mark and Lena acted as a sounding board for the Chair, and as an intermediary for other directors when necessary. They were available to shareholders to discuss any concerns that could not be resolved through standard communication with the Chair, CEO or other members of executive management. Ms Wilson also led the non-executive directors' year-end review of the Chair's performance, together with Francesca Barnes the Senior Independent Director of the ring-fenced bank.
<b>Chief Governance Officer and Company Secretary</b>	Jan Cargill held the role of Chief Governance Officer and Company Secretary until 14 February 2025, when Gary Moore assumed the role.  The Chief Governance Officer and Company Secretary works closely with the Chair to ensure effective and efficient functioning of the Board and appropriate alignment and information flows between the Board, its committees and management.  The Chief Governance Officer and Company Secretary is responsible for advising the Board and individual directors on all governance matters, and also facilitates Board induction and directors' professional development.
<b>Non-executive directors</b>	Along with the Chair and executive directors, the non-executive directors are responsible for ensuring the Board fulfils its responsibilities under its terms of reference.  The non-executive directors combine broad business and commercial experience with independent and objective judgement. They provide constructive challenge, strategic guidance, and specialist advice to the executive directors and the executive management team and hold management to account.  The balance between non-executive and executive directors enables the Board to provide clear and effective leadership across NatWest Group's business activities and ensures no one individual or small group of individuals dominates the Board's decision-making.  The performance of the non-executive directors is evaluated annually as part of the Board effectiveness review and further details of the 2025 process and outcomes can be found on pages 119 to 121.
<b>Executive management</b>	The executive management team supports the Group Chief Executive Officer (CEO) in managing NatWest Group's businesses.  Decisions at all executive level committees including the Group Executive Committee are made under individual accountability where decision-making authority lies with an individual (who usually chairs committee meetings) and committee members support the relevant individual in discharging their accountabilities.  These committees provide a forum for debate and challenge of the key issues set out in their terms of reference. The role of members is to provide input, support and/or challenge to the decision-maker, including on whether to recommend matters to Board committees and the Board. The Group Executive Committee considers the delivery of strategy, financials, risk, and customer, colleague and operational issues affecting NatWest Group, as well as monitoring the implementation of cultural change. The executive management team also holds regular executive succession planning, talent and team effectiveness sessions. Members of the executive management team also have individual accountabilities for their respective areas of responsibility and have committees to support them in discharging these accountabilities.

→ Details of the key responsibilities of the Chair, CEO, Senior Independent Director and non-executive directors are available at [natwestgroup.com](https://natwestgroup.com).

→ The executive management team is detailed on page 100 and biographies are available at [natwestgroup.com](https://natwestgroup.com).

# How the Board operated in 2025

 Enhancing strategic engagement; Improving Board dynamics; Sharpening ESG focus; Leveraging data and analytics

## Board and committee meetings

There were eight scheduled meetings of the Board during 2025. Additional ad hoc meetings of the Board and some of its committees were held throughout the year to receive updates and deal with time-critical matters. There was one additional Board meeting held in 2025, compared to five in 2024. There were also two strategy sessions with executive management in 2025. Details of ad hoc Board committee meetings in 2025 are contained in the relevant committee reports.

The Chair and non-executive directors met without the executive directors present at the end of each Board meeting. Led by the Senior Independent Director, the non-executive directors met in December without the Chair present to review the Chair's performance.

## Board members and attendance in 2025

Director	Scheduled Board meetings attended
Rick Haythornthwaite	<b>8 of 8</b>
Paul Thwaite	<b>8 of 8</b>
Katie Murray	<b>8 of 8</b>
Lena Wilson	<b>8 of 8</b>
Frank Dangeard <sup>(1)</sup>	<b>0 of 2</b>
Josh Critchley <sup>(2)</sup>	<b>1 of 1</b>
Roisin Donnelly	<b>8 of 8</b>
Patrick Flynn	<b>8 of 8</b>
Geeta Gopalan	<b>8 of 8</b>
Yasmin Jetha	<b>8 of 8</b>
Stuart Lewis	<b>8 of 8</b>
Gill Whitehead	<b>8 of 8</b>

(1) Mr Dangeard was unable to attend two scheduled meetings owing to illness, and stepped down from the Board with effect from 23 April 2025.

(2) Mr Critchley joined the Board on 3 November 2025.

In addition to the eight scheduled meetings held, there was one ad-hoc meeting. All directors eligible to attend this meeting were present, except for Ms Donnelly who was unable to attend due to a prior commitment.

When directors are unable to attend meetings convened at short notice, for example owing to existing commitments, they receive the papers and have the opportunity to provide any feedback in advance.

At each scheduled Board meeting the directors received reports from the Chair, Board committee Chairs, Group CEO, Group CFO, Group Chief Risk Officer and other members of the executive management team, as appropriate. The CEOs of our Retail Banking, Private Banking & Wealth Management and Commercial & Institutional businesses provided updates on progress against strategy. In addition to our business CEOs, a number of other senior executives attended Board meetings throughout the year to present reports to the Board. This provided the Board with an opportunity to engage directly with management on key issues and supported succession planning. The Board also welcomed external presenters and advisers to Board meetings, which provided useful insights and perspectives.

## Board evolution action plan – refreshing our governance operating model

Our Board evolution action plan, as described on page 102, led to a range of enhancements to the way our Board and Board committees operated in 2025. These included:

- A comprehensive review of Board and committee oversight responsibilities, led by the Board and which resulted in a re-balancing of those oversight responsibilities to support the Board's

strategic focus. This review identified opportunities to redirect oversight of operational, compliance, and regulatory matters to relevant Board committees, ensuring a greater degree of rigour in these areas. The changes were designed to create time and capacity at Board level to strengthen focus on strategic priorities, including ESG, Consumer Duty, and organisational development and culture.

- A governance simplification review undertaken at Board committee level which resulted in additional steps being taken to rationalise Board committee oversight responsibilities where appropriate.
- A detailed analysis of Board and Board committee time allocation during 2024, which provided additional data and insights into how Board and Board committee agenda and discussion time had previously been spent and which informed 2025 actions and forward planning.
- Continuing to bring a range of external perspectives into the boardroom aligned to the Board's areas of strategic focus, through dedicated guest dinner sessions and strategic agenda items at Board meetings.
- Supporting a culture of collaboration and collegiality through the introduction of NED only breakfast meetings, regular Chair and NED 1:1s and Board dinners, which offered an opportunity for more informal

conversations. In addition, the March Board dinner discussion focused on the 'tone from the top' culture and behaviours the Board wished to demonstrate to management and the wider organisation.

- Sharpening the Board's strategic focus on performance management oversight through the use of a performance dashboard, which includes Key Performance Indicators (KPIs) and Key Results (KRs).
- Refreshing our approach to forward agenda planning to reflect and embed the Board evolution themes, including a detailed three-month look ahead planner (prepared on a rolling basis) and a longer term eighteen-month high level agenda planner.

As part of the 2025 Board effectiveness review, directors were invited to share their feedback on the Board evolution actions taken during 2025. Directors observed that the Board had made meaningful progress in strengthening governance and strategic focus with reference to the re-balancing of Board and Board committee agendas, streamlining meetings and establishing the new Group Technology, Innovation and Simplification Committee in particular. Opportunities were noted to continue supporting team cohesion and structured Board learning.

→ [For further information on the 2025 Board effectiveness review, see pages 119 to 121.](#)

Board committee and attendance information can be found in the relevant Board committee reports. During 2025, the Group Chair attended all Group Nominations and Governance Committee meetings as Chair, and all other Board committee meetings as an observer.

# Principal areas of Board focus in 2025

 Strengthening Board expertise; Enhancing strategic engagement; Improving Board dynamics; Sharpening ESG focus; Leveraging data and analytics

Theme	Principal areas of focus	Outcomes
<b>Purpose and strategy</b> 	<p>Having approved the refreshed strategy and purpose in 2024, the Board's focus in 2025 was on oversight of management's execution of the strategy and embedding the purpose across NatWest Group. Sentiment towards NatWest Group's purpose was measured via our 2025 colleague survey, Our View, the results of which were considered by the Board in June and December.</p> <p>Throughout 2025, the Board held a series of dedicated sessions to consider key elements of the strategy, revisiting important topics such as the evolving ESG landscape, sustainability and our climate ambition and targets, and developments in digital assets. The Board also undertook further work on Private Banking &amp; Wealth Management strategy, the regional strategy in India, regulatory priorities and inorganic growth opportunities.</p>	<p>The Board confirmed its support for the proposed Private Banking &amp; Wealth Management strategy, noting alignment with the previously agreed wider NatWest Group strategy.</p> <p>→ <a href="#">Further information on Board oversight of purpose and strategy can be found on page 116.</a></p>
<b>Culture</b> 	<p>To support the new performance culture, a core behaviours framework was proposed by management and considered by the Board in February 2025.</p> <p>The Board considered the evolution of the performance culture and operating system, drawing on extensive colleague consultations and leadership workshops. The Board approved a framework focused on empowering colleagues with clear accountability around customer-centred outcomes and shared team objectives, with an operating model emphasising collaboration, capability building and effective prioritisation, whilst fostering behaviours that support adaptability, continuous improvement and enhanced customer focus.</p>	<p>The Board approved the new core behaviours framework.</p> <p>→ <a href="#">Further information on Board oversight of culture can be found on page 116.</a></p>
<b>Stakeholder engagement</b> 	<p>The Board confirmed its key stakeholders for the year in February 2025, and undertook engagement with them throughout the year.</p> <p>The agreed stakeholders were: investors, customers, colleagues, communities, regulators and suppliers, and engagement ranged from roundtable discussions to visits and participation in events.</p>	<p>The Board's visit to Birmingham in September 2025 provided a range of opportunities to meet with stakeholders and understand their views. For further information, see page 112.</p> <p>The Board participated in a dedicated strategic partner session with two of NatWest Group's principal technology and transformation partners, receiving external insight on industry trends and leading practice in data, digital and AI enabled banking.</p> <p>The Board held investor roundtable discussions with major institutional shareholders. Directors discussed NatWest Group's financial performance, strategic priorities, capital distribution and ESG matters, gaining valuable feedback on market expectations and perspectives to inform Board decision-making.</p> <p>→ <a href="#">Further details on the Board's engagement with stakeholders are available on pages 117 to 118, and the section 172(1) statement on pages 36 to 37 describes how stakeholders were considered in relation to principal decisions.</a></p>

## Link to Board evolution actions



Strengthening Board expertise



Enhancing strategic engagement



Improving Board dynamics



Sharpening ESG focus



Leveraging data and analytics

## Principal areas of Board focus in 2025 continued

Theme	Principal areas of focus	Outcomes
<b>Customers</b> 	<p>The Board maintained a strong emphasis on delivering good outcomes for customers while ensuring robust oversight of performance management.</p> <p>Regular performance management spotlights covered a wide range of topics, including customer experience, the onboarding process, mortgage markets and cross-franchise deposits. These were complemented by business updates, including Private Banking &amp; Wealth Management and Corporate &amp; Institutional Banking, which provided deeper insight into business performance and customer propositions in those areas.</p> <p>In December, the Board received a detailed update on the migration of Sainsbury's Bank customers to NatWest Group, which represented a significant milestone for the Retail Banking business. The Board reviewed customer experience metrics from the migration and discussed lessons learned to inform future integration activity and ongoing customer engagement.</p> <p>The Board also had an opportunity to meet customers during the regional visit to Birmingham and directors heard first hand how colleagues support customers via call listening exercises.</p>	<p>The focus on performance management spotlights and business-led strategic reviews throughout the year ensured customer outcomes remained central to Board deliberations and deepened its understanding of customer priorities and behaviours.</p> <p>The Board approved the Consumer Duty 'point in time submission' prior to regulatory submission.</p> <p>→ <a href="#">Further information on Board engagement with customers can be found on page 117.</a></p>
<b>Risk and controls</b> 	<p>The Group Risk Report was presented at each Board meeting.</p> <p>The Board undertook a fire drill exercise in relation to Operational Resilience, Recovery and Resolution in March 2025. This was an opportunity to deepen understanding of the processes that would be followed and implemented during an operational resilience scenario that could progress to recovery and subsequently resolution.</p> <p>The Board considered the external geopolitical environment in June 2025, seeking to understand how changes in the macro-economy might impact the bank and its customers in both the short and longer term.</p> <p>Following widely publicised cyberattacks impacting other companies during 2025, the Board received a management update on root cause analysis and the robust internal mitigations and ongoing scenario testing in place to manage the potential impact of such attacks on NatWest Group's infrastructure.</p>	<p>The Board gained first-hand experience of the key areas of consideration it would be required to undertake in a live recovery and resolution scenario. During a wash up discussion, learnings were identified to ensure management and directors were best placed to tackle future fire drills or live situations.</p> <p>The Board approved the Operational Resilience Self-Assessment.</p> <p>The Board approved the enterprise-wide risk management framework and approved the annual refresh of risk appetite.</p> <p>The Board received appropriate assurances as to the bank's cybersecurity framework and that of its strategic partners.</p>
<b>Financial</b> 	<p>Reports from the Group Chief Financial Officer were presented at each Board meeting.</p> <p>In addition to quarterly financial results, the Board reviewed the NatWest Group plc 2024 Annual Report and Accounts and associated documents, and the NatWest Group plc 2024 Sustainability report. Business performance metrics, including Risk Weight Assets management, were regularly considered, and the 2026 Budget was reviewed following scenario analysis.</p> <p>In October, the Board undertook a focused review of NatWest Group's CET1 capital target, considering regulatory changes, peer benchmarks, and stakeholder feedback. Directors discussed the rationale for revising the target, ensuring robust capital buffers and supporting shareholder value, with further engagement planned ahead of finalising external guidance.</p>	<p>The Board approved the 2026 Budget, interim and full year dividends, and quarterly and full year results disclosures and associated documents.</p>

## Link to Board evolution actions



Strengthening Board expertise



Enhancing strategic engagement



Improving Board dynamics



Sharpening ESG focus



Leveraging data and analytics

## Principal areas of Board focus in 2025 continued

Theme	Principal areas of focus	Outcomes
<b>Legal, regulatory and governance</b> 	<p>The Board considered a range of legal, regulatory and governance matters in 2025, which were both routine and ad hoc in nature.</p> <p>The Board considered Board composition and succession plans, the 2025 Board skills matrix and new director appointments, following recommendations from the Group Nominations and Governance Committee.</p> <p>Under the Board evolution action plan, the Board considered opportunities to refresh the Board and committee governance operating model to ensure the appropriate allocation of responsibilities and create time for the Board to focus on strategic items.</p> <p>The Board also reviewed and approved key governance documents relating to non-executive directors' independence, NatWest Group's corporate governance policy and updated guidance associated with directors' gifts and hospitality, travel and accommodation.</p> <p>Consideration was given to directors' external appointments and proposed changes to the structure and membership of the executive management team during the year.</p> <p>The outputs of the FCA's firmwide evaluation (FEL) and the PRA's periodic summary meeting (PSM) were presented to the Board in April and July respectively.</p> <p>The Board considered and approved the evolution of the Group Sustainable Banking Committee (SBC) into the Group Technology, Innovation &amp; Simplification Committee (TISC), strengthening Board oversight and challenge on NatWest Group's use of technology, data and innovation to support strategic ambitions, market agility and customer engagement. As part of this transition, responsibilities for sustainability and ESG matters were reallocated to the Board to ensure continued focus on these priorities.</p> <p>The Board also reviewed the NatWest Group plc 2024 Statement of Modern Slavery and Human Trafficking, reaffirming NatWest Group's commitment to ethical business practices and transparency in the supply chain. The statement sets out the actions taken during the relevant year to identify, mitigate and address modern slavery and human trafficking, and demonstrates NatWest Group's ongoing efforts to uphold the highest standards of responsibility across its operations.</p>	<p>The Board approved the 2025 Board skills matrix and the appointment of Josh Critchley as an independent non-executive director.</p> <p>The Board approved certain delegations and updates to its terms of reference and those of its committees, to ensure appropriate governance parameters were in place following implementation of changes to the governance operating model.</p> <p>→ <a href="#">Further details of changes made to the governance operating model can be found on page 108.</a></p> <p>The Board approved external appointments for Ms Gopalan, Mr Haythornthwaite and Ms Whitehead during the year.</p> <p>The points raised in the regulatory letters were noted and progressed by management and tracked by the Board and its committees.</p> <p>The Board approved the Group Technology, Innovation &amp; Simplification Committee Terms of Reference.</p> <p>The Board approved the NatWest Group plc 2024 Statement of Modern Slavery and Human Trafficking.</p>

## Regular reports

(provided to every scheduled meeting unless otherwise stated)

- Reports by the Group Chair and CEO
- Board committee Chair updates
- Strategic business spotlights
- Performance management updates
- Group Risk Report
- Consumer Duty Board Champion updates (bi-annual)
- Colleague Advisory Panel reports (bi-annual)

## Link to Board evolution actions



Strengthening Board expertise



Enhancing strategic engagement



Improving Board dynamics



Sharpening ESG focus



Leveraging data and analytics

Principal areas of Board focus in 2025 continued

## Spotlight

### Board visit to Birmingham



Enhancing strategic engagement. Sharpening ESG focus.

An important element of the Board's ongoing development is the regional visits undertaken each year. In September, directors visited Birmingham and the West Midlands, where they met clients, colleagues and local stakeholders.

Through direct conversations with commercial customers, the Board gained valuable insights into their banking relationships, the challenges and opportunities presented by the macroeconomic environment, and how the bank can best support them in future. These perspectives inform broader strategic discussions and help ensure the Board maintains a strong customer focus.

The visit included a tour of a local branch to observe how retail customers are served and to hear from colleagues about their experiences.

The Board met a diverse group of colleagues during the visit, including graduates, apprentices, and teams from Retail Banking, C&I, and Digital X. These conversations provided valuable two-way dialogue, enabling the Board to deepen its understanding of the issues that matter most to colleagues.

A reverse pitch at one of our accelerator hubs, and a lunch with a selection of local stakeholders, highlighted NatWest's impact on the community, including support for new and established businesses and engagement with civic groups promoting regional growth.

The Board also explored digital innovations across the bank, recognising the importance of leveraging new technologies, including AI, to enhance service for both colleagues and customers.



# Enhancing directors' skills and knowledge



The Chief Governance Officer and Company Secretary supports director training and professional development by curating an annual schedule of training sessions and deep dives into areas of interest and relevance. As envisaged by the 2025 Board evolution action plan, this annual schedule was supplemented by a suite of online learning resources and optional reading materials made available through a dedicated Teams channel for directors, which was refreshed periodically throughout the year. During 2025 directors had the opportunity to enhance their skills and knowledge on a range of relevant topics, as set out below:

Topic	Considerations
<b>Operational Resilience, Recovery and Resolution</b>	The Board took part in a comprehensive operational resilience 'fire drill' exercise, simulating a severe disruption scenario. Directors worked through the escalation from operational incident to recovery and resolution, considering regulatory expectations, impact tolerances, and the practical challenges of crisis management. The session enhanced the Board's understanding of its role in resilience and informed future crisis preparedness.
<b>Digital assets</b>	During the year, the Board received a series of updates and education sessions on digital assets, including a teach-in from an external expert. Directors explored the evolving landscape of stablecoins, tokenised deposits, and central bank digital currencies, as well as the differing regulatory approaches internationally. The Board also considered opportunities and risks for NatWest Group, the importance of industry collaboration and partnerships, and the need to build foundational capabilities to respond to future developments in digital assets.
<b>Climate</b>	The Board's annual climate training spotlight featured external perspectives on UK energy policy and clean power initiatives. Directors discussed the evolving policy landscape, challenges and opportunities in supporting the UK's transition to net zero. Directors also considered how NatWest Group can enable customer decarbonisation through financing and advisory support and the importance of embedding sustainability at the core of NatWest Group's strategy and operations.
<b>Financial crime</b>	The Board participated in tailored training on the dynamic financial crime landscape and shifting regulatory expectations, including the introduction of the 'Failure to Prevent Fraud' offence. The training explored NatWest Group's risk appetite, control frameworks, and recent enforcement trends, while underscoring the Board's critical role in setting the tone from the top, maintaining robust oversight, and championing a culture of integrity. Directors were also encouraged to advocate for cross-sector collaboration and public-private partnerships to strengthen our defences against financial crime.
<b>Client Assets (CASS)</b>	Directors reviewed online training materials aimed at supporting a positive bank-wide CASS culture. The training, which was also offered to colleagues across NatWest Group, aimed to support a culture focused on protecting client assets and managing the risks associated with handling client assets. As well as supporting compliance with regulatory obligations, the training also sought to enable effective identification and management of CASS issues and risks by increasing knowledge and awareness of CASS at all levels of the organisation.
<b>Models</b>	The Board received training on regulatory expectations for model risk management under PRA SS1/23. The session covered NatWest Group's approach to governance, risk appetite, and oversight of material models, including credit and operational risk models, reinforcing directors' responsibilities in relation to challenge and informed decision-making.

## Spotlight

### New NED induction

Each new non-executive director receives a formal induction on joining the Board, which is coordinated by the Chief Governance Officer and Company Secretary and tailored to suit the requirements of the individual concerned.

This includes meetings with directors and senior management, and visits to NatWest Group's major business and functions. Meetings with external auditors, legal counsel and other stakeholders are also arranged as appropriate. New NEDs also receive a copy of our non-executive director handbook which contains information on our corporate structure, governance framework and Board policies and processes.

The enhanced approach to Board skills assessment we adopted in 2024 has enabled us to identify targeted focus areas for new NEDs' induction programmes following preparation of a 'heat map' drawing upon the individual's self assessment of their skills, aligned to our pre-agreed skills criteria.

→ [Further information on our Board skills assessment process can be found on page 103.](#)

# Subsidiary governance and ring-fencing

## Subsidiary governance and ring-fencing

NatWest Group plc is a listed company with equity listed on the London and New York stock exchanges. NatWest Holdings Limited (NWH Ltd) is the holding company for our ring-fenced operations, which include our Retail Banking and Private Banking & Wealth Management segments and certain aspects of our Commercial & Institutional business. A common board structure is operated such that the directors of NWH Ltd are also directors of The Royal Bank of Scotland plc (RBS plc) and National Westminster Bank Plc (NWB Plc). Known collectively as the NWH Sub Group, the boards of these three entities meet concurrently.

An integral part of NatWest Group's governance arrangements is the appointment of three double independent non-executive directors (DINEDs) to the Boards, and Board committees, of the NWH Sub Group. They are Francesca Barnes, Karin Cook and Mark Rennison. Francesca Barnes assumed the role of Senior Independent Director of the NWH Sub Group Boards on 1 March 2025, succeeding Ian Cormack, who subsequently stepped down from the NWH Sub Group Boards on 4 May 2025. Karin Cook joined the NWH Sub Group Boards as an independent non-executive director on 5 May 2025.

The DINEDs are independent in two respects: (i) independent of management as non-executives; and (ii) independent of the rest of NatWest Group by virtue of their NWH Sub Group-only directorships. They attend NatWest Group plc Board and relevant Board committee meetings as observers. Our DINEDs play a critical role in NatWest Group's ring-fencing governance structure and are responsible for exercising appropriate oversight of the independence and effectiveness of the NWH Sub Group's governance arrangements, including the ability of each Board to take decisions independently.

The DINEDs also have an enhanced role in managing any material conflicts which may arise between the interests of the NWH Sub Group and other members of NatWest Group.

Principal subsidiaries of NatWest Group include Coutts & Co, NatWest Markets Plc and The Royal Bank of Scotland International Limited. Matters from the subsidiaries are principally escalated through the management reporting line and regular engagement between directors of NatWest Group plc and the subsidiaries.

### Francesca Barnes

(NWH Sub Group)  
Senior Independent Director  
and Double independent  
non-executive director



Date of appointment: 1 May 2018

Francesca has a wealth of banking and private equity experience gained through an extensive executive career which included roles with Chase Manhattan Bank and UBS Investment Bank. She also previously served on the Board of Coutts & Co.

Francesca is currently a non-executive director of HarbourVest Private Equity Limited and of Capvis Private Equity and a member of the Advisory Board of Abundance Investment Limited.

### Karin Cook

(NWH Sub Group)  
Double independent  
non-executive director



Date of appointment: 5 May 2025

Karin has a broad mix of financial services experience, including retail, commercial and investment banking as well as financial advice, wealth management and insurance. With 35 years' experience in banking and wealth management, Karin was Chief Operating Officer of Quilter plc, an integrated wealth management company from 2019 until 2024. Previously, she was Director of Operations for Lloyds Banking Group, and spent her earlier career in various operational roles at HSBC, Morgan Stanley and Goldman Sachs.

Karin is currently a non-executive director of Phoenix Group Holdings plc and Chair of its subsidiary, SunLife Limited.

### Mark Rennison

(NWH Sub Group)  
Double independent  
non-executive director



Date of appointment: 1 September 2023

Mark has extensive retail banking and financial services expertise, alongside broad experience at board and committee level. As a Chartered Accountant and with 12 years' experience on the Board of Nationwide as CFO, Mark brings a blend of technical knowledge and a deep understanding of the financial services sector. From 2020 to 2023, he was an independent non-executive director of TSB and Chair of the Audit Committee from 2021 to 2023.

Mark was appointed as an independent non-executive director of Coutts & Co on 27 October 2025. He is also Senior Independent Director, and Risk and Capital Committee Chair, of The Royal London Mutual Insurance Society Limited.

# Key Board policies and processes

## External appointments and time commitment

In accordance with the Code, non-executive directors are expected to allocate sufficient time to the company to discharge their responsibilities effectively and to devote such time as is necessary to fulfil their role. Our executive directors do not hold more than one non-executive directorship in a FTSE 100 company or other significant appointment.

The Code emphasises the importance of ensuring directors have sufficient time to meet their board responsibilities. Before any appointment, significant commitments are disclosed with an indication of the time involved. After appointment to the Board, any new external appointments require prior approval. Time commitment is also considered during non-executive directors' year-end review meetings with the Chair, in the context of directors' performance and contribution to the Board.

Board papers relating to new director appointments or proposed additional external appointments for existing directors include details of the individual's full portfolio and anticipated time commitment for the external role(s) under consideration. They also include a reminder of applicable limits on the number of directorships which may be held, and relevant proxy adviser and investor guidance. The Board also considers whether it is appropriate for executive directors to retain any remuneration from any new external roles, depending on the appointment.

During 2025, the Board approved the appointment of Mr Critchley to the Board and additional appointments taken on by Ms Gopalan, Mr Haythornthwaite and Ms Whitehead were also approved. In each case, the Board noted there would be no material impact on the time commitment required for their respective NatWest Group roles and authorised any situational conflicts of interest which had been notified, under the process described below.

→ **Details of current external appointments can be found on pages 96 to 98 and at [natwestgroup.com](http://natwestgroup.com).**

## Conflicts of interest

Our directors' conflicts of interest policy ensures that directors understand their fiduciary duties in respect of conflicts of interest and sets out the procedures for the effective identification, management and disclosure of actual or potential conflicts of interest. It also sets out the process for authorising certain conflicts.

Directors are required to notify the Board of any situational or transactional conflict of interest and to update the Board with any changes to the facts and circumstances surrounding such conflicts.

Situational conflicts can be authorised by the Board in accordance with the Companies Act 2006 and the company's Articles of Association. The Board considers each request for authorisation on a case-by-case basis and has the power to impose conditions or limitations on any authorisation granted as part of the process.

Details of all directors' conflicts of interest are recorded in a register which is maintained by the Chief Governance Officer and Company Secretary and reviewed annually by the Board.

## Independence

Non-executive director independence and individual directors' continuing contribution to the company are considered by the Board, with support from the Group Nominations and Governance Committee at least annually, and when new non-executive directors are appointed. The Board considers that the Chair, Rick Haythornthwaite, was independent on appointment and that all current non-executive directors are independent, for the purposes of the Code.

## Information

All directors receive accurate, timely and clear information on all relevant matters and have access to the advice and services of the Chief Governance Officer and Company Secretary.

As part of the 2025 Board effectiveness review, directors provided feedback and suggested ways to improve Board and committee papers further. Further details on the review findings and proposed actions to be taken on this topic can be found on pages 119 to 121.

External advice is provided to the Board as required. In addition, all directors are able, if necessary, to obtain independent professional advice at the company's expense.

# Board oversight of purpose, strategy and culture



Enhancing strategic engagement; Leveraging data and analytics

The Board is responsible for establishing NatWest Group's purpose. In September 2024 the Board approved NatWest Group's purpose statement – 'The bank that turns possibilities into progress'.

The Board also sets NatWest Group's strategic direction and oversees the execution of its strategy. Following a series of dedicated strategy sessions in 2024, the Board formally approved the strategy in February 2025, including the three strategic priorities of disciplined growth, bank-wide simplification and active balance sheet and risk management.

In March 2025, the Board confirmed its support for a bank-wide performance management framework to underpin delivery of our purpose and strategy, including the adoption of Key Performance Indicators (KPIs) and Key Results (KRs) to help measure strategic progress.

Changes made to re-balance Board and Board committee agendas helped to ensure sufficient time on the Board agenda for broader considerations, with dedicated sessions on Private Banking & Wealth Management and NatWest India strategy.

The Board considered the Private Banking & Wealth Management strategy twice in 2025. In April, the Board considered evolving issues within the UK wealth landscape and discussed potential participation choices in terms of segments and propositions. A dedicated strategy session in June focused on three topics for deeper discussion, with a strong focus on customers and clients, as well as external perspectives. Non-executive directors confirmed their support for the proposed Private Banking & Wealth Management strategy, noting its alignment with broader NatWest Group strategy.

In July, the Board discussed NatWest's strategy in India, noting its strong operational and technology presence within NatWest Group. Directors considered potential opportunities to enhance efficiency using automation and artificial intelligence (AI), and how cultural shifts would further support enhanced customer centricity. Directors noted the value of continuing to attract top engineering talent, and ensuring that India's role remained integrated with NatWest Group's future strategic plans.

The Board also welcomed the changes made by the CEO in October to reshape the Group Executive Committee and accelerate the shift towards becoming a more customer-focused organisation, with enabling functions aligned more closely to our businesses and customer needs. The Board recognises these changes present the opportunity to increase customer centricity, empowerment and decision velocity, and to accelerate the delivery of value through technology, data and AI, supporting our ambition to build a simpler, more agile bank.

→ **Further information on NatWest Group's strategy and progress made against our 2025 strategic priorities can be found in the [Strategic report](#).**

The Board leads the development of NatWest Group's culture, behaviours and standards and is responsible for assessing and monitoring culture and how culture is being embedded.

These responsibilities have been fulfilled in several ways in 2025 (as detailed in the table opposite), supported by the implementation of NatWest Group's new core behavioural framework which is aligned with and supports our purpose, strategy, ambition and customer-focused performance culture.

## Board reporting on culture in 2025

What did the Board receive?	Areas of focus and outcomes
<b>New core behavioural framework</b>	In February, the Board approved the new core behavioural framework. Following the refresh of our purpose, strategy, ambition and performance culture, the new framework consolidated previous colleague frameworks into a single set of action-oriented behaviours under the 'Winning Together' banner. Directors welcomed the fact that the new simplified approach 'started with customers' and was relatable to all colleagues across the bank.
<b>'Tone from the top'</b>	At the March Board dinner, as part of a broader conversation on strategic priorities, the directors discussed the 'tone from the top' culture and behaviours they wished to demonstrate as a Board and in their interactions with executive management. The outputs from the discussion were reflected in the 2025 Board evolution action plan.
<b>Colleague Advisory Panel reports</b>	Feedback on discussions from Colleague Advisory Panel (CAP) meetings held in March and September were provided to the Board by the CAP Chair. Topics included executive remuneration and the wider workforce, the new core behavioural framework, financial crime strategy and the launch of the new global recognition platform 'Recognise'.
<b>Performance management framework</b>	In March, the Board reviewed how the performance management framework supports the delivery of NatWest Group's purpose, strategy, and financial plan. This included the introduction of Key Results for franchises and functions to align with agreed KPIs, enabling the tracking of strategic implementation and fostering the desired cultural change.
<b>Performance culture and operating systems</b>	In June, directors received an update on initial work underway to explore how the bank's customer-focused performance culture could be enhanced by being more customer-focused, empowering those closest to the customer, speeding up decision making and putting decisions closer to those serving customers; alongside accelerating the journey to have a simpler operating system, powered by technology, AI and data; all in service of our customers.
<b>Consumer Duty assessment</b>	In July, the Board approved the Consumer Duty assessment, noting the role culture played in further embedding. Offering products such as the family-backed mortgage proposition and focus on the bereavement journey demonstrated the bank's dedication to prioritising good customer outcomes.
<b>Colleague survey results</b>	In June and December, the Board considered the results of our 2025 colleague survey, Our View (which had been conducted in April and September). Colleagues had responded to questions across the whole colleague experience including purposeful leadership, performance culture, building a simpler bank, wellbeing and ways of working, and risk, conduct and ethics.
<b>Culture assessment report</b>	In July, the Board received a Culture assessment report on progress across metrics linked to performance culture, ethics, conduct, and compliance. In December, it was noted that from 2026, an enterprise-wide culture plan focused on customer performance would be reflected in the future approach for assessing culture.

# How the Board engaged with stakeholders



The Board reviews and confirms its key stakeholder groups for the purposes of section 172 annually.

For 2025, the key stakeholder groups remained investors, customers, colleagues, communities, regulators and suppliers.

The Board's agenda and engagement plans were structured to enhance its understanding of stakeholders' views and interests. This in turn has informed Board discussions and decision-making. The Chair also provided regular updates to the Board on meetings with regulators, key stakeholders and other relevant bodies including clients, financial institutions, advisers, and government representatives.

Our section 172(1) statement on pages 36 to 37 describes how stakeholder interests have been considered in Board discussions and decision-making, including principal decisions.

In addition to the examples highlighted in the Strategic report, the Board engaged with the views and interests of stakeholders in a variety of other ways, as described in further detail in this section.



## Investors

### How the Board engaged

The Board engaged with a range of investors throughout the year. In addition to receiving regular updates on investor activity and share price performance, directors had the opportunity to engage with private shareholders at a virtual shareholder event and in person at the Annual General Meeting. In December, the Board held dedicated roundtable discussions with representatives of some of its largest institutional shareholders. These sessions enabled valuable dialogue, with investors sharing their investment strategies, perspectives on NatWest's performance relative to peers, and feedback on NatWest Group's strategic direction. Directors asked questions and gained direct insight into investor priorities and expectations. Major shareholders are also offered an annual update to cover governance and Board related matters with the NatWest Group Chair. During the time that UKGI managed HMT's stake in NatWest, UKGI representatives also had the opportunity to meet Board committee Chairs bilaterally to support it in discharging its stewardship responsibilities. The Chair of the Group Performance and Remuneration Committee wrote to a number of NatWest Group's largest institutional shareholders, proxy advisers and the UK regulators in late 2025 to discuss our approach to remuneration for the year and updated the Board on those discussions. Shareholder feedback was positive and supported the finalisation of the 2026 Performance Share Plan scorecard.

### Outcome of engagement

Direct and indirect engagement with both private and institutional shareholders offers directors an opportunity to understand key areas of interest. Feedback from these sessions informed the Board's external messaging, strategic priorities, and approach to future engagement. In particular, input on remuneration matters was valuable in shaping NatWest Group's approach in this area.



## Customers

### How the Board engaged

The Board met with a range of retail and commercial customers during the year. At onsite meetings with commercial clients during the Board's visit to Birmingham, discussions centred on the opportunities their banking relationship offered, as well as the broader macroeconomic environment and external threats such as cyberattacks. Participation in customer call listening exercises during a visit to a local branch allowed directors to gain insights into retail customers' experiences and how colleagues supported their needs.

The Board also received management updates on customer engagement activity and sentiment, including Competition and Markets Authority survey results and Net Promoter Scores. In December, the Board received a summary of customer complaints, noting a modest increase in volumes compared to 2024. Key drivers included social media influence, claims management company activity, and industry-wide trends such as fraud and scams. The Board reviewed management's actions to address these issues, including the use of new technology and a focus on removing pain points from customer journeys. These insights informed the Board's oversight of customer experience and operational improvements.

During discussions with the Regional Board Chairs, the directors discussed customer priorities and how the growth agenda could be supported in the regions.

### Outcome of engagement

The information gathered through these engagements and management updates informed broader strategic discussions at Board level. The Board's oversight of complaints data and management's response has helped shape NatWest Group's ongoing focus on customer experience, operational excellence and the use of technology to deliver better outcomes for customers.

## How the board engaged with stakeholders continued



## Colleagues

### How the Board engaged

The Board undertook a variety of direct and indirect engagement activities with colleagues in 2025. Directors met with a range of colleagues, including graduates, apprentices, digital champions, branch colleagues and relationship managers. Discussions during talent sessions were focused on the impact of AI and the opportunities it presents. Throughout 2025, the Board received regular updates on colleague matters, including specifically on the subject of the bank's operating system as a vital driver of improvements in customer-focused performance. The results of our 2025 colleague survey, Our View, were also shared with the Board.

### Our Colleague Advisory Panel

Under Provision 5 of the Code, we have adopted a formal workforce advisory panel as our chosen method of engagement with the workforce. NatWest Group's Colleague Advisory Panel (CAP) was set up in 2018 and is currently chaired by Roisin Donnelly, one of our non-executive directors. Each CAP meeting is attended by at least two other directors, and afterwards Ms Donnelly reports to the Board on CAP discussions and colleague sentiment. The CAP met twice in 2025 and topics of discussion included executive remuneration and the wider workforce, the new core behavioural framework, financial crime strategy and an update on recognition, including the new global Recognise platform.

### Outcome of engagement

The CAP promotes colleague voice in the boardroom, providing a forum for colleagues to engage directly with the Board on topics which are important to them and supporting effective two-way dialogue between colleagues and Board members. CAP updates to the Board provided an overview of CAP discussions on the topics referred to above, together with a summary of Q&As arising from the CAP meeting.

→ **Further information on the CAP, including its membership composition and engagement activity on remuneration matters during 2025, can be found in the Directors' remuneration report on page 147.**



## Communities

### How the Board engaged

Throughout the year the Board considered ESG matters and the impact of the bank on the communities in which it operates. During the regional visit to Birmingham, directors met with community leaders and representatives from local organisations to discuss the bank's role in supporting economic growth, financial inclusion, and social mobility in the region. The Board also held a Regional Board Chairs dinner in June, which provided a valuable forum for discussing the needs and priorities of customers across different communities.

The conversation centred on how the bank could better support local customers and promote the UK Government's growth agenda in the regions, with Regional Board Chairs sharing insights from their own communities.

### Outcome of engagement

Through the various engagement opportunities the Board deepened its knowledge of local challenges and opportunities in the communities in which the bank operates.



## Regulators

### How the Board engaged

Engagement with regulators in 2025 occurred via bilateral and collective meetings on a range of topics. Directors engaged regularly through core assurance and proactive engagement meetings with the supervisory teams at the PRA and FCA respectively. Directors also participated bilaterally in regulatory review activity when requested. Representatives of the FCA attended the Board meeting in April to discuss the content of its Firmwide Evaluation Letter (FEL). In addition, representatives of the PRA joined the Board meeting in July to present the findings from the annual Periodic Summary Meeting (PSM). During the year the Board also considered key regulatory submissions such as the Operational Resilience Self Assessment, as well as associated feedback from the PRA and FCA.

### Outcome of engagement

The bilateral and collective engagement with the regulators offered opportunities to strengthen the relationship and further build understanding of each party's priorities. Following review of the FEL and PSM findings, the Board agreed how to address the action points raised and the respective responses.



## Suppliers

### How the Board engaged

The Board engaged with a number of strategic suppliers in 2025, supporting its oversight of major transformation programmes and the effective delivery of the long-term strategy and customer outcomes. The Board and its committees also considered third party risk management and the potential impacts of suppliers' operational resilience being compromised. At a dedicated strategic partner session with two of NatWest Group's technology partners on the bank-wide data transformation, the Board received external insight on industry trends and leading practices in data, digital and AI enabled banking. This session also provided constructive challenge on organisational decision-making pace and the cultural and capability enablers required to deploy data-driven tools and AI safely, responsibly and at scale.

### Outcome of engagement

The Board noted positive evidence of accelerated data transformation emerging from the strategic partnership model announced in July 2025. The insights gained enhanced the Board's understanding of the digital, data and AI strategy and informed its oversight of investment decisions, transformation priorities, operational resilience, and development of customer driven innovations.

# Board effectiveness review



In accordance with the Code, an annual review of the performance of the Board, its committees, the Chair and individual directors usually takes place annually. The review is externally facilitated every three years, with internal evaluations in the intervening years.

Our 2025 Board effectiveness review (the 2025 review) concluded that the Board and its committees are operating effectively and reaffirmed the Board's commitment to maintaining the highest standards of governance and its ambition to be recognised as a high-performing board.

The 2025 review, which was conducted internally using the BoardOutlook technology platform, provided a comprehensive assessment of Board and committee performance, strategic alignment, and opportunities for further enhancement.

The process was designed to ensure the Board remains well-positioned to steer NatWest Group through a dynamic and evolving environment, with a clear focus on long-term value creation.

## 2025 Board effectiveness review process

**1**

### Objectives and scope

The 2025 review was designed to provide an objective assessment of the Board's performance and governance practices, ensuring alignment with NatWest Group's strategic ambitions. The primary objectives were to:

- Evaluate the effectiveness of the Board and its committees in supporting long-term value creation and transformation.
- Assess the quality of Board dynamics, culture, and relationships, including the interface between the Board, management, and key stakeholders.
- Identify areas of strength and opportunities for further optimisation, with a particular focus on strategic ambition, succession planning, risk oversight, and digital transformation.
- Ensure the Board's composition, skills, and processes remain fit for purpose.

The scope covered the full Board and its committees and included senior management perspectives, as well as a review of the Board's skills and committee structures.

**2**

### Survey

The review process was facilitated using the BoardOutlook platform, which combined quantitative survey data with qualitative insights.

All directors and ExCo members and attendees were invited to complete a detailed survey covering all aspects of Board and committee effectiveness, strategic alignment, risk management, and culture.

Responses were analysed to identify areas of consensus and divergence, benchmarked against best practice, and distilled into key findings and actionable insights.

**3**

### Presentation and review

The results were collated into a comprehensive summary report, which was shared with the Board and discussed in detail at the December Board meeting.

Following presentation of the findings, the Board held an in-depth discussion of the review's conclusions, focusing on both areas of strong performance and those requiring further attention.

These are described in further detail on page 120.

## 2025 Board effectiveness review findings

**4**

### Areas of strength

- Strategic partner: The Board is seen as an active partner in shaping and supporting strategy, with major proposals brought early for input. There is strong alignment between the Board and management on strategic priorities. The strategy is clearly articulated and well understood.
- Governance and culture: The Board's culture is described as positive, energetic, and well-prepared, with directors bringing diverse perspectives and engaging in constructive challenge. The Chair's leadership is regarded as highly effective, ensuring purposeful meetings and a strong working relationship with the CEO.
- Risk management: The risk framework is mature and robust, with systematic identification and oversight of material risks. Both Board and management are confident that dissent on significant risk issues would be surfaced through established channels.
- Stakeholder engagement: Engagement with regulators, investors, and colleagues is strong, with s172 considerations embedded in Board discussions. The Board's approach to mergers and acquisitions is disciplined, and oversight of performance and ESG matters is effective.

**5**

### Areas of focus

- Strategic ambition: The Board recognises the need for clearer articulation of strategic alternatives, scenarios, and trade-offs, particularly in the context of a rapidly changing environment.
- Board papers: While generally well-structured, there is scope to improve the timeliness and conciseness of Board and committee papers, allowing directors more time for reflection and focus on core issues.
- Management exposure: There is value in increasing systematic exposure to leaders below ExCo level, to deepen understanding of culture, capability, and succession planning.
- Customer engagement: The Board would benefit from more regular and structured direct engagement with customers, building on positive experiences from recent visits.
- External perspectives: There is a desire for more external input, systematic lessons learned, and unstructured time in agendas to explore emerging topics.
- Executive succession: While processes are in place, there is scope for greater Board visibility of the talent pipeline.
- Transformation and digital ambition: The Board is future-facing and digitally literate but seeks greater clarity and ambition around transformation objectives, options, and measures of success, especially as digital and AI initiatives scale.

**6**

### 2024 action output

Challenges identified during the 2024 Board effectiveness review, which was externally facilitated, (the 2024 review) included ensuring a unified Board culture, future Board composition, the fast-changing landscape (including cyber), the impact of culture change on the organisation, acting on 'lessons learned' and leadership development and succession planning. In relation to Board committees, the 2024 review highlighted opportunities to consider the balance of Board and committee agendas and the membership of the Group Audit Committee and the then Group Sustainable Banking Committee (now the Group Technology, Innovation and Simplification Committee), noting the single sex dynamic in both cases.

The challenges identified during the 2024 review themes were acknowledged and addressed through the development and implementation of the 2025 Board evolution action plan, the outcomes of which are signposted from page 102 and referenced throughout this Corporate governance report.

The 2025 review survey included a dedicated section on the 2025 Board evolution action plan, which received positive feedback with a small number of areas for continued focus reflected in the 2025 Board effectiveness review report.

An updated view of GAC and TISC membership can be found in the relevant committee reports.

## 2025 Board effectiveness review findings continued

7

### 2025 agreed actions

In response to the 2025 review, an action plan was agreed to address a number of immediate opportunities which had been identified.

This includes:

- A comprehensive review of Board and committee papers, to focus on timeliness, conciseness, and use of AI to enhance quality and consistency.
- Enhanced Board exposure to executive talent below ExCo level, through expanded attendance at Board meetings.
- Increased direct engagement with customers and stakeholders, including structured visits.
- Agenda time for external perspectives, lessons learned, and innovation and learning.

Progress against these actions will be monitored by the Group Nominations and Governance Committee in 2026.

8

### Board committee findings and actions

The 2025 review confirmed that the Board's committee structure is appropriate and operating effectively, with strong leadership and clear agendas across each of the committees.

The Board committees are seen as stable and well-structured, with opportunities identified to further enhance effectiveness through increased use of external advisers, deep dives into emerging topics, and broader sharing of insights across the Board.

9

### Individual effectiveness reviews

The Chair met each non-executive director individually to discuss their performance, continuing professional development and contribution to NatWest Group's long-term sustainable success.

Separately, the Senior Independent Director, together with the Senior Independent Director of the NWH Sub Group, sought feedback on the Chair's performance from the non-executive directors, executive directors and other key internal and external stakeholders, and discussed it with the Chair.

These discussions were supported by a structured agenda and with reference to the outputs of the 2025 Board skills assessment and a separate D360 exercise, which were also completed using the BoardOutlook technology platform.

These individual reviews concluded that each non-executive and the Chair continue to contribute positively to the long-term sustainable success of the company.

# Report of the Group Nominations and Governance Committee



## Dear Shareholder,

As Chair of the Board and Chair of the Group Nominations and Governance Committee, I am pleased to present this report on the committee's activity during 2025. The committee is responsible for reviewing the Board's structure, size and composition, as well as the membership and chairs of Board committees, recommending appointments to the Board and overseeing executive succession. It also monitors NatWest Group's governance arrangements to uphold best corporate governance practices and considers developments in banking reform and analogous issues affecting NatWest Group, making recommendations to the Board for any consequential changes to NatWest Group's operating model.

## Board recruitment

Board recruitment continued to be a principal area of focus during 2025 with the committee supporting comprehensive candidate searches with diversity and inclusion considerations factored into all search criteria. A data led approach was adopted for the assessment and mapping of skills to enhance the search processes and to support the monitoring of Board skills and experience. During the search processes, the committee held several discussions on potential candidates, assessing the credentials of each candidate against the results of a Board skills assessment undertaken and the qualities and capabilities set out in the role specifications agreed by the committee.

After detailed searches, the committee recommended Josh Critchley and Albert Hitchcock for appointment to the Board as non-executive directors. Albert will join on the 23 February 2026. Separately, the committee also recommended Karin Cook for appointment to the NWH Ltd board as a double-independent non-executive director.

## Members and attendance in 2025

	Scheduled meetings attended
Directors	
Rick Haythornthwaite (Chair)	4 of 4
Stuart Lewis	4 of 4
Lena Wilson	4 of 4
Patrick Flynn	4 of 4
Mark Seligman	1 of 1

In addition to the four scheduled meetings there were four ad hoc meetings. All directors eligible to attend ad hoc meetings were present at those meetings. Mr Seligman retired from the Board on the 31 March 2025.

The committee continues to oversee further recruitment activity in respect of the Board and the board of NWH Ltd.

## Corporate governance framework

During 2025, the committee completed a review of corporate governance framework collateral, resulting in the launch of a revised Corporate Governance Policy with a more focused set of principles and rules to guide all colleagues and subsidiary directors making decisions. Refreshed materials were also approved to support subsidiary boards and non-executive directors, by outlining their roles and responsibilities and ways of working that support delivery of the NatWest Group strategy. Finally, the Committee approved revised terms of reference for the Boards of the principal subsidiaries, updated to reflect the new corporate governance collateral while ensuring ongoing compliance with all legal and regulatory requirements.

## Effectiveness review

In accordance with the Code, an evaluation of the performance of the Board and its committees, including N&G, was conducted internally in 2025.

→ [Further information on the review can be found on pages 119–121.](#)

## Subsidiary governance

The committee continued to oversee the subsidiary governance framework and received regular updates from the principal subsidiaries on their recruitment and succession plans. Several of NatWest Group's principal subsidiaries made appointments to their boards during 2025, which the committee has approved in accordance with its terms of reference, including the appointment of Dame Anne Richards as Chair of Coutts & Co.

## Principal areas of focus

- Board recruitment
- Corporate governance framework
- Subsidiary governance
- Board and committee composition
- Succession planning
- Diversity and inclusion

Korn Ferry, Heidrick & Struggles, MWM, Odgers and Spencer Stuart were engaged during the year to support NatWest Group's Board search activity. The firms are members of the retained executive search panel of suppliers (managed by NatWest Executive Search). Spencer Stuart and Korn Ferry also provide leadership advisory services to NatWest Group.

To enhance the data led review of composition and succession planning, the BoardOutlook skills assessment tool was extended to the principal subsidiaries. After the digital assessments were completed, the committee reviewed the skills matrices for Coutts & Co, RBSI and NWM, noting each board's critical and general skills to support its oversight of composition and succession planning.

I would like to thank all the committee members and attendees for their commitment and contributions in 2025 including Ian Cormack who observed committee meetings in his capacity as Senior Independent Director of NWH Ltd. On 1 March 2025 Ian was succeeded as Senior Independent Director of NWH Ltd by Francesca Barnes who observed committee meetings since then. Ian continued to observe committee meetings until he stepped down from the board of NWH Ltd in May 2025.

## Rick Haythornthwaite

Chair of the Group Nominations and Governance Committee

## Report of the Group Nominations and Governance Committee continued

## Principal areas of Group Nominations &amp; Governance Committee focus in 2025

Theme	Principal area of committee focus	Outcomes
Board & committee composition	The committee supported the Chair in keeping the composition of the Board and its committees under regular review.	The committee supported the Chair's ongoing evolution of Board composition, and the recruitment activity outlined reflects the changes which the committee recommended. The changes to the Board and Board committees in 2025 and early 2026 are summarised on page 96.
	Composition is reviewed with reference to the skills and experience of individual directors, ensuring the Board's collective skill set remains appropriately balanced and aligned to current and future strategic priorities.	The use of the Board Skills matrix, which was completed by all of the Board, provides the committee with valuable insights for assessment of the current Board composition and enhancing the view of future skills gaps to be addressed.
	Under the Board appointment policy, non-executive directors are appointed for an initial term of three years, subject to annual re-election by shareholders.	The committee completed a term review of Roisin Donnelly's tenure, per the Board appointment policy, in December 2025 and it was recommended that Roisin serve a further three years on the Board.
Succession planning	Alongside composition, the committee reviews succession plans periodically to ensure there are contingency plans in place for successors to the Board executive directors, Board and Board committee chairs and the Senior Independent Director.	The Board and committee succession plans were reviewed and given specific focus by the committee in June 2025, with the plans monitored on a frequent basis.
	The committee holds responsibility for the oversight of executive succession within NatWest Group.	The committee continues to review executive succession planning for CEO-1 roles and received periodic updates on developments. In June 2025, the committee was briefed on an evolved approach to executive succession, including enhancements to NatWest Group's talent ecosystem designed to strengthen leadership pipelines.
Diversity & inclusion	The Board operates a boardroom inclusion policy which reflects NatWest Group's inclusion guidelines and is aligned to NatWest Group's behaviours and relevant legal or voluntary code requirements.  A copy of the boardroom inclusion policy is available at <a href="http://natwestgroup.com">natwestgroup.com</a> .	Diversity and inclusion have been considered in all of the recruitment overseen by the committee and in its review of executive succession planning in 2025 and, accordingly, as of 31 December 2025, the company met: <ul style="list-style-type: none"><li>the targets set out in UK Listing Rule 6.6.6R (9) (Board and executive management diversity) and disclosures under UK Listing Rule 6.6.6R (9) and (10) can be found on page 103;</li><li>the FTSE Women Leaders Review voluntary target of 40% women's representation on boards by the end of 2025, with 55% of the Board being women;</li><li>the FTSE Women Leaders Review recommendation (at least one woman in the Chair or Senior Independent Director roles on the Board and/or one woman in the Chief Executive Officer or Finance Director role by the end of 2025) by having a woman Senior Independent Director and a woman CFO; and</li><li>the recommendation of the Parker Review to have at least one member of the Board being from an ethnic minority background with two such directors meeting this criterion.</li></ul> Pages 59 to 63 contain more information on how NatWest Group is creating an inclusive workplace, including (in relation to Provision 23 of the Code) the gender balance of senior management and their direct reports.
	The boardroom inclusion policy ensures that the Board and the committee follow an inclusive process when making nomination decisions. That includes ensuring that the nomination process is based on the principles of fairness, respect, and inclusion; that all nominations and appointments are made based on individual competence, skills and expertise measured against identified objective criteria without bias, prejudice, or discrimination, and that searches for Board candidates are conducted with due regard to the benefits of diversity and inclusion.	

# Report of the Group Audit Committee



## Dear Shareholder,

I am delighted to provide an overview of the Group Audit Committee's (the committee or GAC) activities and responsibilities throughout 2025.

Firstly, I extend my gratitude to my colleagues, Stuart Lewis and Geeta Gopalan, for their contributions to the committee. Additionally, I would like to express appreciation for the insights provided by Karin Cook and Mark Rennison, non-executive directors and members of NatWest Holdings (NWH) Audit Committee, who attend GAC meetings in an observational capacity. Additional thanks should be given to Mark Seligman, who retired from the Board and his role on GAC on 31 March 2025, and Ian Cormack who stepped down as a NWH Audit Committee member in May 2025.

The committee's fundamental role is to supervise and challenge management's approach to the preparation of financial results, as well as the disclosure of relevant financial and non-financial information. This oversight encompasses the evaluation of the application of accounting policies, the scrutiny of internal control standards related to financial reporting and accounting, and their effectiveness, and the review of quarterly disclosures prior to release.

During 2025, the committee's most significant areas of focus included the adequacy of provision in respect of expected credit loss (ECL), the robustness of the control environment (including preparation for enhanced Code requirements applicable from 1 January 2026), and enhanced oversight of non-financial reporting. Further details can be found in the tables on the following pages.

## Members and attendance in 2025

Directors	Scheduled meetings attended
Patrick Flynn (Chair)*	5 of 5
Geeta Gopalan*	5 of 5
Stuart Lewis	5 of 5

There were no ad-hoc meetings.

\* 'Financial experts' as defined in the SEC rules under the US Securities Exchange Act of 1934 (the 'Exchange Act') and the requirements of the New York Stock Exchange, and that they have competence in accounting and/or auditing as required under the Disclosure Guidance and Transparency Rules. The Board is satisfied that all GAC members have recent and relevant financial experience and are independent as defined in the SEC rules under the Exchange Act and related guidance.

## Whistleblowing

In my role as whistleblowers' champion for NatWest Group, I receive regular updates on the effectiveness of the whistleblowing framework, prevalent themes in reports submitted by colleagues through the systems, and the tracking of outcomes from the most significant cases. The committee is responsible for supervising the independence, autonomy, and effectiveness of NatWest Group's whistleblowing policies and procedures. There is a suitable dissemination of information to the principal subsidiaries to ensure a cohesive approach across NatWest Group.

## Internal and External Audit Oversight

Throughout 2025, the committee maintained oversight of the external auditor and the Internal Audit function. Formal evaluations were conducted at year-end through an internal process, and the committee reviewed synopses of the feedback provided by relevant stakeholders. Additional details regarding the oversight provided can be located in the tables on the following pages.

## Effectiveness review

In accordance with the Code, an evaluation of the performance of the Board and its committees, including the GAC, was conducted internally in 2025. Further information on the review can be found on pages 119 to 121.

### Patrick Flynn

Chair of the Group Audit Committee

12 February 2026

## Principal areas of focus

- Systems of Internal Control (financial management, reporting, and accounting issues)
- Financial and non-financial reporting, including significant judgements and estimates
- Oversight of internal and external audit

## Report of the Group Audit Committee continued

### Systems of internal control

The committee placed significant emphasis on the internal control systems concerning financial management, reporting, and accounting issues. Throughout 2025, it received regular reports on this and assessed the effectiveness and efficiency of NatWest Group's internal control systems, encompassing any notable deficiencies or shortcomings.

Matter	Role of committee and context of discussion	How the committee addressed the matter
<b>Sarbanes-Oxley Act of 2002</b>	To consider compliance with section 404 of the Sarbanes-Oxley Act of 2002.	The committee received periodic updates on the bank's internal controls over financial reporting throughout 2025, enabling ongoing monitoring of progress and providing support for management's year-end conclusions. This included updates from management regarding control deficiencies that emerged during the year, and confirmation that there were no significant deficiencies or material weaknesses identified. The committee maintained oversight of the plans and transition toward more automated preventive key controls. Furthermore, regular updates from EY regarding their assessment of the Sarbanes-Oxley Act compliance and the status and rating of control matters were also provided. The approach to the assessment of the controls in respect of the business acquired from Sainsbury's Bank was overseen, including temporary controls implemented during the migration process. The committee was pleased that full customer migration was achieved prior to the end of the financial year.
<b>Regulatory and financial returns</b>	To assess the controls and procedures implemented by management for adherence to regulatory and financial reporting standards.	As part of management's ongoing work to strengthen the financial reporting control environment, the committee continued to oversee delivery against the findings of the industry-wide skilled person's review of regulatory returns. Significant progress was made during 2025, with remediation of a substantial number of issues, and the committee continue to monitor completion of the remaining actions.
<b>Control environment</b>	To evaluate the control environment ratings of the businesses, functions, and significant subsidiaries, and to assess management's efforts in preserving or enhancing the control environment in respect of financial management, reporting and accounting.	The committee noted that the overall control environment retained its 'met' rating during 2025, driven by further improvements in the control environment. The committee noted progress achieved to reduce the percentage of controls which failed validation testing by Internal Audit following a focus on improving business control ownership. In addition, the committee also noted a greater than 50% reduction in the level of unremediated significant audit findings.  Quarterly reports were received from the chairs of audit committees of material regulated subsidiaries, providing oversight of material risk and control matters and a channel for escalation of issues. Throughout the year, the GAC Chair held quarterly meetings with the Chairs of the subsidiary audit committee meetings to facilitate consistency and to share key themes discussed.
<b>Other standards of control</b>	In addition, the committee receives regular updates on matters pertinent to NatWest Group's standards of internal control.	The committee received an update on the bank's tax position and discussed matters including tax provisioning levels, significant provided and unprovided tax risks and deferred tax assets. For deferred tax, this considered sustainable profitability, the period of assessment, and changes against previous estimates.  The GAC reviewed the disclosure on internal control matters in conjunction with the related guidance from the Financial Reporting Council. For preparations for the new Code requirements which are effective from 1 January 2026 please see page 124.

## Report of the Group Audit Committee continued

### Financial and non-financial reporting

The GAC evaluated various accounting judgements and reporting matters during the development of NatWest Group's financial reporting in 2025. The committee examined the quarterly, interim, and annual results announcements, the annual reporting suite, and other key financial and non-financial publications for submission to Board for approval. This encompassed climate and sustainability-related disclosures incorporated into the annual results and climate transition plan report, with attention given to the controls governing the formulation of these publications.

Matter	Role of committee and context of discussion	How the committee addressed the matter
<b>Expected credit losses</b>	To scrutinise and question management's assessments regarding credit impairments and the fundamental assumptions, methodologies, and models utilised, as well as any necessary post-model adjustments (PMAs). The influence of macroeconomic risks on the credit landscape was also discussed.	The GAC discussed management assumptions, methodologies, and PMAs used for provisions under IFRS 9. There was macroeconomic volatility with sector-specific risks, which were reflected in PMAs and scenario weights. The PMAs underwent quarterly review to ensure their appropriateness and accurate reflection of judgements, models, and data. The committee plans to maintain its scrutiny of PMAs in 2026. Overall, the committee determined that while models are a fundamental component of IFRS 9, they are unable to encompass all potential scenarios, particularly those not observed in the recent past. The GAC emphasised the continued importance of exercising judgement in establishing these provisions, with PMAs serving as a critical tool in facilitating this process.
<b>Provisions and disclosures</b>	To consider the level of provisions for regulatory, litigation and conduct issues throughout the year.	The committee reviewed the levels of provisions during the year for regulatory, litigation and conduct matters, and was satisfied these were appropriate.
<b>Viability statement and the going concern basis of accounting</b>	To review NatWest Group's going concern and viability statements.	The GAC examined evidence of NatWest Group's capital, liquidity, and funding position, and assessed the framework supporting the evaluation of principal risks. The committee evaluated NatWest Group's outlook in this context, the identified principal and emerging threats (including climate risk), and the ongoing macroeconomic developments, such as the impact of tariffs and international developments. FRC guidance was integrated into the formulation of the viability statement for NatWest Group. The committee endorsed both the going concern assessment and viability statement for submission to the Board.
<b>Fair, balanced and understandable</b>	To oversee the review process which supports the committee and Board in concluding that the disclosures in the Annual Report and Accounts and other elements of the year-end reporting suite of documents, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the company's position and performance, business model and strategy.	The committee supervised the review procedure for the year-end disclosures, encompassing central oversight and coordination of the Annual Report and Accounts and other disclosures managed by the Finance function. The documents were reviewed by the Executive Disclosure Committee before being considered by the GAC and underwent a management certification process for the year-end reporting suite. The committee assessed whether the annual, interim, and quarterly disclosures adhered to the requirements of the UK Corporate Governance Code, ensuring they were deemed to be 'fair, balanced, and understandable'. It consistently determined that the releases met the necessary criteria. The external auditor also examined the statement as part of the year-end processes and endorsed NatWest Group's position. The committee received quarterly reports in respect of the application of accounting policies, the most significant accounting judgements and estimates and received a summary from management which outlines why the reporting suite taken as a whole is considered to be fair, balanced and understandable.
<b>Non-financial reporting</b>	To review the principal non-financial disclosures made by NatWest Group and to ensure appropriate controls are in place to support the preparation of the information. These disclosures include the sustainability review chapter of the annual results and a separate climate transition plan report.	The committee oversaw the ongoing enhancement of the sustainability reporting control framework, which underpins non-financial disclosures. The GAC deliberated on and provided input regarding the sustainability review chapter in the Annual Report and Accounts. There were developments in preparation for compliance with new standards for sustainability disclosures in both the UK and EU, albeit there remained significant uncertainty regarding the implementation date for such standards. US developments continued to be monitored.

## Report of the Group Audit Committee continued

### Internal Audit

The GAC is responsible for overseeing the Internal Audit function, monitoring its effectiveness and independence.

Matter	Role of committee and context of discussion	How the committee addressed the matter
<b>Quarterly opinions</b>	To review quarterly opinions regarding the performance of the governance, risk management, and internal control framework, existing challenges, and the sufficiency of corrective actions.	Throughout the year, the committee received quarterly opinions from Internal Audit. Internal Audit also highlighted any material or emerging concerns identified during their audit activities. During 2025, the reporting cadence was amended to provide detailed reporting on a bi-annual basis with abridged reports provided in Q1 and Q3. This was in recognition of the improved control environment within NatWest Group. The committee also considered Internal Audit's updates on ongoing challenges, including operational resilience, automation, and key change programmes, noting improvements in control validation rates, progress on simplification objectives and risk self-assessments, and the sharing of audit-driven capabilities across the business. The committee thoroughly deliberated on Internal Audit's assessment of the robustness of the control environment which was assessed as of an acceptable standard or 'met'.
<b>Annual plan and budget</b>	To agree Internal Audit's annual plan and budget before the commencement of each year, as well as any significant adjustments necessary during the year.	In December 2024, the committee approved the focus of the Internal Audit plan on the bank's most high-risk areas. This had changed from a remediation focus to those risks to the successful delivery of the NatWest Group's strategy, following the closure of significant legacy issues and the achievement of a 'met' control standard. The 2025 budget remained consistent with the prior year, reflecting efficiencies secured within the function. Subsequently, in December 2025, the committee approved Internal Audit's plan and budget for 2026.
<b>Internal Audit Charter and independence</b>	To approve the Internal Audit Charter each year and reviews the independence of the Chief Audit Executive (CAE) and function as a whole.	The GAC reviewed and approved the Internal Audit Charter which was consistent with prior years. The committee also noted the Independence Statement and confirmed the independence of Internal Audit in December 2025.
<b>Performance evaluation</b>	To monitor and review, at least annually, the effectiveness of Internal Audit.	In 2025, the CAE continued to report to the GAC Chair with a secondary reporting line for administrative purposes to the Group CEO.  The GAC assessed the annual performance (including risk performance) of the function and CAE. The 2025 evaluation of the Internal Audit function was carried out internally. Stakeholders across the bank, including the GAC members, attendees and the external auditors, were invited to provide feedback, identifying areas of particular strength and those for enhancement. The overall findings were positive, and the Internal Audit function was found to be operating effectively with some opportunities to improve in respect of adopting a more holistic end to end approach to reviews undertaken. Progress on recommendations made from the evaluation will be overseen by the GAC in 2026.
<b>Visit</b>	To undertake an annual deep dive session with members of the Internal Audit leadership team.	Together with the Group BRC, the GAC participated in a successful deep dive session with Internal Audit's management team. A variety of issues impacting the function were discussed, including succession planning for the CAE, emerging thinking on the three lines of defence model, and approach to building the skills required for the function of the future. Discussions also included the function's increased usage of behavioural risk data science techniques, data testing, adoption of Generative AI and continuous audit techniques. The committee agreed to continued visibility at the committee for the potential internal CAE successors via presentation of the IA opinions.

## Report of the Group Audit Committee continued

### External Audit

The GAC has responsibility for monitoring the independence and objectivity of the external auditor, the effectiveness of the audit process, for reviewing the bank's financial relationship with the external auditor, and fixing its remuneration. Ernst & Young has been NatWest Group's auditor for 10 years following their appointment in 2016. Following a tender undertaken in 2022, the committee has overseen the process to move to NatWest Group's new auditor, PwC, ahead of their appointment from 2026. The GAC complied with the requirements of the FRC's Audit Committees and the External Audit: Minimum Standard (the Minimum Standard) and the Statutory Audit Services for Large Companies Market Investigation Order 2014 for the year ended 31 December 2025. In respect of the Minimum Standard the committee noted requirements requiring full Board engagement on future audit tenders, and also considered whether shareholder engagement was warranted on the scope of the external audit. It was concluded that such engagement was not warranted on the basis of existing shareholder dialogue.

Matter	Role of committee and context of discussion	How the committee addressed the matter
<b>External Audit reports</b>	To review reports prepared by the external auditor in relation to NatWest Group's financial results and control environment.	The committee received quarterly reports on the review-related work and conclusions of the external auditor. The reports included EY's view of the judgements made by management, compliance with international financial reporting standards, and the external auditor's observations and assessment of effectiveness of internal controls over financial reporting.
<b>Audit plan and fees</b>	To consider the scope and planning of the external auditor in relation to the audit of NatWest Group. It is authorised by the shareholders to fix the remuneration of the external auditor.	The GAC reviewed EY's 2025 plan. It welcomed the external auditor's focus on ECL, the valuation of financial instruments with higher risk characteristics, the pension valuation and the net pension balance and IT access management. In line with the authority granted to the committee by shareholders at the 2025 Annual General Meeting to fix the remuneration of the external auditor, the GAC approved the audit fees for the year including the fee for the 2025 interim results. The committee received confirmation from the external auditor that the fees were appropriate to enable delivery of the required procedures to a high quality.
<b>Annual evaluation</b>	To review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration all relevant professional and regulatory requirements.	The evaluation of the external auditor's performance in 2025 was undertaken to assess the independence and objectivity of the external auditor and the effectiveness of the audit process. The GAC members, attendees, finance directors of businesses and functions, and key members of the Finance Team were consulted as part of the evaluation. Stakeholders were invited to assess the external auditor's independence, engagement, provision of robust challenge, bench strength and reporting. The evaluation concluded that the external auditor was operating effectively and with objectivity. Key strengths included the quality of the audit approach, the challenge presented to management, and the bench strength and knowledge of the audit team. The evaluation also included consideration of the audit quality reviews conducted by the FRC and the Public Company Accounting Oversight Board (PCAOB) during the year and as part of the annual evaluation.
<b>Audit partner</b>	To oversee the lead audit partner and resolution of any points of disagreement with management.	Javier Faiz has been EY's lead audit partner since H1 2024. The EY Lead Partner attended all meetings of the committee in 2025 and met in private session with the committee members throughout the year. This provided the external auditor an opportunity to raise any points of disagreement with management. No such points were raised by the external auditor in 2025.
<b>Additional reports prepared by the external auditor</b>	To review reports prepared by the external auditor in relation to NatWest Group.	During 2025, the committee considered the results of the external auditor's assurance procedures on compliance with the FCA's Client Asset Rules for NatWest Group's regulated legal entities for the year ended 31 December 2025. EY also presented the findings of their audit of specific elements of the sustainability elements of the Annual Report and Accounts to the GAC.
<b>Auditor transition</b>	To oversee transition of the external auditor to PwC in 2026.	The committee received bi-annual updates on progress with the transition of external audit services from Ernst & Young to PwC for the 2026 year-end external audit. Confirmation was received that PwC achieved independence from NatWest Group on 4 July 2025. Engagement continued to support PwC partners to develop an understanding of the business of the NatWest Group, and in respect of securing access to the relevant data. PwC shadowed the 2025 year-end audit, which was completed by Ernst & Young, and have attended GAC meetings from July 2025.

## Report of the Group Audit Committee continued

## External Audit continued

Matter	Role of committee and context of discussion	How the committee addressed the matter
<b>Non-audit services</b>	To review and approve, at least annually, NatWest Group's policy in relation to the engagement of the external auditors to perform audit and non-audit services (the policy).	<p>All audit and non-audit services are approved by, or on behalf of, the committee to safeguard the external auditor's independence and objectivity. The GAC reviewed and approved NatWest Group's non-audit services policy in 2025. Under the policy, all audit-related services and permitted non-audit service engagements are approved by the GAC, with updates presented to each scheduled meeting.</p> <p>Where the fee for a non-audit service engagement is expected to exceed £100,000, a competitive tender process must be held and interim approval is delegated to management, but this is subject to ratification at the next scheduled GAC meeting. Where the fee is anticipated to be £250,000 or more, approval of all GAC members is required. For fees between £100,000 and £250,000, work can be approved on an interim basis by the GAC Chair, subject to subsequent ratification at the next scheduled GAC meeting. The policy permits the external auditor to undertake engagements which are required by law or regulation, or relates to the provision of comfort letters in respect of debt issuance by NatWest Group, provided prior approvals are in place in accordance with the policy. The policy also allows NatWest Group to receive services from EY/PwC which result from a customer's banking relationship, provided prior approvals are in place in accordance with the policy. All such approvals are subsequently reported to the GAC. The policy now applies to PwC during their shadowing period. Further details of the non-audit services policy can be found at <a href="http://natwestgroup.com">natwestgroup.com</a>.</p> <p>Information on fees paid in respect of audit and non-audit services carried out by the external auditor can be found in Note 6 to the consolidated financial statements.</p>

# Governance in action

## Spotlight

### UKCG Code Principle O Changes

The Board is accountable for establishing and maintaining an effective risk and internal control framework across NatWest Group and for determining the nature and extent of principal risks NatWest Group is willing to take to achieve its long-term objectives.

The effectiveness of the EWRMF, NatWest's primary risk governance document, is assessed through RCPA outcomes. In 2025, the EWRMF was maintained through regular updates to the BRC on RCPA performance and reports at each BRC and Board meeting on performance against risk appetite and on top and emerging risks. The Board approved the EWRMF, supported by Risk's and Internal Audit's conclusion that it is effective, and by NatWest Group's positive RCPA outcome of 'met'.

→ [Further detail on the BRC's review of the EWRMF is on page 132.](#)

## Spotlight

### UKCG Code Provision 29 preparations

The GAC and Group BRC reviewed progress towards meeting the new internal control declaration requirements under the UK Corporate Governance Code which will be applicable for 2026 reporting.

The approach seeks to utilise the output of existing internal risk and control assessment processes such as testing carried out as part of the Sarbanes-Oxley management assessment, risk and control performance assessments, and existing assurance processes.

A definition of material control was agreed for the purposes of meeting the Code's requirements, and a dry run of the assessment and reporting process was undertaken to ensure readiness ahead of implementation in 2026. The committees will oversee the completion of a number of actions to enhance the approach throughout 2026.

## Spotlight

### Cybersecurity focus

During 2025, information and cybersecurity was a key area of focus in response to high-profile external attacks and escalating nation-state activity. Intelligence highlights that nation-state-directed cyberattacks are growing in reach and targeting a wider range of sectors, reflecting the uncertainty of the geopolitical landscape.

In October, the UK Government urged CEOs and Chairs of all FTSE 350 firms to make cybersecurity a board-level responsibility. It listed three actions to strengthen cyber resilience which NatWest Group had already embedded, reinforcing their importance.

→ [For further detail on how information and cyber security was considered by the Board and the BRC, please see pages 110 and 133.](#)

# Report of the Group Board Risk Committee



## Dear Shareholder,

I am pleased to present my third report as Chair of the Group Board Risk Committee (the committee or BRC).

This report describes how the BRC has fulfilled its role in overseeing and advising the Board in relation to current and potential future risk exposures and risk profile; and in overseeing the effectiveness of risk frameworks and internal controls required to manage risk. This year the committee assumed further responsibilities from the Board, thereby allowing the Board to devote additional time to strategic discussions. In carrying out its important role, the committee helps to ensure NatWest Group supports its customers by managing risk well and responding to the evolving external environment.

## Members and attendance in 2025

Directors	Scheduled meetings attended
Stuart Lewis	8 of 8
Patrick Flynn	8 of 8
Geeta Gopalan	8 of 8
Gill Whitehead*	6 of 8
Lena Wilson	8 of 8

There were no ad hoc meetings.

\* Gill Whitehead was unable to attend two meetings due to external commitments arranged prior to her appointment to the committee.

Outside of formal meetings, the BRC Chair met regularly with the Group Chief Risk Officer and other members of senior management to discuss key risk priorities and issues.

## Principal areas of focus in 2025

2025 has been defined by the turbulent macroeconomic and geopolitical external environment. BRC has therefore focused on resultant emerging risks, considering the potential impacts on NatWest Group's risk profile, its customers and supply chain, with ongoing oversight of any mitigating actions. BRC has also focused on ensuring that NatWest Group's risk appetite remains appropriately calibrated against the backdrop of the emerging risk landscape.

Operational risk remained a principal area of focus, with BRC welcoming an improved operational risk profile while continuing to oversee the work to drive robust operational risk management across NatWest Group. This included detailed oversight of operational resilience, encompassing the operational resilience framework and required enhancements; improvements in continuity planning and resilience in key jurisdictions;

the NatWest Group's response to operational resilience incidents; and improvements to third-party recovery capabilities. Against the backdrop of various high-profile external cyberattacks, information and cybersecurity was also a key focus for BRC, ensuring robust controls and NatWest Group's ability to recover from potential attacks prioritised.

BRC maintained its rigorous oversight of principal financial and strategic risks throughout the year, critical to its focus on emerging risks from the external environment. This included detailed business portfolio reviews as well as dedicated sessions on the NatWest Group's Private Markets business and approach to balance sheet management, with the committee encouraging ongoing focus on reporting of aggregate exposures and return on capital, as well as further development of dynamic stress testing, encompassing contagion and correlation risk.

Close committee oversight of model risk remained a key priority for BRC, including continued progress to enhance the Model Risk Management Framework and delivery of internal ratings-based models to comply with regulatory expectations. During 2025, BRC also devoted time to discussing AI deployment within the NatWest Group, with particular focus on enhancement of risk management controls as well as the development and governance of AI models.

In addition to the above principal areas of focus, the committee continued its oversight of NatWest Group's other key financial and non-financial risks, risk frameworks and material change programmes. This included progress with embedding Consumer Duty, focusing on good customer outcomes across priority products and services.

## Principal areas of focus

- Risk profile, risk appetite, and emerging risks
- Operational risk, including operational resilience and cybersecurity
- Financial and strategic risks
- Model risk

Thank you to everyone for their valuable contributions to the committee during 2025, especially my fellow directors, Patrick Flynn and Lena Wilson, as well as Geeta Gopalan and Gill Whitehead, both of whom joined the committee in January 2025. Additionally, I would like to thank Ian Cormack, Francesca Barnes and Mark Rennison, for their insights as non-executive directors and members of NatWest Holdings BRC, attending BRC meetings in an observational capacity. Mark joined the NatWest Holdings BRC in January 2025 and Ian stepped down in May 2025.

Further information on areas of focus and challenge by the committee during the year is provided on the following pages.

## Effectiveness review

In accordance with the UK Corporate Governance Code, an evaluation of the performance of the Board and its committees, including the BRC, was conducted internally in 2025. Further information on the review can be found on pages 119-121.

## Stuart Lewis

Chair of the Group Board Risk Committee

12 February 2026

## Report of the Group Board Risk Committee continued

## Principal areas of Group Board Risk Committee focus in 2025

Theme	Principal areas of committee focus	Outcomes
For each principal risk, BRC considered a spotlight at least annually and received updates on performance against risk appetite at every meeting.		
<b>Risk profile and reporting</b>	<p>BRG's consideration of NatWest Group's current and future risk profile in 2025 included a particular focus on operational risk, model risk, credit risk and emerging risks. Group Risk Reports discussed at every meeting were supplemented by strategic risk spotlights and updates from principal subsidiary board risk committee chairs, providing a holistic view of all risks and an escalation route for any issues. The BRC Chair also attended the board risk committee meetings of principal subsidiaries on a rotational basis.</p> <p>BRG considered regular reports on legal and regulatory risks and developments and held a dedicated session focusing on emerging risks and the macroeconomic and geopolitical environment, considering the potential impacts on NatWest Group. This included perspectives from external and internal subject matter experts and complemented the updates on top and emerging risks received at every meeting. Further information on how NatWest Group identifies and manages emerging risks can be found in the Strategic Report on page 78.</p> <p>The committee received updates on progress with embedding NatWest Group's approach to risk culture, known as intelligent risk taking.</p>	<p>The committee supported the continued evolution of the Group Risk Report, and enhancements to the presentation of key metrics including credit exposures. It welcomed the progress made on automating reporting, whilst encouraging further automation and data quality improvements to support more timely and insightful reporting.</p> <p>The committee challenged management on NatWest Group's preparedness in response to macroeconomic and geopolitical developments, including potential 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> order impacts. It requested further analysis to support strategic Board discussions. BRC also challenged management on emerging risks, including cyberattacks and disruptive AI. It sought and received assurance from management that NatWest Group's risk appetite remained appropriately calibrated in light of developments in emerging risks and the macroeconomic environment. The committee also welcomed management's commitment to improving continuity planning and resilience in key jurisdictions.</p>
<b>Risk frameworks (including risk appetite), risk management strategy and Risk function oversight</b>	<p>In 2025 BRC continued to provide robust oversight of NatWest Group's risk frameworks (including risk appetite). The enterprise-wide risk management framework (EWRMF) sets out NatWest Group's overall approach to managing risk. Its effectiveness is assessed through the Risk and Control Performance Assessment (RCPA) outcomes. Further information can be found in the control environment update on page 133.</p> <p>BRG welcomed Risk's and Internal Audit's conclusion that the EWRMF was a comprehensive and effective framework and recommended it to the Board for approval. As part of its consideration of the framework, and in conjunction with the Group Audit Committee, BRC reviewed management's proposed approach to ensure NatWest Group's compliance with the requirements of the 2024 UK Corporate Governance Code. For further information on this work, see page 130.</p> <p>The committee maintained close oversight of NatWest Group's risk appetite framework, including the annual refresh of risk appetite, which was recommended to the Board for approval.</p> <p>Under delegated authority from the Board, the committee approved the enterprise-wide risk management strategy (EWRMS), which defines the strategy for risk management at NatWest Group. BRC maintained oversight of the execution of the EWRMS through regular reporting and spotlights on all priority EWRMS programmes.</p> <p>The committee continued its oversight of Risk30, the strategic programme of transformation activity within the Risk function and received assurance that the function was adequately resourced to deliver its mandate.</p>	<p>The committee was satisfied that the EWRMF continued to support NatWest Group's ability to identify, assess, and manage risk in a manner consistent with its strategic objectives and regulatory obligations. BRC welcomed Internal Audit's recognition of the progress made during 2025 to enhance the framework. The committee sought and received management's commitment to further enhancements to be delivered in 2026.</p> <p>BRG continued to oversee NatWest Group's risk appetite framework, challenging management to simplify the framework in line with strategic and regulatory priorities. As part of the annual risk appetite refresh, key committee discussions focused on model risk and Private Markets, reflecting wider industry focus. BRC also reviewed the key risk policies<sup>(1)</sup> and approved them under the authority delegated to it by the Board.</p> <p>In approving the EWRMS, BRC encouraged management to ensure that it remained dynamic and reflective of NatWest Group's strategic ambitions and evolving risk profile, in light of the wider macroeconomic uncertainty and the increased use of AI.</p> <p>BRG requested management provide a forward-looking view of the capabilities being developed through Risk30 to ensure an appropriate response to the evolving risk landscape. The committee held a dedicated discussion on risk capabilities and management committed to provide a Risk function capabilities profile to the committee on a regular basis.</p>

(1) Risk policies are in place for each principal risk and define, at a high level, the cascade of qualitative expectation, guidance and standards that stipulate the nature and extent of permissible risk taking. They are consistently applied across NatWest Group and subsidiary legal entities and form part of the qualitative expression of risk appetite for each principal risk.

## Report of the Group Board Risk Committee continued

## Principal areas of Group Board Risk Committee focus in 2025 continued

Theme	Principal areas of committee focus	Outcomes
<b>Operational risk, operational resilience, and information and cybersecurity</b>	<p>The committee performed oversight across a range of operational risks including technology end of life remediation, payments technology, AI risk management and operational resilience. BRC reviewed the operational resilience self-assessment prior to its approval by the Board and maintained oversight over recommended enhancements.</p> <p>Information and cybersecurity remained a key area of focus, with updates on the overarching geopolitical threat landscape, privileged access management, industry-wide insider threat risks and learnings from read-across activity on external cyberattacks.</p>	<p>BRC welcomed confirmation by management and Internal Audit of improvements to NatWest Group's operational risk profile during 2025, driven by the elimination of very high risks through the risk and control self-assessment process and effective prioritisation of key programmes. Management were challenged to ensure focus on technology end of life remediation was maintained.</p> <p>The committee was updated on AI deployment within NatWest Group and actions to enhance risk management controls. It was agreed that in 2026 AI risks would be reported in a consolidated AI dashboard to support committee oversight.</p> <p>In supporting the Board in its oversight of operational resilience, BRC challenged management to ensure that enhancements were appropriately prioritised and resourced. The importance of NatWest Group's holistic approach to the management of operational resilience was also noted. The committee provided oversight of management's response to operational resilience incidents, supporting improvements to third-party recovery capabilities and the development of supplier-level playbooks to mitigate business impacts in the event of prolonged outages.</p> <p>BRC challenged management on actions to mitigate increased information and cybersecurity risks resulting from the evolving geopolitical landscape and requested further consideration of any increased resources or investment required. The committee encouraged management to prioritise recoverability and also considered the implications of increased insider threats across the global financial sector, receiving assurance on measures taken. The committee noted NatWest's Group compliance with HM Government's Cyber Governance Code of Practice.</p>
<b>Control environment</b>	<p>BRC continued to monitor the effectiveness of internal controls for managing risk during 2025. Regular updates were received on performance against the RCPA criteria and BRC also considered the outcomes of the end of year RCPA assessment.</p>	<p>The committee welcomed confirmation from management that NatWest Group's overall control environment remained stable, with a RCPA 'met' rating. The committee reviewed and supported management's report on the internal controls required to manage risk.</p>
<b>Outsourcing and third-party risk management</b>	<p>BRC provided oversight of NatWest Group's outsourcing and third-party risk management arrangements, including oversight of critical service providers. Focus areas included the alignment of third-party risk management with operational resilience, particularly in relation to supplier recovery capabilities and scenario testing.</p> <p>Following Board delegation, the committee approved the NatWest Group's outsourcing policy standards.</p>	<p>The committee was pleased to note that NatWest Group's outsourcing framework remained effective and that, overall, risks had been reduced.</p> <p>It supported the continued integration of third-party risk into NatWest Group's operational resilience self-assessment, including through supplier-proven recovery plans, and encouraged further alignment of frameworks to ensure consistency and efficiency.</p> <p>In light of the industry-wide heightened risk of cyberattacks, BRC challenged the cyber resiliency of NatWest's supply chain and received assurances from management on the protections in place.</p> <p>BRC also discussed internal group outsourcing arrangements and requested further management action to confirm appropriate service levels.</p>

## Report of the Group Board Risk Committee continued

## Principal areas of Group Board Risk Committee focus in 2025 continued

Theme	Principal areas of committee focus	Outcomes
<b>Financial and strategic risks</b>	<p>BRC maintained rigorous oversight of NatWest Group's principal financial and strategic risks throughout the year. Regular reporting in the Group Risk Report was supplemented by focused reviews including the retail and wholesale credit risk portfolios, capital and credit risk mitigation, traded and non-traded market risk and balance sheet management. These in-depth reviews were further enhanced by business specific strategic risk presentations, ensuring the committee had a comprehensive understanding of the overall risk landscape.</p> <p>At the committee's request, management delivered dedicated sessions to review NatWest Group's Private Markets business, as well as wholesale credit stewardship, providing further risk insight and analysis.</p> <p>Capital, liquidity and funding requirements were subject to ongoing BRC review, providing recommendations to the Board as required.</p> <p>Following Board delegation, BRC reviewed and approved the NatWest Group's ICAAP and ILAAP submissions.</p> <p>Additionally, the committee considered risks to NatWest Group's strategic and financial plan, pension risk, and climate and nature risk.</p>	<p>BRC welcomed confirmation that the retail and wholesale credit risk portfolios remained stable and within appetite. The committee received assurance regarding the range of techniques used to support vulnerable customers and reinforced the importance of continuous improvement to ensure good customer outcomes. Regarding the wholesale portfolio, a detailed review of Private Markets, securitisation activity, leveraged funds and NatWest Group's balance sheet management programme resulted in committee challenges including capital efficiency and return on capital, risk mitigation, securitisation funding, stress testing approach and concentration risk management. In response, management outlined ongoing enhancements to limit setting, the reporting of aggregate exposures, data quality and dynamic stress testing, encompassing contagion risk and layered correlations.</p> <p>BRC reviewed traded and non-traded market risk exposures and challenged management on limit structures and adequacy of controls. The committee also discussed the implications of macroeconomic volatility necessitating the need for enhanced oversight and received regular updates on actions taken.</p> <p>In its consideration and approval of the ICAAP and ILAAP, BRC challenged management on the assumptions used in leverage planning floors and stressed outflow coverage. It sought assurance that the risk of digitisation on deposit outflows had been sufficiently considered and supported continued monitoring of deposit trends.</p> <p>The committee discussed the execution risks involved in the delivery of the strategic and financial plan, receiving confirmation from management that they were being appropriately managed.</p> <p>During the annual pension risk spotlight, BRC discussed the continuation of the buy-in transactions with third-party insurers entered into by the Trustee of the NatWest Group Pension Fund, welcoming confirmation of the overall reduction in risk profile.</p> <p>In its consideration of climate and nature risk, BRC challenged management to review whether climate and nature risk appetite continued to reflect NatWest Group's evolving climate strategy and received assurance from management that risk appetite remained appropriate. BRC considered the embedding of climate considerations into strategic decision-making and also discussed the importance of robust data as a key enabler of a mature climate and nature risk framework.</p>
<b>Model risk</b>	<p>On behalf of the Board, the committee maintained close oversight of model risk throughout 2025. This included regular progress updates on the model risk management programme established to deliver a robust model risk framework and ensure compliance with the Prudential Regulation Authority's (PRA) Supervisory Statement SS1/23. BRC activity also included oversight of the annual SS1/23 self-assessment outcomes.</p> <p>BRC focus remained on the status of the internal ratings based (IRB) transformation programme established to deliver new models to meet regulatory expectations. Updates on trading book risk models to achieve regulatory compliance were also received.</p>	<p>The committee noted the substantive progress in implementing the model risk framework enhancements required under SS1/23. It supported management's proposed actions to address regulatory feedback, whilst providing challenge to ensure that all regulatory expectations were met. BRC also considered the robustness of the validation process and requested enhanced reporting in the Group Risk Report to improve committee oversight.</p> <p>The development and governance of AI models was specifically considered by BRC, including the need to ensure appropriate resource and skillsets throughout the model lifecycle.</p> <p>Through its oversight of the IRB transformation programme, BRC received regular updates on the status of NatWest Group's IRB models, including regulatory feedback received and associated impacts on temporary model adjustments.</p> <p>Additionally, at BRC's request, Board training was arranged on NatWest Group's most material models, further supporting Board-level oversight of the model risk framework. More information can be found in the Board report on page 113.</p>

## Report of the Group Board Risk Committee continued

## Principal areas of Group Board Risk Committee focus in 2025 continued

Theme	Principal areas of committee focus	Outcomes
<b>Stress testing, recovery and resolvability</b>	<p>BRC reviewed the outputs of the Bank of England's (BoE) Final Report of the System Wide Exploratory Scenario exercise carried out over the prior two-year period and approved under Board delegated authority the macroeconomic scenario and expansion used in the 2025 Bank Capital Stress Test (BCST), together with the BCST results ahead of their submission to the BoE.</p> <p>BRC approved under Board delegated authority the stress scenarios used for monitoring the NatWest Group's risk profile relative to risk appetite.</p>	<p>In considering the BCST results, the committee sought confirmation of the adequacy of model overlays used and noted that NatWest Group had passed the stress test, significantly ahead of the stress minimum requirement, with no strategic management actions required.</p> <p>In approving the stress scenarios to be used for monitoring a moderate, severe and extreme stress, BRC discussed the robustness of the underlying growth assumptions and noted the economic modelling used.</p> <p>Following prior committee challenge, the Board undertook an operational resilience, recovery and resolution fire drill exercise and wash up. Further information can be found in the Board update on page 110.</p>
<b>Conduct and regulatory compliance risk</b>	The committee received regular updates throughout the year on conduct and regulatory compliance matters. This included updates on embedding Consumer Duty as well as Group and business specific conduct and regulatory compliance updates.	<p>The committee welcomed confirmation that NatWest Group's conduct and regulatory compliance risk profile remained within appetite, with continued progress made in strengthening controls and improving customer outcomes. It also welcomed confirmation of the positive progress made on the programme established to respond to the review carried out by the Department of Justice Compliance Monitor.</p> <p>BRC challenged management to ensure good customer outcomes across priority products and services and received regular updates on improvements underway.</p>
<b>Data risk management and BCBS239</b>	<p>BRC received updates on NatWest Group's data strategy programme of work, including progress against management's return to appetite plan.</p> <p>On behalf of the Board the committee also reviewed and approved NatWest Group's data aggregation and risk reporting framework (BCBS239) and considered its assessment of BCBS239 compliance prior to regulatory submission.</p>	<p>Management's progress against the data strategy return to appetite plans was welcomed by BRC. The committee sought and received assurance regarding the embedding of centralised data standards and controls across businesses.</p> <p>Regarding BCBS239, the committee welcomed confirmation that the enhancements made to the assessment methodology had improved the robustness of the annual assessment process, aligning NatWest Group with industry best practice. BRC encouraged continued enhancement of data capabilities to support timely reporting and effective risk oversight.</p>
<b>Financial crime and Fraud</b>	<p>In addition to dedicated financial crime spotlights and regular updates, BRC received the Money Laundering Reporting Officer's (MLRO) report.</p> <p>The committee also received updates on NatWest Group's fraud prevention strategy, including the use of AI to detect and prevent fraud. Broader industry developments were considered as part of BRC's oversight of fraud related risks, including an update on complex investment scams.</p>	<p>The committee welcomed confirmation that NatWest Group's financial crime risk profile remained stable and of RBSI's return to appetite on schedule. It continued to encourage management to focus on evolution and investment to meet challenges and regulatory expectations.</p> <p>BRC considered NatWest Group's fraud risk performance, noting its positive trajectory. It supported the ongoing engagement with government and industry stakeholders and encouraged continued investment in preventative controls and customer education.</p>

Report of the Group Board Risk Committee continued

## Principal areas of Group Board Risk Committee focus in 2025 continued

Theme	Principal areas of committee focus	Outcomes
<b>Transformation/major change programmes</b>	The committee continued to oversee the delivery of NatWest Group's transformation and major change programmes and their performance against risk appetite. Regular updates were included in the Group Risk Report and BRC also received biannual spotlights.	The committee reviewed the progress of NatWest Group's most material change initiatives and oversaw the material execution risks inherent in material change programmes. In response to prior committee feedback, it was noted management had further broadened the scope of the major change programmes reported. Following a challenge from BRC, management provided further explanation of the approach to managing programme interdependencies and the process for escalating risks and issues across the portfolio. The committee also challenged whether delivery dates were ambitious enough.
<b>Reputational risk</b>	The committee maintained oversight of NatWest Group's reputational risk profile throughout the year. During the annual spotlight, BRC received updates on the operation of the Reputational Risk Framework and enhancements that were underway.	BRC discussed key reputational risks across the industry and sought assurance from management on the processes in place to horizon scan for reputational risks. The committee requested that the Group Risk Report be further augmented with increased information on emerging reputational risks to enhance its oversight. BRC was pleased to receive confirmation from management that the reputational risk profile was stable and that the reputational risk framework was operating effectively following changes previously introduced to strengthen it.
<b>Remuneration</b>	<p>The committee continued to provide oversight of NatWest Group's accountability and remuneration arrangements, working closely with RemCo.</p> <p>Further detail on how risk is considered in remuneration decisions can be found in the Directors' remuneration report on pages 140 to 168.</p>	<p>Following prior BRC challenge and completion of a peer benchmarking exercise, the committee supported proposals to streamline its involvement in remuneration and accountability considerations, reflecting the NatWest Group's improved risk performance and culture, whilst still aligning with regulatory expectations and market practice.</p> <p>BRC reviewed and recommended to RemCo the outcomes of the 2025 remuneration risk performance assessments for the purposes of calculating variable pay, in addition to proposed Risk &amp; Control goals of the NatWest Group Executive Committee members and attendees (ExCo) and individual performance goals for the Group Chief Risk Officer.</p> <p>The committee carried out its annual review of the Material Risk Taker framework and policy.</p>

# Report of the Group Technology, Innovation and Simplification Committee



## Dear Shareholder,

I am delighted to present my report as Chair of the Group Technology, Innovation and Simplification Committee (the committee or TISC).

Following the 2024 Board effectiveness review, it was decided to evolve the SBC into the TISC, a new Board-level committee with effect from 1 June 2025. The new committee is responsible for providing strategic oversight and advice on NatWest Group's use of technology, data, and innovation to support delivery of its strategic ambitions, leaving former SBC topics regarding ESG and workforce related matters as Group Board's areas of focus in recognition of their strategic importance. A summary of the final SBC meeting is included in the box below.

TISC's areas of focus are underpinned by strong engagement with executive management. The TISC is committed to ensuring that management proposals relating to the use of technology and innovation:

- are aligned with the Group's purpose and strategy and that the technological enablers support the simplification initiatives across the Group;
- can demonstrate they increase market agility, operating leverage, enhance customer experience and engagement, and use automation;
- highlight NatWest's position versus competitors, and what is best in class that we could learn from; and
- detail the current baseline position with a future-state outlook focused on outcomes, with interim milestones on the path to that state.

## Members and attendance in 2025

Directors	Scheduled meetings attended
Yasmin Jetha (Chair)	3 of 3
Roisin Donnelly	3 of 3
Geeta Gopalan	3 of 3
Gillian Whitehead	3 of 3
Lena Wilson	3 of 3

There were no ad hoc meetings of the committee.

The committee held spotlight sessions including deep dives on unlocking the power of data, the advancement of device capabilities, and AI research and strategy.

With the rapid evolution of technology and AI, TISC ensures the Group's work remains on track while challenging the level of ambition on customer centricity with a customer future back approach.

Each TISC meeting features interlinked agenda items, connected by a common strategic thread. We maintain close alignment with the Board Risk Committee and the Performance and Remuneration Committee, ensuring no duplication or overlap. External perspective on selected items is presented providing insight into potential threats and implications for the Group.

## Effectiveness review

In accordance with the Code, an evaluation of the performance of the Board and its committees, including TISC, was conducted internally in 2025. Further information on the findings, outcomes and actions arising from this review can be found on pages 119 to 121.

## Conclusion

I would like to thank my fellow directors, executive management and those who presented updates to the committee during 2025. My special thanks to Francesca Barnes, SID of NatWest Holdings for her invaluable contribution. I am also thankful for the support provided by the NatWest Digital X team who have helped shape the topics covered by TISC.

## Yasmin Jetha

Chair of the Group Technology, Innovation and Simplification Committee

12 February 2026

## Principal areas of focus

- Business initiatives to digitise customer engagement
- Simplification initiatives
- Modernised technology platforms and design choices
- External perspectives on Innovation/Disruption threats and implications for the bank

At its final meeting in March 2025, SBC considered the housing sector; the defence sector; ethical, social and environmental policy; the implementation of a new performance management approach; and the activation and embedding plan for the winning together strategy and related behaviours.

## Report of the Group Technology, Innovation and Simplification Committee continued

Theme	Principal areas of committee focus	Outcomes
Business initiatives to digitise customer engagement	<ul style="list-style-type: none"><li><b>Retail Customer Contact Transformation:</b> The committee covered the use of technology (notably AWS Connect) to streamline customer experience across channels, with a focus on maintaining human contact at critical moments (e.g., bereavement). This included simplifying technology architecture so customer information and context followed the customer across channels, and reduced colleague cognitive load through AI augmentation.</li><li><b>Personalised Messaging and Data-Driven Engagement:</b> The committee reviewed how investment in AI was enabling event and trigger-based personalised messaging, aiming for faster, higher-quality, and lower-cost content delivery. The ambition was to speed up campaign launch times. New content creation capabilities were demonstrated and the committee reinforced the importance of tone, consistency, and regulatory compliance in messaging.</li><li><b>Customer Data Mastering:</b> The committee considered plans to master customer data logically in one place, improving resilience and enabling sharing across platforms.</li></ul>	<p>TISC recommended that scenario analysis and management actions to mitigate revenue disruption be presented to a future Board meeting. TISC also recommended consideration be given as to how M&amp;A targets are assessed for their support of agile, AI-driven customer data approaches. Additional recommendations included establishing an early-adopter customer group to test new features and developing colleague and investor narratives to outline key deliverables in the journey towards a single customer view.</p> <p>Engagement with customers was reviewed including the frequency of refresh of marketing permissions and the importance of ensuring appropriate use of customer data reinforced. The committee also reviewed the implications of third-party data use, social proofing, and the challenges of delivering dynamic content within regulatory constraints and encouraged management to engage the Information Commissioners Office on notification disclaimers.</p> <p>The use of third-party data (e.g., rewards) and the challenges of integration were discussed, as well as the importance of cognitive behavioural science in understanding customer conversations.</p>
Simplification initiatives	<ul style="list-style-type: none"><li><b>Simplification Key Results:</b> Progress of the Group against Key Results targets for simplification within NatWest Digital X was monitored.</li><li><b>Digital X Simplification Strategy:</b> The June meeting highlighted three fundamental outcomes: customer engagement, agility, and cost/FTE reduction. The strategy was to position the Group as a platform bank at the convergence of finance and technology, with rapid evolution in technology and data/AI, and a strong focus on removing complex orchestration layers to speed up delivery. It was also noted that an Architectural Council has been established to govern simplification activity, ensuring alignment with strategic targets and oversight of transformation prioritisation.</li></ul>	<p>The appropriateness and the level of ambition within Key Results targets for simplification was challenged resulting in a reset of a number of Key Results through a customer lens.</p> <p>The level of ambition within the plans, and the need to consider the use of AI from a trust standpoint was challenged; and the need for clarification regarding what was remediation activity rather than simplification work was discussed.</p> <p>The importance of the underlying architecture to further increase agility was reinforced.</p>

## Report of the Group Technology, Innovation and Simplification Committee continued

Theme	Principal areas of committee focus	Outcomes
<b>Modernised technology platforms and design choices</b>	<ul style="list-style-type: none"> <li><b>Bankline Transformation:</b> The transformation of the Bankline platform is central to the Commercial &amp; Institutional (C&amp;I) business, addressing outdated systems and service gaps. The programme aims to re-engineer the platform to be cloud-ready, improve customer experience, and reduce vulnerabilities to cyberattack and fraud. The pace of delivery has increased, with the Group benchmarked as the number one for release delivery in 2025 (source: Source: Curinos, H2 Commercial Digital Tracker).</li> <li><b>Digital Spine and Data Marketplace:</b> The Digital Spine is being developed as a set of shared capabilities for reuse across the Group, supporting improved customer journeys and agility. The data marketplace is intended to combine siloed data sets, reduce point-to-point sourcing, and drive operational efficiency. The adoption of Agentic AI-based architecture requires centralised data and Application Programming Interfaces (APIs), with several applications in development.</li> <li><b>AI Feature Teams and Adoption:</b> The establishment of an AI feature team, with deliverables expected by the end of 2025. AI adoption is progressing, with tools like CoPilot Chat and Aiden (an internally developed generative AI tool) rolled out to employees, with an initial focus on building avatars capable of developing an empathetic response; and deepfake detection capabilities.</li> <li><b>Industry and bank-specific AI adoption:</b> External guests from NVIDIA and the Group's Chief AI Research Officer provided an opinion on the evolution of AI, emerging use cases, and the sustainability of current market valuations. This included the strategic importance of data, monetisation via proprietary models, industry adoption, and the impact on customer relationships and staff roles. This evolution of large language models, Agentic AI, and the Group's ambition for operating leverage through AI was covered. Demonstrations of financial crime and fraud use cases, and retail banking applications were provided alongside plans to enhance the colleague experience.</li> </ul>	<p>TISC challenged whether it was possible to complete the transformation more quickly whilst acknowledging the extent of upgrade required. The committee also reviewed how customer needs were identified and prioritised via customer journey activity. The extent to which customer experience was used to drive the targeting of training was also covered.</p> <p>The committee challenged whether it was necessary to move to real-time processing to deliver the required customer benefits or whether near real-time processing would suffice. In addition, TISC raised concerns that it was hard to gauge the level of ambition within plans presented and that this view would be helpful in all future updates.</p> <p>The importance of ensuring the right culture for the new team was noted.</p> <p>At the December 2025 meeting, the Committee acknowledged the strategic direction and recognised the need for internal model development where economically justified. Options to de-risk adoption, including consideration of technology from multiple geographies were also reviewed.</p> <p>Regarding colleague adoption, ethical considerations in AI rollout, reward system changes, and future skills development were covered. It was agreed to provide a spotlight on engineering workforce plans and future skills during 2026.</p>
<b>External perspectives on Innovation/Disruption threats and implications for bank</b>	<ul style="list-style-type: none"> <li><b>Device Disruption:</b> The committee reviewed the rapid adoption of emerging devices (wearables, headsets, brain-computer interfaces, robotics with embedded AI) and the potential to disrupt customer engagement and end mobile phone dominance.</li> <li><b>Agentic AI and Banking Disruption:</b> The June meeting included a deep dive into Agentic AI, with external perspectives from the Technology Advisory Board. The committee considered how rapid shifts in Agentic AI adoption by customers could impact the Group, including the risk of disintermediation and the need for strategic advantage through ownership of complex prompts and trust relationships. Engagement with regulators and industry bodies is ongoing.</li> <li><b>Competitive Positioning:</b> The Group's position versus peers was reviewed including opportunities and challenges such as security concerns potentially slowing generative AI adoption across the industry which presented opportunities for the Group.</li> </ul>	<p>TISC highlighted the need for clarity on which platforms the Group will engage with and considered the importance of trust and regulatory perspectives, and microservice-level operations to reduce competitive threats.</p> <p>Disintermediation in the market was discussed and it was noted that new entrants from China were already using AI agents to offer to move customers money and were not bound by domestic regulation. The Directors challenged the Group's ambition including what steps would be taken to ensure the Group was winning for customers. It was agreed that a future update would be provided in respect of the Group's position on Agentic AI adoption by our customers.</p> <p>The committee reinforced the importance of benchmarking and learning from other industries and best-in-class competitors.</p>

# Directors' remuneration report



## Members and attendance in 2025

Directors	Scheduled meetings attended
Lena Wilson (Chair)	5 of 5
Roisin Donnelly	5 of 5
Mark Seligman	2 of 2
Frank Dangeard	1 of 2
Patrick Flynn (Member since 11 June 2025)	2 of 2

Mark Seligman retired on 31 March 2025 and Frank Dangeard stepped down on 23 April 2025.

Josh Critchley did not formally become a member of the committee until 11 December 2025; however, he was present at the meeting held on 10 December 2025.

In addition to the five scheduled meetings held, there were two ad hoc meetings. All directors eligible to attend ad hoc meetings were present at those meetings.

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## Dear Shareholder,

On behalf of the Board, I present the remuneration report for 2025.

I want to start by acknowledging the sad news that Frank Dangeard, who stepped down from his role as non-executive director on 23 April 2025, passed away in August 2025. Frank was a highly valued and respected member of the team, and he and his counsel will be greatly missed. On behalf of the Group Performance and Remuneration Committee, I would like to extend my condolences to Frank's family and all who knew him.

I would like to thank Mark Seligman, who retired on 31 March 2025 for his services to the Group Performance and Remuneration Committee (the committee). Mark made significant contributions during his tenure, and his insight and support have been invaluable.

In 2025, the committee welcomed Patrick Flynn and Josh Critchley as members, effective from 11 June 2025 and 11 December 2025 respectively. I appreciate the substantial expertise they bring and thank them for their valuable contributions so far. Additionally, I would like to thank Ian Cormack, Mark Rennison and Karin Cook, non-executive directors and members of the NatWest Holdings Performance and Remuneration Committee, for the insights they provided in attending meetings of the committee in an observational capacity in 2025. Ian stepped down from the Board in May 2025.

## Performance highlights for 2025

2025 was another really strong year for NatWest Group, rooted in the support we provide to people, families and businesses in every nation and region of the UK. Our performance is a consequence of deliberate actions and clear priorities. Attributable profit of £5,479 million and a Return on Tangible Equity (RoTE) of 19.2%, are both significantly up on the year before, and ahead of guidance.

We were pleased with our performance, confident in our priorities and ambitious for our business. With positive momentum across the bank, we see significant opportunities to grow and succeed with our customers and the UK in the future.

As demonstrated by returning £4.1 billion of capital to shareholders in 2025, and our proposed final dividend of £1.8 billion, our ability to deliver leading returns to our shareholders has remained strong.

## Wider workforce and customer focus

We continued to focus on rewarding colleagues in a fair and transparent way in 2025. Our UK starting salary increased to £24,525 per annum in April 2025, and nearly 84% of our junior UK colleagues (A and B grades), who are covered by our negotiated pay approach, received a salary increase of at least 2%, with almost two-thirds receiving 2.5% or more.

Throughout 2025, we further embedded Beyond, our performance management philosophy which was launched in 2024, with a focus on goals, feedback, and fostering a performance culture. Encouraging developments were evident, including a stronger emphasis on frequent coaching and feedback, alongside a rise in recorded feedback. Additionally, more colleagues tailored

## Wider workforce highlights

### April 2025

- Nearly 84% of our junior UK colleagues, covered by our negotiated pay approach, received a salary increase of at least 2%, with almost two-thirds receiving 2.5% or more.

### May 2025

- The second award under our Sharing in Success scheme delivered shares with a grant value of £1,275 for all eligible employees (adjusted for local salary levels).

### October 2025

- Building on our performance management philosophy Beyond and our new behaviours introduced in 2025, we launched Recognise, our new approach to recognition, which enables colleagues to be acknowledged 'in the moment' for their contributions.

### From April 2026 onwards

- In May 2026, all eligible employees will receive a Sharing in Success award of shares worth £1,440 (adjusted for local salary levels), subject to shareholder approval of the recommended dividend.

## Directors' remuneration report continued

their goals throughout the year, and colleague sentiment towards performance and pay remained favourable. Further details on these aspects are provided later in the report. Looking ahead to 2026, we will continue to build on these improvements to ensure our compensation framework stays aligned with our business strategy and motivates colleagues to raise the bar.

The second award under our Sharing in Success scheme was delivered in shares in May 2025, based on performance in 2024. The scheme is intended to further align colleagues with our strategic direction and drive improvements in customer performance, only paying out when NatWest Group has demonstrated satisfactory financial performance and an intelligent approach to risk. For 2025, we measured success based on succeeding with customers, underpinned by financial performance, our approach to risk and delivering value for shareholders. The third award under the scheme will be granted in May 2026, with a share award worth £1,440 for all eligible UK employees (adjusted for local salary levels to £530 for our other major hub in India), subject to shareholder approval of the recommended dividend at the 2026 NatWest Group plc Annual General Meeting (AGM). This reflects the good progress we made on our customer goals in 2025.

Over 35,000 colleagues contribute to our Sharesave scheme each month, with participants across the UK and India eligible to participate in new Sharesave offers. At the end of 2025, 65% of our colleagues were shareholders.

Financial wellbeing remains important to us both for our colleagues and our customers and communities. Colleagues are supported with access to pension and protection products as well as a range of financial health initiatives.

### Bonus pool for the wider workforce

The bonus pool for 2025 is based on a proportion of attributable profit adjusted for performance against a balanced scorecard of strategically important measures: financial performance; customer outcomes; people, culture and diversity; risk management; risk events; and progress against our strategic ambitions.

The committee agreed a 2025 bonus pool of £495.0 million, 10.8% higher than the 2024 bonus pool of £446.6 million. The uplift in the bonus pool for 2025 reflects the increase in profit since 2024 and the strong performance across the scorecard, particularly in relation to financial and customer targets, as well as changes in the underlying eligible population.

### Remuneration for executive directors

A new directors' remuneration policy (the Policy) was approved at the 2025 NatWest Group plc AGM. The Board was delighted with the strong level of support from shareholders, with 97.86% of votes in favour. The Policy operated as intended during 2025.

Under the new Policy, there were two key changes. Firstly, the Restricted Share Plan (RSP) was replaced by a new Performance Share Plan (PSP), with awards capped at 300% of earned salary. Secondly, the annual bonus opportunity was increased to 150% of earned salary. The changes reflect our progress on aligning reward more closely with performance, responding to the evolving market and regulatory expectations, and ensuring our long-term incentive structure remains competitive and strategically focused. Full details on the changes made can be found in the NatWest Group plc 2024 Annual Report and Accounts.

The final award under the RSP was made in March 2025 in relation to performance year 2024, and the first award under the new PSP will be made in March 2026. Further details are set out on the next page.

## Performance highlights

### Income growth excluding notable items

**12.0%**

2024: 2.2%

### Attributable profit

**£5,479 million**

2024: £4,519 million

### RoTE

**19.2%**

2024: 17.5%

### Climate and sustainable funding and financing<sup>(1)</sup>

**£16.9 billion**

2024: £31.5 billion

### Shareholder returns through dividends and buybacks

**£4.1 billion**

2024: £4.0 billion

## Participation highlights

**% of colleagues who are shareholders (as at 31 December 2025)**

**65%**

**Number of colleagues participating in the Sharesave scheme**

**35,500**

<sup>(1)</sup> Climate and sustainable funding and financing represents only a relatively small proportion of our overall funding and financing activities.

Directors' remuneration report continued

## Regulatory remuneration requirements

In November 2024, the Prudential Regulation Authority (PRA) and Financial Conduct Authority (FCA) published a joint consultation paper on changes to regulatory remuneration requirements in the UK, which we engaged with. In October 2025, the final regulatory position was published, detailing changes to the UK regulatory remuneration requirements. Most of the rules are effective from performance year 2026 but discretion is available to companies to apply certain changes to performance year pay-outs in respect of 2025, as well as to unvested awards from previous years.

When drafting the new Policy which was approved at the 2025 NatWest Group plc AGM, the committee ensured there was appropriate flexibility built in to allow us to respond to these anticipated changes. Our approach for the structure of pay for executive directors in light of the updated remuneration regulations is as follows:

- No change to the delivery mechanism for the annual bonus for performance year (PY) 2025 and PY 2026. This will continue to be delivered upfront, with 50% in cash and 50% in shares (which will remain subject to a 12-month retention period).
- 2026 PSP awards will vest across a four-year period, with 75% vesting after year three, and 25% vesting after year four. There will be a two-year holding period on the 75% of the PSP that vests after year three, and a one-year holding period on the 25% of the PSP that vests after year four, bringing the total vesting and holding period for all PSP awards to five years.
- The previous discount methodology for prohibition of dividends on unvested shares will be replaced with dividend equivalents. This will apply to the first PSP awards to be awarded in March 2026, and thereafter.
- Any unvested awards held in respect of roles prior to becoming an executive director will be eligible for accelerated vesting in line with the treatment for other colleagues.

The committee welcomes the simplification of the UK regulatory framework, and notes the importance of ensuring compliance with differing governance standards and shareholder expectations where applicable, as well as the expectations set out under the UK Corporate Governance Code. Further consideration will be given to the longer-term application of the updated regulations during the next Policy review.

## Vesting of RSP awards granted in 2023

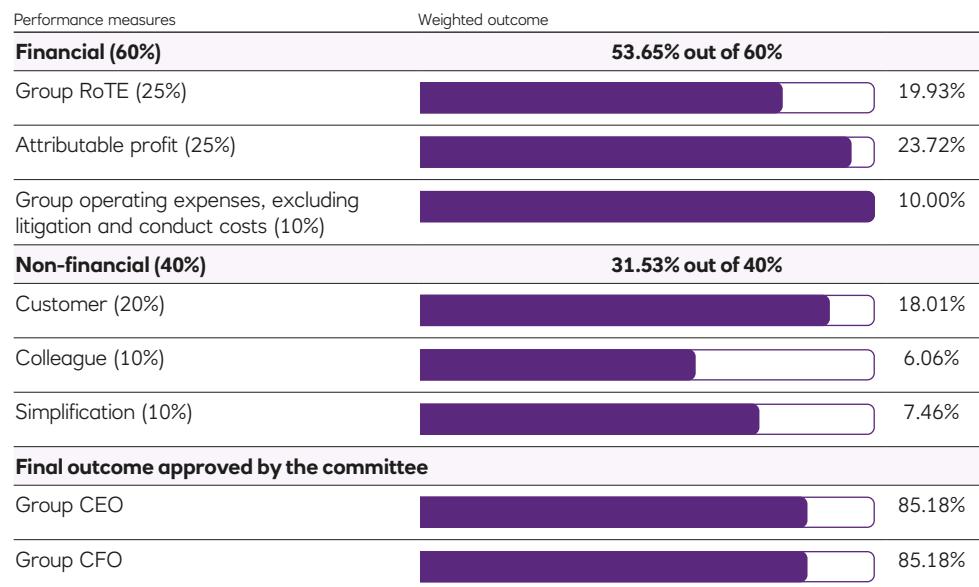
RSP awards were granted to the Group Chief Executive Officer (Group CEO), Paul Thwaite, and the Group Chief Financial Officer (Group CFO), Katie Murray, in March 2023 in respect of performance year 2022.

Ahead of the awards vesting, the committee carried out a pre-vest underpin check, assessing if anything had come to light since the awards were granted which would change its original view of performance. The committee concluded no pre-vest adjustments were necessary, so the award will begin vesting in March 2026. Full details of the RSP awards can be found on page 154.

Given Mr Thwaite was not an executive director in 2022, his vesting schedule for this award is eligible for acceleration due to the recent regulatory changes and will vest in March 2026 and March 2027. No amendments will be made to the vesting schedule for Ms Murray's outstanding awards given all her unvested awards are in relation to her time as an executive director, and these will progress based on the original vesting schedule.

## Annual bonus for 2025

The assessment of performance against annual bonus scorecards resulted in an outcome of 85.18% for both Mr Thwaite and Ms Murray. The committee agreed the final outcome was representative of performance and there were no unforeseen external impacts that made it necessary to adjust the resulting award levels. The annual bonus performance measures and targets for 2025 were set out in the 2024 Directors' remuneration report. Full details of the performance achieved against the measures and targets can be found on pages 151 and 152.



## Grant of 2026 PSP awards

Following a pre-grant test which confirmed that satisfactory performance was achieved in 2025, the committee has approved the grant of PSP awards at maximum level (300% of earned salary) for Mr Thwaite and Ms Murray in March 2026.

The awards will be subject to a three-year performance period running from 1 January 2026 until 31 December 2028, and will be assessed against a challenging pre-determined scorecard of measures pre-vesting. The table below summarises the performance measures that will apply to the 2026 PSP awards. Full details of the PSP scorecard measures for 2026 to 2028 are detailed on pages 159 and 160.

Financial metrics	Weighting	Non-financial metrics	Weighting
Group RoTE	30%	Strategic measures	25%
Relative Total Shareholder Return (TSR)	30%	Sustainability	15%
<b>Total</b>	<b>60%</b>	<b>Total</b>	<b>40%</b>

Directors' remuneration report continued

## Looking ahead – implementation of the Policy for 2026

In 2025, the committee reviewed its approach to benchmarking for executive directors. The committee believes remuneration benchmarking should not be the driving factor behind the positioning of remuneration, but that robust benchmarking should be undertaken to inform and support the committee in its decision-making.

The benchmarking peer group since 2018 has comprised a group of similar sized banks and other financial services organisations listed in the UK, Europe, Canada and Australia. Following a detailed review, it was concluded that going forward remuneration should primarily be considered against our fellow FTSE 30 banks (taking into account factors such as the size and complexity of the individual peers when making a judgement on relative positioning). The committee will also consider data for the broader FTSE 30, as well as FTSE 50 Financial Services companies. This updated approach more accurately reflects the market NatWest Group operates in for executive talent. It also recognises that pay models for UK banks are materially different to those in international banks, and are now more closely aligned to the broader UK market, particularly in light of regulatory simplification.

Should any material change to our pay structures be made in the future, detailed benchmarking analysis will be presented within our remuneration report at the appropriate time.

In December 2025, the committee approved salary increases of 3.25% for the Group CEO and the Group CFO, effective from 1 April 2026. Negotiations with Unite, one of our recognised employee representatives, regarding pay and conditions for the wider workforce for 2026 were ongoing at the time this report was prepared. The committee acknowledges that shareholders generally expect any increases in executive director

base salary to align with those awarded to the relevant wider workforce in the same locality. As negotiations had not concluded by the publication date, the final outcomes relating to wider workforce UK salary increases will be disclosed in the 2026 Directors' remuneration report.

Each year we ensure appropriate engagement with our major shareholders and other stakeholders on pay. In 2025, we wrote to our 10 largest shareholders who together represent c.40% of our investor base, alongside our proxy advisers and the UK regulators, sharing our approach for the implementation of the Policy in 2026. All interactions were positive, with no concerns raised.

Looking ahead, we are committed to ensuring we can continue to attract and retain senior executives of the calibre required for NatWest Group and our market context. With this in mind, the committee will continue to monitor remuneration developments in the market. The committee has observed the significant changes to leverage and fixed pay in 2025 at the other UK listed Level 1 banks and will monitor closely the operation of policies within the sector resulting from the recent changes to the remuneration regulations. In light of these factors, we hold open the possibility of returning to shareholders for a revised policy at the 2027 NatWest Group plc AGM, a year earlier than the normal triennial policy cycle, to ensure our high-performing management team continues to be appropriately compensated.

I would like to thank our shareholders for their ongoing support, my fellow committee members for their valuable contributions and our colleagues for their focus on our customers and communities.

### Lena Wilson, CBE

Chair of the Group Performance and Remuneration Committee

12 February 2026



# Remuneration at a glance

## Executive director remuneration outcomes (£000's)

	Paul Thwaite					Katie Murray				
	Fixed pay	Bonus	RSP	Sharing in Success	Total	Fixed pay	Bonus	RSP	Sharing in Success	Total
<b>Pay outcomes</b> Single figure 2025	2,538	1,499	2,533	1	<b>6,571</b>	1,713	1,022	2,571	1	<b>5,307</b>

■ Fixed pay ■ Annual bonus ■ RSP award ■ Sharing in Success

	Fixed pay (£000's)	2025 Annual bonus	2023 RSP vesting	2026 PSP pre-grant						
<b>Paul Thwaite</b>	<b>2,538</b>	<p>Scorecard assessment</p> <table> <tr> <td>53.65%</td> <td>31.53%</td> </tr> <tr> <td>(89% of max)</td> <td>(79% of max)</td> </tr> </table> <p>Maximum</p> <table> <tr> <td>60%</td> <td>40%</td> </tr> </table> <p>■ Financial ■ Non-financial</p>	53.65%	31.53%	(89% of max)	(79% of max)	60%	40%	100% of award (maximum) vesting in March 2026, underpin tests met in full.	300% of earned salary to be granted in March 2026.
53.65%	31.53%									
(89% of max)	(79% of max)									
60%	40%									
<b>Katie Murray</b>	<b>1,713</b>	<p>Scorecard assessment</p> <table> <tr> <td>53.65%</td> <td>31.53%</td> </tr> <tr> <td>(89% of max)</td> <td>(79% of max)</td> </tr> </table> <p>Maximum</p> <table> <tr> <td>60%</td> <td>40%</td> </tr> </table> <p>■ Financial ■ Non-financial</p>	53.65%	31.53%	(89% of max)	(79% of max)	60%	40%	100% of award (maximum) vesting in March 2026, underpin tests met in full.	300% of earned salary to be granted in March 2026.
53.65%	31.53%									
(89% of max)	(79% of max)									
60%	40%									
		→ See pages 151 and 152 for more details.	→ See page 154 for more details.	→ See pages 159 and 160 for more details.						

### Remuneration at a glance continued

## **Summary of the directors' remuneration policy (the Policy) and implementation in 2026**

Key elements	Performance year	Variable pay grant year	Years												
				+1	+2	+3	+4	+5	+6	+7	+8	+9	+10		
<b>Summary of Policy</b>															
<b>Base salary</b>	Any increases will take in-role performance into account. Increases will normally not be greater than the average rate of salary increase for NatWest Group employees over the period of the Policy, other than in exceptional circumstances such as material change in the executive director's role.														
<b>Pension</b>	The pension allowance rates for executive directors are aligned with the rate applicable to the majority of the wider workforce (currently at 10% of base salary).														
<b>Benefits</b>	Standard level of benefit funding, currently set at £26,250. Other benefits can be paid within the terms of the Policy.														
<b>Fixed Share Allowance</b>	An award of shares with an annual value of up to 100% of base salary at the time of award. Shares released over five years. Payable broadly in arrears over the performance year, currently in four instalments per year.														
<b>Sharing in Success</b>	<b>Maximum award:</b> £1,500 per colleague. <b>Operation:</b> Subject to Group performance criteria being met, awards will be delivered in shares.														
<b>Bonus</b>	<b>Maximum award:</b> 150% of earned salary. <b>Operation:</b> Awarded upfront with a 50/50 split of cash and shares. Based on a weighted scorecard of measures, as set out below. A downwards risk modifier also applies. See pages 157 and 158 for more detail on the measures for 2026.														
<b>Performance Share Plan (PSP)</b>	<b>Financial metrics</b> Group RoTE 25% Customer 20% Attributable profit 25% Colleague 10% Group operating expenses, excluding litigation and conduct costs 10% Strategy 10% <b>Total</b> 60% <b>Total</b> 40%														
<b>Share ownership</b>	<b>Maximum award:</b> 300% of earned salary. <b>Operation:</b> Delivered in shares. Subject to satisfactory performance pre-grant, and after three years' performance is assessed against a challenging pre-determined scorecard of metrics pre-vesting.														
<b>Malus and clawback</b>	<b>Metrics:</b> Includes a mix of financial (minimum of 50%) and non-financial measures, as set out below. A risk and conduct underpin also applies. See pages 159 to 160 for more detail on the measures for 2026-2028.														
	<b>Financial metrics</b> Group RoTE 30% Strategic measures 25% Relative Total Shareholder Return (TSR) 30% Sustainability 15% <b>Total</b> 60% <b>Total</b> 40%														
	<b>Group CEO:</b> 500% of salary. <b>Group CFO:</b> 300% of salary. On leaving, requirement to hold shares of a value equal to the lower of the shareholding requirement immediately prior to departure or the actual shareholding on departure, for a period of two years.														
	Subject to malus provisions prior to vesting. Subject to clawback provisions for seven years from grant <b>Clawback extended to 10 years in certain circumstances</b> Any variable pay awarded is subject to malus provisions prior to vesting, and clawback provisions – currently seven (and potentially up to 10) years from the date of award. See page 150 for further details.														

The directors' remuneration policy and wider workforce remuneration

## Pay linked to strategy and sustainability priorities

Ambition

**Succeeding with customers**

Purpose

**The bank that turns possibilities into progress**

We ensure that our compensation framework aligns to our business strategy and sustainability priorities. Pay for executive directors is aligned with the wider workforce, but distinguished through the use of long-term incentive awards and a requirement for executive directors to maintain a holding of shares in NatWest Group both during and after their employment. These deliberate differences recognise that it is in the best interests of our stakeholders for executive directors to have a proportion of their remuneration paid in shares and to be subject to long-term shareholding requirements.

### Total remuneration

#### Fixed pay

##### Salary and pension funding

Provided to all colleagues. A competitive cash salary, reviewed annually. Pension funding is 10% of base salary for UK employees.

##### Benefit funding

Applies to certain jobs. Some colleagues receive funding to support benefit costs, such as private medical cover, or take the relevant amount as cash.

##### Role-based allowances

Applies to some Material Risk Takers (MRTs) only. Delivered in cash and/or shares, dependent on allowance level and seniority.

#### Variable pay

##### Annual bonus

Applies to mainly manager grade and above including executive directors. Subject to performance. Awards delivered in cash and/or shares.

##### Long-term incentive

Applies to executive directors and members of senior executive committees. Subject to performance. Awards delivered in shares.

##### Sharing in Success

Provided to all colleagues. Subject to performance. Awards delivered in shares.

### Performance measures

#### Annual bonus

- Financial measures including Group RoTE, attributable profit and Group operating expenses.
- Non-financial measures including customer, colleague and strategy measures.
- Downwards risk modifier.



#### PSP awards

- Financial measures including Group RoTE and Relative TSR.
- Non-financial measures including sustainability and strategic measures.
- Risk and conduct underpin.



#### Sharing in Success

- Succeeding with customers.
- Underpinned by financial performance, our approach to risk and delivering value for shareholders.



### Alignment with our strategy and sustainability priorities

- Linking performance with pay encourages everyone to recognise customer outcomes across the bank.
- Pay is delivered in a way that aligns with the long-term interests of our stakeholders. For those who receive higher amounts of remuneration, a larger proportion is delivered in shares.
- Our balanced scorecard of measures and targets helps incentivise strong financial and risk performance as well as outcomes aligned to our strategy.
- Colleague measures in our annual bonus scorecard include purpose and culture targets, and our PSP scorecard includes measures on increasing diversity in our senior populations. Sustainability metrics, which include climate measures, are also part of our PSP scorecard.

- The performance goals and measures agreed for executive directors flow through to the executive management team and wider workforce, adjusted as appropriate to reflect individual areas of responsibility.
- For our wider workforce, the annual bonus pool is based on performance against a balanced scorecard of strategically important measures that broadly align with the position for the executive directors and the executive management team.
- The Sharing in Success scheme provides a further way for sustainable performance to be reflected in pay decisions throughout the organisation.

→ Details of performance against the 2025 targets for executive directors can be found later in this report. Refer to pages 39 to 73 for our [sustainability review](#).

### Strategy

Disciplined growth

Leveraging simplification

Active balance sheet and risk management

### Stakeholders

Investors

Customers

Colleagues

Communities

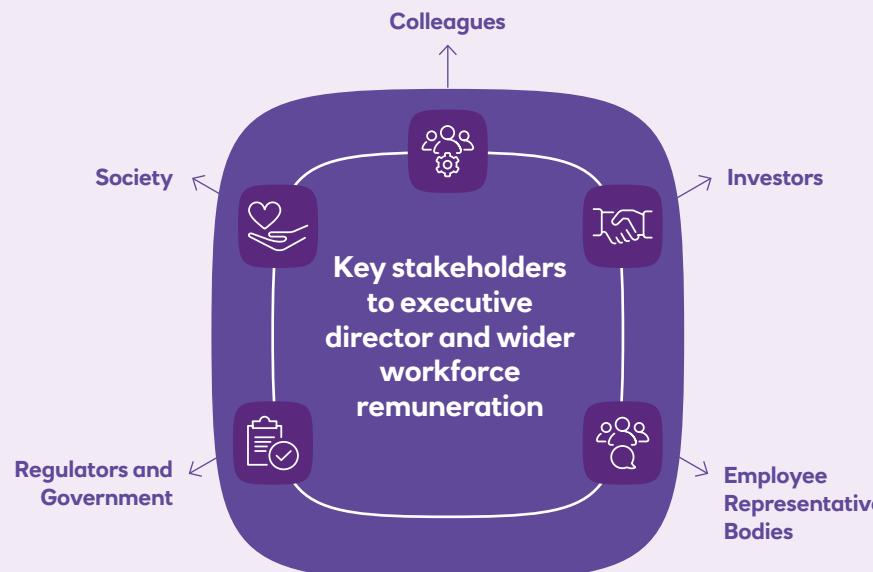
Regulators

The directors' remuneration policy and wider workforce remuneration continued

## Engaging with our colleagues and wider stakeholders

We listen to our colleagues and shareholders regularly and use their feedback to inform our approach to remuneration.

- We help colleagues to have an awareness of financial and economic factors affecting our performance through quarterly Results Explained communications and events with our Group CEO and Group CFO.
- We consult with our employee representative bodies on remuneration at relevant points during the year.
- Regular question and answer sessions take place between colleagues and senior executives throughout the year.
- Our committee Chair regularly engages with shareholders to seek feedback to guide our decision-making.
- We consult with the relevant regulators, following any updates and aligning with best practice as appropriate.
- The committee also receives updates on pay gaps and monitors the actions being taken to close them.
- Our colleague survey, Our View, enables us to track metrics and key performance indicators, which we can benchmark with sector and high-performing comparisons.



### Colleague listening

Our colleague survey, Our View, enables colleagues to share their experiences of working at NatWest Group. In September 2025, 83% of colleagues took part in the survey.

The results showed continued strong performance, particularly when compared to the Global Financial Services and Global High Performance norms. Marginal gains were achieved across most categories, demonstrating systemic improvements. Specifically, eight out of 14 categories improved, two remained static, and four declined compared with September 2024.

### The Colleague Advisory Panel

The Colleague Advisory Panel (CAP) remains a vital part of NatWest Group's governance and listening strategy, ensuring that the voice of colleagues is heard and considered at Board level. Chaired by non-executive director Roisin Donnelly, the CAP met twice in 2025 – March and September – with strong cross-functional representation and active engagement from Board members. CAP membership is refreshed regularly and currently comprises 31 self-nominated colleagues, representing a cross-section of the bank by grade, business area, location and working pattern.

The March meeting focused on executive remuneration and the introduction of NatWest Group's new core behavioural framework. Lena Wilson presented the directors' remuneration policy ahead of the 2025 NatWest Group plc AGM vote, inviting CAP members to reflect on how pay structures influence performance culture. The discussion explored performance targets, the transparency of bonus mechanisms and the alignment between executive and wider workforce pay.

The March meeting also covered NatWest Group's new behavioural framework, which was designed to simplify and embed desired behaviours across the organisation. CAP members welcomed the clarity of the framework and emphasised the need for well-paced communication and a desire for practical examples to help colleagues understand how the new behaviours would be experienced in their day-to-day roles.

The second CAP meeting in September included a session on Recognise, NatWest Group's new global recognition approach, which launched in October 2025. CAP members explored how recognition contributes to motivation and performance. Members emphasised the need for manager support to embed recognition into everyday practice and ensure it is experienced equitably across the organisation.

Across both meetings in 2025, CAP members posed thoughtful and challenging questions to the non-executive directors present. Updates on the CAP are made available to all colleagues internally on the dedicated CAP intranet page.

→ For more information on our new behaviours and global recognition approach, see our [Skilled, engaged and inclusive workforce section on pages 59 to 63](#).

## The directors' remuneration policy and wider workforce remuneration continued

### Embedding Beyond: Strengthening performance and recognition at NatWest Group

In 2025, we continued to embed Beyond – our performance management philosophy launched in 2024 – across the bank. Beyond is designed to support our performance culture through ambitious and meaningful colleague goals, regular developmental feedback, and frequent supportive check-in conversations. This year, we saw more colleagues actively reviewing and updating their goals and saw a 28% rise in feedback shared. These improvements reflect our ambition to build a culture where everyone can thrive.

Pay awards for performance year 2024, the first year of working within the Beyond philosophy, reflected strong discretionary decision-making, with a broader range of increases compared to pay awards for performance year 2023. Notably, we received fewer pay appeals, suggesting that colleagues have a clearer understanding of pay and bonus decisions following extensive manager training in late 2024.

To further strengthen our performance culture, we reflected our new behaviours into how we manage performance in 2025 and enhanced the experience with AI-powered goal setting, feedback and check-in preparation prompts. We also launched Recognise, our new approach to recognition, which enables colleagues to be acknowledged 'in the moment' for their contributions. This means that recognition can be given quickly and easily, helping to reinforce positive behaviours and celebrate success as it happens.

Recognising that managing under-performance is a critical part of supporting all colleagues, we reviewed our process and identified over 100 areas where it could be improved. In response, we have aligned support processes with Beyond tools and updated our policy to offer colleagues structured support.

In determining performance outcomes, we consider both the achievements made and how they have been delivered. Our Code of Conduct sets out clear expectations of our behavioural standards. If a colleague's behaviour falls below these expectations, this will be reflected in their performance conversations, fixed pay progression and variable pay decisions (where their role is eligible).

We are making good progress in building an inclusive workplace. Performance measures to support progress in this area affect the pay of executive directors. Pay equality is a core feature of our approach to support fair pay across NatWest Group.

→ **Details on how we support our colleagues and create an inclusive workplace are in the Skilled, engaged and inclusive workforce section on pages 59 to 63. For more on our new behaviours, see our 'Winning Together' spotlight on page 61.**

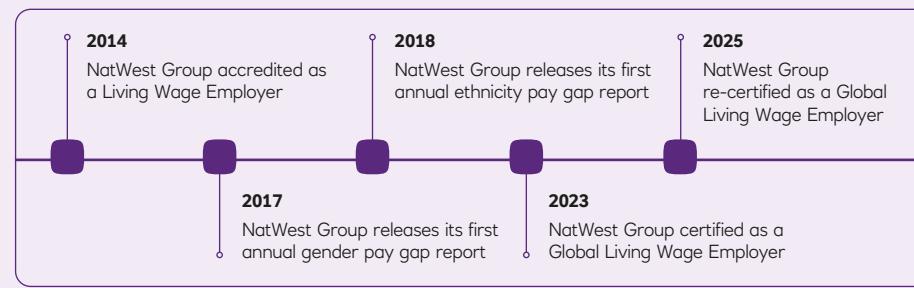
→ **Our Code of Conduct can be found at [natwestgroup.com](https://natwestgroup.com).**

### Fair pay and pay gap reporting

At NatWest Group, our goal is to succeed with customers. Having a diverse team enables us to understand our customers better and build a better business that represents the communities we serve. As part of our progress towards this, the committee has sight of a comprehensive view of our pay gap reporting on an annual basis. NatWest Group has been reporting on gender pay gaps since 2017, and ethnicity pay gaps since 2018. Pay gap reporting is a critical part of our Fair Pay Charter.

We are proud to be an accredited Living Wage Employer, demonstrating our commitment to setting pay levels above the real living wage rates. In 2025, we furthered our commitment to fair pay by achieving re-certification as a Global Living Wage Employer, recognising that our rates of pay for colleagues outside the UK are at or above the living wage threshold as defined by the Fair Wage Network.

→ **Full details of our pay gap reporting and Fair Pay Charter can be found at [natwestgroup.com](https://natwestgroup.com).**



The directors' remuneration policy and wider workforce remuneration continued

## Summary of the directors' remuneration policy (the Policy)

The Policy was last approved by shareholders at the NatWest Group plc AGM on 23 April 2025 and will apply until the 2028 AGM, unless a revised Policy is approved by shareholders before then. As set out in the Chair's introduction, we have updated our remuneration approach for executive directors for PY 2025 and PY 2026 in light of the updated regulatory remuneration requirements. The changes we have made apply for PSP awards from PY 2025 onwards and are as follows: an amendment to the vesting schedule so awards vest across a four-year period, with 75% of the PSP award vesting after year three and subject to a two-year holding period, and 25% of the PSP award vesting after year four and subject to a one-year holding period; and replacing the previous discount methodology for prohibition of dividends on unvested shares with dividend equivalents. No changes are proposed to the delivery mechanism for the annual bonus for PY 2025 and PY 2026. The table below and over the page summarises the key elements of the Policy. The full Policy is available under the Governance section of [natwestgroup.com](http://natwestgroup.com).

Purpose and link to strategy	Operation	Maximum potential value
<strong>Fixed pay for executive directors</strong>		
<strong>Base salary</strong> – Providing fair levels of base salary that support the recruitment and retention of high-calibre executives to deliver strategic priorities.	Paid monthly in cash and reviewed annually based on role, skills and experience and benchmarked against market.	Any future salary increases will take in-role performance into account and will be considered against peer companies.
<strong>Fixed share allowance</strong> – Additional fixed pay that reflects the skills and experience required for the role and supports a balanced remuneration policy.	Fixed allowance paid in shares, in quarterly instalments. A retention period applies such that shares are released 20% annually, in five equal tranches, on a pro-rata basis over one to five years from the date of award.	An award of shares with an annual value of up to 100% of base salary at the time of award.
<strong>Benefits</strong> – A range of flexible and market-competitive benefits.	Includes a range of standard benefit options including company car, private medical cover, life assurance and travel assistance.	A set level of funding for standard benefits.
<strong>Pension</strong> – Encourages planning for retirement and long-term savings.	Monthly pension allowance paid in cash based on a percentage of salary.	Aligned with the wider workforce, currently 10% of base salary.
<strong>Variable pay for executive directors</strong>		
<strong>Annual bonus</strong> – Supports a culture where individuals are rewarded for superior performance, aligned with strategic objectives and purpose.	Assessed against a balanced scorecard of measures, paid in a mix of cash and shares taking into account regulatory requirements. A risk modifier also applies. A post-vesting 12-month retention period will apply to the amount delivered in shares.	Set at 150% of earned salary. Subject to malus and clawback provisions.
<strong>PSP awards</strong> – Supports the execution of the strategy and delivers strong performance over a multi-year period.	Awards are granted provided satisfactory performance has been achieved in the prior year ('pre-grant test'). After three years, performance is assessed against a range of pre-determined performance criteria pre-vesting. A risk and conduct underpin also applies. For PY 2025 onwards, 75% of the PSP award vests after year three and is subject to a two-year holding period, and 25% vests after year four and is subject to a one-year holding period.	Set at 300% of earned salary. Subject to malus and clawback provisions.
<strong>Other elements of the Policy for executive directors</strong>		
<strong>Shareholding requirements</strong> – Executive directors must build and hold a shareholding both during and after employment, helping align their interests with returns to shareholders over the long-term.	Shares held outright qualify towards the requirement, and unvested share awards count on a net-of-tax basis once performance conditions have been assessed. On leaving, executive directors are required to hold shares of a value equal to the lower of their shareholding requirement immediately prior to departure and the actual shareholding on departure, for two years.	Minimum target requirement: Group CEO – 500% of salary Group CFO – 300% of salary
<strong>Employee share plans and other all-employee arrangements</strong> – Provides an opportunity to acquire shares in the company on a consistent basis to the schemes offered to UK employees.	Executive directors can participate in all-employee share plans on the same terms as other employees, including Sharesave and Buy as You Earn, which do not have performance conditions. They also receive Sharing in Success awards at the same level as other employees.	For voluntary all-employee share plans, the maximum potential value is determined in line with the statutory limits imposed by HMRC in the UK or the limits under the relevant share plan rules. The maximum level of Sharing in Success award is currently £1,500 per annum.
<strong>Legacy arrangements</strong> – Ensures NatWest Group can continue to honour previous arrangements.	This Policy gives authority to honour any previous commitments or arrangements entered into with current or former executive directors.	In line with existing commitments and arrangements.

The directors' remuneration policy and wider workforce remuneration continued

## Remuneration for the Group Chair and non-executive directors

Purpose and link to strategy	Operation	Maximum potential value
<b>Fees</b> – Competitive fixed remuneration that reflects the skills, experience and time commitment required to attract individuals to oversee the Board's strategy.	Fees are normally paid monthly in cash, with a portion of the net monthly fee being retained by the Company and used to purchase shares every quarter, in line with our shareholding policy.	Any increase to fees will not normally be greater than the average inflation rate or rate of salary increases for the wider workforce over the period of the Policy. The Group Chair is required to build towards a shareholding equivalent to four times the basic Board fee, and for non-executive directors the target is one times the basic annual Board fee.
<b>Benefits</b> – A level of benefits provided in line with market practice.	Benefits include travel assistance connected with Company business, including the use of a car and driver, where deemed appropriate. NatWest Group will cover related tax liabilities where appropriate and reimburse reasonable business expenses. The Group Chair is also entitled to private medical cover and life insurance.	The value of the private medical and life insurance cover provided to the Group Chair as well as other benefits provided under the Policy will be in line with market rates.

## Other Policy elements for directors

Provisions	Operation
<b>Notice and termination provisions</b>	<p><b>Executive directors</b></p> <p>Executive directors typically have permanent contracts with no fixed term and require 12 months' notice from either party to terminate employment, as per their service agreements. No pre-set provisions for compensation on termination exists. NatWest Group have discretion to pay in lieu of notice (based on salary only) in monthly instalments, which are reduced as appropriate if the director gains alternative work. Upon termination of an executive director's employment, the treatment of each of the elements of remuneration will be determined in accordance with the full Policy and plan rules as relevant. See link below to the full Policy.</p> <p><b>Group Chair and non-executive directors</b></p> <p>The Chair and non-executive directors have letters of appointment instead of contracts. There are no notice periods or termination compensation beyond payment for time served. Non-executive directors are appointed for an initial three-year term, subject to annual shareholder re-election, and may serve a further three-year term. Typically, tenure is limited to nine years, with any extensions beyond this explained in the NatWest Group plc Annual Report and Accounts. The Chair is exempt from the Board appointment policy, but follows the UK Corporate Governance Code's maximum nine-year tenure rule. All directors stand for annual (re-)election at the NatWest Group plc AGM. All director appointment dates are in the Corporate governance report.</p>

→ The full Policy is available under the Governance section of [natwestgroup.com](http://natwestgroup.com), along with the full terms of reference of the Group Performance and Remuneration Committee.

### Adjusting remuneration in light of new information

An accountability review process allows NatWest Group to respond where new information would change our variable pay decisions made in previous years and/or the decisions to be made in the current year. The process is used to apply commensurate ex-post risk adjustments to variable pay, where material failure of risk management, material error or employee misbehaviour are identified. Malus provisions allow us to reduce the amount of any unvested variable pay awards, potentially to zero, prior to payment. Clawback can be used to recover variable pay awards that have already vested and we can also apply in-year bonus reductions to adjust variable pay that would otherwise have been awarded for the current year. The circumstances in which we may make adjustments include:

- Conduct which results in significant financial losses for NatWest Group;
- An individual failing to meet appropriate standards of fitness and propriety;
- An individual's misbehaviour or material error;

- NatWest Group or the individual's business unit suffering a material failure of risk management; and
- For malus and in-year bonus reduction only, circumstances where there has been a material downturn in performance of the relevant business unit.

This list is not exhaustive and further circumstances may be considered where appropriate.

Malus can be applied to any unvested awards. For all MRTs, clawback can be applied for at least seven years after an award is granted, and this period can be extended to 10 years post grant in certain circumstances for our most senior colleagues. These periods take account of the fact that new information may take several years to come to light after an event.

### Adjustments in 2025

Since the last Directors' remuneration report, no new matters have been raised in relation to the executive directors. We will advise of any changes in future disclosures.

# Annual remuneration report

## Single total figure of remuneration for executive directors for 2025 (audited)

	Paul Thwaite		Katie Murray	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Base salary	1,173	1,142	800	788
Fixed share allowance <sup>(1)</sup>	1,173	1,142	800	788
Benefits <sup>(2)</sup>	75	92	33	42
Pension <sup>(3)</sup>	117	97	80	79
<b>Total fixed remuneration</b>	<b>2,538</b>	<b>2,474</b>	<b>1,713</b>	<b>1,697</b>
Annual bonus <sup>(4)</sup>	1,499	890	1,022	599
Long-term incentive <sup>(5)</sup>	2,533	1,572	2,571	2,224
Sharing in Success <sup>(6)</sup>	1	1	1	1
<b>Total variable remuneration</b>	<b>4,033</b>	<b>2,463</b>	<b>3,594</b>	<b>2,824</b>
<b>Total remuneration</b>	<b>6,571</b>	<b>4,936</b>	<b>5,307</b>	<b>4,520</b>

(1) **Fixed share allowance:** The fixed share allowance is based on 100% of salary and, as part of fixed remuneration, is not subject to any performance conditions.

(2) **Benefits:** Includes standard benefit funding at £26,250 per annum. For both executive directors, this includes travel assistance in connection with company business (Mr Thwaite: £45,258; Ms Murray: £3,623) and assistance with home security (Mr Thwaite: £3,380; Ms Murray: £3,380).

(3) **Pension:** Executive directors receive a monthly pension allowance of 10% of base salary and can choose to participate in the company's pension arrangements.

(4) **Annual bonus:** In determining bonus awards for 2025, the committee assessed performance against financial and non-financial measures as set out below and on the next page.

(5) **Long-term incentive:** The 2025 value relates to RSP awards granted in 2023 in respect of performance year 2022. Full details are set out on page 154. The 2024 value relates to LTI awards granted in 2022 in respect of performance year 2021. Full details are set out in the 2024 Directors' remuneration report.

(6) **Sharing in Success:** The values relate to Sharing in Success awards delivered in NatWest Group shares to all eligible colleagues (including executive directors). Shares with a grant value of £1,275 per colleague were made in respect of 2024 performance (adjusted for local salary levels). See page 141 for details of the performance conditions.

## Annual bonus performance assessment for 2025

The maximum bonus award was set at 150% of base salary for 2025, with bonus awards of 50% of maximum available for the achievement of target performance. The committee considered performance against financial and non-financial measures (set to reflect our strategy as well as risk performance by the executive directors). The outcome of this assessment is set out in full on the next page.

The committee noted that in 2025 Mr Thwaite had overseen the delivery of strong results and share price growth. Feedback from the Group Chair and other stakeholders reflected that Mr Thwaite had adopted a thoughtful approach to enterprise risk management and had demonstrated strong strategic and operational leadership.

In respect of Ms Murray, the committee noted that there had been good financial performance throughout 2025, with a focused effort on capital and balance sheet management, costs and efficiency, supporting delivery against the bank's strategic and financial targets.

A consistent programme of investor engagement throughout 2025 was recognised, further improving investor sentiment and supporting shareholder diversification. Throughout the year, Ms Murray also maintained effective risk management discipline and demonstrated strong strategic, operational, and cultural leadership.

The committee agreed the final outcome was representative of performance and there were no unforeseen external impacts that made it necessary to adjust the resulting award levels.

The final bonus amounts are set out below. Awards will be made in early 2026, split equally between cash and shares (with the shares subject to a 12-month retention period). Malus and clawback provisions apply to the awards.

	Maximum award	Final bonus award	Award level %
Paul Thwaite	£1,759,492	£1,498,736	85.18%
Katie Murray	£1,199,654	£1,021,865	85.18%



Annual remuneration report continued

## Annual bonus performance assessment for 2025

Annual bonus measures	Performance achieved in 2025			Weighting	Weighted outcome			
	Minimum (10% payable)	On target (50% payable)	Maximum (100% payable)					
<b>Financial (60%)</b>								
Group RoTE. <sup>(1)</sup>	15.0%	16.4%	18.3%	25%	19.93%			
	Achieved 17.5%							
Attributable profit. <sup>(1)</sup>	£4.1 billion	£4.5 billion	£5.1 billion	25%	23.72%			
	Achieved £5.0bn							
Group operating expenses, excluding litigation & conduct. <sup>(2)</sup>	£8.2 billion	£8.1 billion	£8.0 billion	10%	10.00%			
	Achieved £8.0bn							
<b>Non-financial (40%)</b>								
<b>Customer</b>								
Group measure using Net Promoter Score (NPS) methodology across the customer franchises, reflecting the contribution of each franchise to Group income. Where NPS is not available for NatWest Markets, an internal Customer Touchpoint Rating (CTR) and independent deal league tables is applied to assess NatWest Markets' customer performance. <sup>(3)</sup>	Meet target on average			20%	18.01%			
	Target exceeded on average							
<b>Colleague</b>								
Progress against purposeful leadership targets.	77	85	87	3.33%	2.50%			
	Achieved 86							
Progress against performance culture targets.	73	83	85	3.33%	2.50%			
	Achieved 84							
Increasing diversity in our senior roles. <sup>(4)</sup>	16.8%	17.9%	18.5%	3.33%	1.06%			
	Achieved 17.4%							
<b>Simplification</b>								
% of Retail customers banking entirely Digital. <sup>(5)</sup>	79%	80%	82%	3.33%	3.20%			
	Achieved 81.8%							
% of Commercial and Institutional (C&I) customers banking Digital first. <sup>(6)</sup>	83%	85%	87%	3.33%	1.43%			
	Achieved 84.5%							
Average deployment frequency for features and digital services.	11 days	7 days	5 days	3.33%	2.83%			
	Achieved 5.6 days							
<b>Downward risk modifier (0-100%)</b>								
No downward risk modifier was applied for the Group CEO or Group CFO.				Final outcome	85.18% (CEO) 85.18% (CFO)			

The reconciliation to the report figures and footnotes for the table above is set out on the next page.



Annual remuneration report continued

## Reconciliation to reported figures and footnotes

	Amount (£bn) <sup>(7)</sup>	Group RoTE	Group attributable profit excluding notable items (£bn)	Group operating costs, excluding litigation and conduct costs (£bn)
<b>Reported figure</b>			19.2%	5.5 (8.1)
Base rate adjustment	0.1	(0.2%)	(0.0)	
Gains from interest and FX risk management derivatives not in accounting hedge relationships, own credit adjustments and other income not driven by management actions	0.2	(0.5%)	(0.1)	
Incremental capacity created, utilised in strategic investments and de-risking 2026	(0.1)	0.3%	0.1	0.1
Timing of FX and conduct losses and tax rate alignment	0.2	(0.8%)	(0.2)	
Deferred Tax Asset write-back	0.1	(0.4%)	(0.1)	
<b>Figures used in bonus scorecard</b>			17.5%	5.0 (8.0)

(1) For the purpose of assessment under the bonus scorecard, adjustments are made to the published RoTE and attributable profit to exclude material factors outside of management's control. For RoTE, items will only be adjusted if this results in an impact of at least 0.25%. For performance year 2025, these include:

- Material changes in base rate from that assumed at the beginning of the year;
- Gains from interest and FX risk management derivatives not in accounting hedge relationships, own credit adjustments, and the timing of FX losses;
- Deferred tax asset and effective tax rate changes;
- Other income not driven by management actions; and
- Impact of incremental capacity created, utilised in strategic investments and de-risking 2026.

(2) For operating expenses, adjusting for the impact of incremental capacity created, utilised in strategic investments and de-risking 2026.

(3) Targets: Retail Banking: Improve NatWest Retail Main Bank NPS to +23 and improve NatWest Premier NPS to +23. Private Banking & Wealth Management: Improve Coutts NPS to +46 and improve Coutts £1m+ NPS to +54. Commercial & Institutional: Improve NatWest £0-750k NPS to -8, maintain NatWest £750k-£250m NPS at +5, improve NatWest £2m-£250m to +22, maintain >£250m NPS at +27, decline in RBSI NPS to +43, improve RBSI International & Affluent NPS to +45, NatWest Markets maintain average Customer Touchpoint Rating (CTR) of 78% and ranking in 4 independent Deal League Tables (Top 3 in GBP issuance for Investment Grade corporates, Sovereign Supranationals and Agencies GBP, Financial Institutions GBP and 1<sup>st</sup> for Private Placements for UK issuers). We met or exceeded 11 out of the 12 customer goals set for 2025. The weighted average rating across these 12 targets means that the Customer outcome is 18.01%.

(4) NatWest Group's management structures were revised during 2025. For the purpose of remuneration reporting, the representation targets were set based on the management structures in place at the start of 2025 with performance assessed at 31 December 2025. For full details on our inclusion targets, see our Creating an inclusive workforce section on pages 62 and 63.

(5) Retail franchise customers with active current accounts that have accessed a digital platform (online or mobile) and not used a branch or telephony for 90-days in the reporting period ending 31 December 2025. Inactive customers and customers with no channel usage excluded. Mortgages and savings accounts, and interactions via the Post Office are excluded from the scope of measurement.

(6) C&I franchise (ring-fenced bank) customers with active non-personal account/s that access their account 95% or higher through digital channels for three rolling months in the reporting period. Access to an account through a digital channel may not result in a transaction.

(7) Amounts quoted are pre-tax whereas RoTE and attributable profit impacts are post tax.

Figures may not cast due to rounding.

## Annual remuneration report continued

## Vesting of 2023 RSP awards (audited)

RSP awards were granted to Mr Thwaite and Ms Murray in March 2023 in respect of performance year 2022.

At the end of 2025, a RSP pre-vest underpin assessment took place to review whether anything had come to light which might call into question the original award. The committee made an assessment at the end of the three-year performance period (covering financial years 2023 to 2025) to determine whether sustainable performance has been achieved. The outcome was reviewed using the pre-vest underpin criteria detailed in the summary table opposite.

The underpin assessment found that the level of capital held relative to minimum capital requirements and total distributions paid relative to our distribution policy were satisfactory, and there had been no material deterioration in the risk or regulatory compliance profile since grant.

The committee also considered any potential windfall gains, particularly looking at any significant fall in the share price prior to the date of the grant in March 2023, as well as the change to the NatWest Group share price over the pre-vest period versus our market peers. Considering all these factors, the committee concluded there was no need to make any adjustment, and that the final outcome and value in light of the shareholder experience over the same period was fair.

A summary of the number of shares vesting is set out in the table at the top of this page, along with the estimated vesting values for the 2023 RSP award, as set out in the single total figure of remuneration table on page 151.

As set out in the Chair's introduction, due to the recent regulatory changes, the shares will vest in March 2026 and March 2027 for Mr Thwaite as a result of accelerated vesting, given he was not an executive director at the time of grant.

2023 RSP award	Paul Thwaite		Katie Murray	
	Shares	Value	Shares	Value
Number of shares at grant	425,074	£937,500	431,451	£951,563
Reduction for pre-vest underpin assessment	–	–	–	–
Number of shares vesting	425,074	–	431,451	–
Increase in value due to share price	–	£1,595,346	–	£1,619,281
Estimated vesting value	–	£2,532,846	–	£2,570,844

(1) The estimated vesting value is based on share price of £5.9586, the average over the three-month period from October to December 2025. The actual vesting value, based on the share price on the vesting date, will be restated in the 2026 NatWest Group plc Annual Report and Accounts.

### Pre-vest test criteria

A sustainable level of performance over the period with reference to:	Actual	Outcome
The level of capital held relative to minimum capital requirement.	The level of capital held throughout the period between grant and vest (2023-2025) exceeded all minimum ratios under the UK adoption of the Capital Requirements Regulation.	<input checked="" type="checkbox"/> Met
Total distributions paid relative to our distribution policy.	Ordinary dividend distributions across 2023-2025 were in line with external guidance of approximately 40% of attributable profit from 2023-2024 and approximately 50% of attributable profit projected in 2025.	<input checked="" type="checkbox"/> Met
No material deterioration in the risk or regulatory compliance profile or control environment of the bank, or serious conduct or reputational event.	Our underpin assessment indicated no material deterioration in risk performance at NatWest Group level since grant. Any material events identified in the intervening period were, where necessary, dealt with in the applicable performance year.	<input checked="" type="checkbox"/> Met
<b>Award (% maximum) vesting</b>		100%

For Ms Murray, who was an executive director at the time of grant, the shares will vest in equal amounts between 2026 and 2030, with each vested tranche subject to a 12-month retention period.

Malus and clawback provisions continue to apply to all awards.

## Annual remuneration report continued

**Scheme interest – RSP awards granted during 2025 (audited)**

Grant date	Face value	Award price <sup>(1)</sup>	Shares awarded <sup>(2)</sup>	Vesting levels	Performance requirement
Paul Thwaite 07-Mar-25	£1,713,365	£3.7933	451,682	Between 0% – 100% with no set minimum vesting	<p>The award was subject to a pre-grant assessment of performance over 2024. The committee will make a further assessment at the end of the three-year performance period (covering financial years 2025 to 2027) to determine whether sustainable performance has been achieved.</p> <p>Before vesting, the outcome will be reviewed by the committee using the underpin criteria –</p> <ol style="list-style-type: none"><li>1. The level of capital held relative to the maximum distribution amount.</li><li>2. Total distributions paid relative to our distribution policy.</li><li>3. Any material deterioration in the risk or regulatory compliance profile or control environment of NatWest Group, or a serious conduct or reputational event.</li></ol> <p>The committee will also use their broader discretion to verify that the vesting out-turn aligned to shareholder experience over the period. Full details are also disclosed in the 2024 Directors' remuneration report.</p>
Katie Murray 07-Mar-25	£1,181,928	£3.7933	311,583		

(1) The award price shown is calculated as the average share price over the five days prior to the grant date, discounted to reflect the absence of the right to receive dividends or dividend equivalents during the vesting period. For reference, the full market price of NatWest Group shares at the time of grant for the 2025 RSP awards was £4.7284.

(2) The conditional share awards equated to 150% of earned salary. Subject to the pre-vest assessment, these awards will vest in equal amounts between years 2028 and 2032. Service conditions and malus provisions apply up until vest, and clawback provisions apply for a period of at least seven years from the date of grant.

**PSP awards to be granted for 2025 (audited)**

Following a pre-grant test which confirmed that satisfactory performance was achieved in 2025, the committee has approved the grant of PSP awards at maximum level (300% of earned salary) for Mr Thwaite and Ms Murray in March 2026.

The awards will be subject to a three-year performance period starting on 1 January 2026 and ending on 31 December 2028, and will be assessed against a challenging pre-determined scorecard of measures pre-vesting. Under each component of the performance scorecard, 25% of maximum will normally vest for threshold performance and 100% of maximum will normally vest for maximum performance, with vesting on a straight-line basis between these two points.

Full details of the PSP scorecard measures for 2026 to 2028 are detailed on pages 159 and 160.

**Payments for loss of office and payments to past directors (audited)**

Former Group CEO Alison Rose's employment ended on 26 July 2024 following the completion of her contractual notice period. As part of the settlement agreement, Ms Rose retained access to security services for 12 months following the end of her employment. This provision ended on 26 July 2025. The total cost associated with this service from August 2023 to July 2025 was £14,730. Full details of Ms Rose's notice period arrangements are disclosed in the 2023 Directors' remuneration report.

There are no other payments to past directors to disclose for 2025.



Annual remuneration report continued

## Remuneration for the Group Chair and non-executive directors in 2025

With effect from 1 May 2025, the Group Chair's composite fee was increased from £800,000 to £826,000 per annum and the basic Board fee was increased from £88,000 to £92,000 per annum. The basic Board fee increase reflected the continued time commitment, responsibilities and expectations of our directors as they further develop as a high-performing Board, whilst ensuring ongoing competitiveness with comparable major UK companies. All other Board and committee fees were increased in line with, but not exceeding, the 2024 global workforce % increase (3.3%), as detailed in the table below. The Colleague Advisory Panel (CAP) Chair fee, which had not been increased since the CAP was established in 2018, was increased from £15,000 to £15,500 from 1 May 2025. All changes were within the scope of the Policy approved by shareholders and no directors were involved in decisions involving their own remuneration.

	2025 fees £	2024 fees £	Increase %
Group Chair – composite fee	<b>826,000</b>	800,000	3.25
Basic Board fee	<b>92,000</b>	88,000	4.55
Senior Independent Director (SID)	<b>38,000</b>	37,000	2.70
Chair – GAC, BRC and RemCo <sup>(1)</sup>	<b>80,000</b>	77,500	3.23
Chair – TISC <sup>(2)</sup>	<b>69,500</b>	67,500	2.96
Member – GAC, BRC and RemCo <sup>(1)</sup>	<b>37,000</b>	36,000	2.78
Member – N&G <sup>(1)</sup>	<b>17,000</b>	16,500	3.03
Member – TISC <sup>(2)</sup>	<b>34,000</b>	33,000	3.03

(1) GAC (Group Audit Committee), BRC (Group Board Risk Committee), RemCo (Group Performance and Remuneration Committee), N&G (Group Nominations and Governance Committee).

(2) TISC (Group Technology, Innovation and Simplification Committee) first met in June 2025 and as its areas of focus were an evolution of the former Group Sustainable Banking Committee (SBC), it was agreed that the SBC Chair and member fees should be applied to the TISC Chair and members respectively.

For NatWest Group plc Board directors who also serve on the boards and committees of NatWest Holdings Limited, National Westminster Bank Plc and The Royal Bank of Scotland plc, the fees above reflect membership of all four boards and their respective Board committees. Non-executive directors may also receive fees for membership of other subsidiary company boards and committees, the value of which would be included below. No variable pay is provided to the Group Chair and non-executive directors. Further details of Board and committee members and their attendance at meetings can be found in the Board report and relevant committee reports.

## Total remuneration for the Group Chair and non-executive directors in 2025 (audited)

	Fees		Benefits <sup>(1)</sup>		Total	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000	2025 £'000	2024 £'000
<b>Group Chair (composite fee)</b>						
Rick Haythornthwaite	<b>817</b>	596	<b>124</b>	68	<b>941</b>	664
<b>Non-executive directors</b>						
Josh Critchley <sup>(2)</sup>	<b>15</b>	–	<b>1</b>	–	<b>16</b>	–
Frank Danggaard <sup>(3)</sup>	<b>91</b>	287	<b>0</b>	3	<b>91</b>	290
Roisin Donnelly	<b>176</b>	147	<b>6</b>	6	<b>182</b>	153
Patrick Flynn	<b>244</b>	216	<b>11</b>	9	<b>255</b>	225
Geeta Gopalan	<b>198</b>	44	<b>5</b>	3	<b>202</b>	47
Yasmin Jetha	<b>160</b>	153	<b>3</b>	4	<b>163</b>	157
Stuart Lewis	<b>223</b>	216	<b>5</b>	6	<b>228</b>	222
Mark Seligman <sup>(4)</sup>	<b>53</b>	211	<b>1</b>	9	<b>54</b>	220
Gill Whitehead <sup>(5)</sup>	<b>158</b>	–	<b>8</b>	–	<b>166</b>	–
Lena Wilson	<b>285</b>	248	<b>17</b>	23	<b>303</b>	271

(1) The benefits column for the Group Chair includes travel assistance in connection with company business, as well as private medical cover, life cover and expenses in connection with travel and attendance at Board meetings. Non-executive directors are reimbursed expenses incurred in connection with travel and attendance at Board meetings.

(2) Mr Critchley was appointed to the Board with effect from 3 November 2025.

(3) Mr Danggaard stepped down on 23 April 2025, he received the Chair of NatWest Markets Plc fee until that date. This annual fee was detailed in the 2024 Directors' remuneration report as £290,000 per annum.

(4) Mr Seligman retired on 31 March 2025.

(5) Ms Whitehead was appointed to the Board with effect from 8 January 2025.

## Annual remuneration report continued

### Implementation of remuneration policy in 2026

#### Pay arrangements

In December 2025, the committee approved salary increases of 3.25% for the Group CEO and the Group CFO, effective from 1 April 2026. Pay arrangements for the 2026 performance year are set out below. Both executive directors will receive annual bonus and PSP awards in March 2026 in respect of the 2025 performance year. Full details of these awards can be found on pages 151 and 155.

	Salary (1 Jan 2026)	Salary (1 Apr 2026)	Standard benefits <sup>(1)</sup>	Pension	Fixed share allowance <sup>(2)</sup>	Maximum bonus award for 2026 <sup>(3)</sup>	Maximum PSP award for 2026 <sup>(4)</sup>
Paul Thwaite	£1,178,773	£1,217,083	£26,250	10% of salary	100% of salary	£1,811,258	£3,622,517
Katie Murray	£803,709	£829,830	£26,250	10% of salary	100% of salary	£1,234,950	£2,469,899

(1) Amounts shown relate to standard benefit funding. Executive directors are also entitled to benefits such as travel assistance and security arrangements in line with the Policy and are eligible to participate in all-employee share plan arrangements on the same basis as colleagues.

(2) Fixed share allowance is payable broadly in arrears, currently in four instalments per year. The shares will be released in equal amounts over a five-year period.

(3) The maximum bonus award under the Policy is set at 150% of base salary and is calculated on salary earned over the year. The award is expected to vest at 50% where on-target performance is achieved across the scorecard.

(4) The maximum PSP award under the Policy is set at 300% of base salary and is calculated on salary earned over the year. The maximum value of the PSP award receivable by the Group CEO and Group CFO for 2026 would increase to £5,433,775 and £3,704,849 respectively in the event there was a 50% increase in the NatWest Group plc share price over the PSP three-year period from grant to vest.

### Annual bonus and PSP for 2026

The committee intends to implement the Policy as follows:

#### Annual bonus performance assessment for 2026

The annual bonus scorecard will be based on weighted performance measures and appropriately stretching targets across financial and non-financial areas that align with our strategy. For 2026, financial performance will represent 60% of the scorecard, with target ranges set in line with the budget. Non-financial measures will be focused across customer, colleague and strategy measures and will represent an aggregate of 40% of the scorecard in line with the UK regulators' expectations. A downward risk modifier will also apply, enabling risk performance to be assessed and awards reduced, potentially to zero, if considered appropriate.

Details of the targets for 2026 are on the next page. Some of the threshold and maximum targets are considered commercially sensitive and so, will be disclosed retrospectively at the end of the performance period in the 2026 Directors' remuneration report, alongside the actual level of performance achieved and associated narrative. The maximum value of annual bonus awards is set at 150% of base salary for executive directors. The level of the award to be paid will normally increase on a straight-line basis between 10% of maximum for threshold performance, 50% of maximum for target performance and 100% of maximum opportunity for each scorecard measure. No award will be made if threshold performance, as determined by the committee, is not achieved.

All assessments of performance are subject to the committee's judgement to determine the appropriate outcome. Discretion will only be used by the committee when the application of the formulaic performance outcome drives an outcome which is considered unrepresentative of performance or when it is necessary to take into account strategic, economic or societal impacts that were not, or could not have been, accounted for at the point of agreeing the bonus scorecard.

#### Sharing in Success

For 2026, we will measure success based on succeeding with customers, underpinned by financial performance, our approach to risk and delivering value for shareholders.

Subject to performance criteria being met, awards will be delivered to all eligible colleagues, including executive directors, in NatWest Group shares. Awards have a maximum value of £1,500 per colleague (adjusted for local salary levels).



Annual remuneration report continued

## Annual bonus performance measures and targets for 2026

Any targets not disclosed on the below scorecard will be disclosed retrospectively at the end of the performance period in the 2026 Directors' remuneration report, as the committee considers them to be commercially sensitive at this point in time. The targets will be disclosed alongside the actual level of performance achieved and associated narrative.

Category	Performance measures	Target	Weighting
<b>Financial</b>			<b>60%</b>
	Group RoTE (with CET1 underpin).	Target will be set with appropriate reference to external guidance.	25%
	Attributable profit.	Target will be set with appropriate reference to external guidance.	25%
	Group operating expenses, excluding litigation and conduct costs.	Target will be set with appropriate reference to external guidance.	10%
<b>Non-financial</b>			<b>40%</b>
Customer	Group measure using Net Promoter Score methodology across the customer segments, reflecting the contribution of each segment to Group income. Where NPS is not applicable for Commercial and Institutional Banking (CIB) and NatWest Markets performance will be assessed using two independent deal league tables, and the Institutions Greenwich Quality Index (GQI) for Rates and FX.	On average, to meet our targets (within a rounding). Targets are set to maintain or improve.	20%
Colleague	Progress against purposeful leadership targets. Progress against performance culture targets.	Purposeful leadership target from Our View = 86. Performance culture target from Our View = 84.	10%
Strategy	% Retail customers with active current accounts banking exclusively digitally. <sup>(1)</sup> % of active Commercial and Institutional (C&I) customers banking digitally. <sup>(3)</sup> Average time to deploy new features and services (days). <sup>(5)</sup>	82.5% <sup>(2)</sup> 85% <sup>(4)</sup> Three days.	10%
<b>Risk (0 – 100%)</b>	Risk performance assessment based on Group, NatWest Holdings, Functional (CFO only) and individual risk performance.	Discretionary downwards modifier.	0-100%

(1) Retail Banking customers with active current accounts that have accessed a digital platform (online or mobile) and not used a branch or telephony for 90 days in the reporting period.

(2) Inactive customers and customers with no channel usage excluded. Mortgages and savings accounts, and interactions via the Post Office are excluded from the scope of measurement.

(3) Proportion of C&I (ring-fenced bank) customers with active non-personal accounts that conducted 95% or more of their account access digitally for the final three months in the reporting period.

(4) Access to account through a digital channel may not result in a transaction.

(5) Average time (rolling quarterly) to deploy new features and services to end users where the application is active and has had four or more changes in the last 12 months.

## Annual remuneration report continued

### PSP awards to be granted in 2026

Following a pre-grant test which confirmed that satisfactory performance was achieved in 2025, the committee approved the grant of PSP awards at maximum level (300% of earned salary) for Mr Thwaite and Ms Murray in March 2026. The awards will be subject to a three-year performance period starting on 1 January 2026.

The PSP scorecard is based on weighted performance measures and appropriately stretching targets across financial and non-financial areas that align with our strategy and regulatory expectations.

For the PSP awards to be granted in 2026, financial performance represents 60% of the scorecard, split evenly between Group RoTE and Relative Total Shareholder Return (TSR).

Whilst Group RoTE is also used as an annual bonus measure, the committee is comfortable with its inclusion in the PSP scorecard on the basis that the delivery of a strong return on tangible equity is of the utmost importance to NatWest Group, acting as a key measure of the sustainable long-term returns we wish to deliver to our shareholders. The inclusion of this measure within both the annual bonus and the PSP is also in line with the approach taken by other major UK-listed banks.

Relative TSR acts as a key measure of shareholder returns compared to our UK and European banking peers. In 2025, ahead of the PSP awards being made, the committee confirmed that the peer group for the Relative TSR measure (30% weighting) will consist of 18 banks listed in the UK and Europe which are considered to be of comparable size and complexity to NatWest Group. Further details on the peer group chosen for this metric are outlined on the next page.

The remaining 40% of the scorecard is based on non-financial measures. 15% is based on sustainability, namely a climate and transition finance<sup>(3)</sup> measure which drives delivery of our

£200 billion target between 1 July 2025 and the end of 2030. This is a key sustainability target within NatWest Group, and its inclusion aligns with market practice at our peers. The last 25% of the scorecard is based on strategic measures which incentivise management to further progress our strategic priorities of:

- (i) Disciplined growth, by building stable income streams;
- (ii) Leveraging simplification, to improve productivity and efficiency; and
- (iii) Active balance sheet and risk management, to drive capital generation and distribution capacity.

This element of the scorecard also includes inclusion metrics. The committee considered it appropriate to move these metrics from the annual bonus scorecard to the PSP scorecard going forward, as it is believed that making material and sustainable change in these areas is more meaningfully measured over the medium to long-term time horizon associated with the PSP. The targets proposed for these metrics are designed to drive strong progress towards the delivery of our previously announced targets by the end of 2030, namely:

- 50% female representation globally<sup>(4)</sup> in our senior leadership population;<sup>(5)</sup>
- 19% of UK colleagues from ethnic minority groups in our senior leadership population;<sup>(5)</sup> and
- 5% of UK Black<sup>(6)</sup> colleagues in our senior leadership population.<sup>(5)</sup>

At the time of vesting, a risk and conduct underpin will also apply to determine if there has been any material deterioration in risk and control performance or a serious conduct/reputational event that may warrant a downward adjustment (up to 100% of vesting if considered appropriate).

The PSP scorecard with performance measures and targets for 2026-2028 are detailed on the next page along with footnotes.



Annual remuneration report continued

## PSP performance measures and targets for 2026-2028

Any targets not disclosed on the below scorecard will be disclosed retrospectively at the time of vesting, as the committee considers them to be commercially sensitive at this point in time. This will be disclosed alongside the actual level of performance achieved and associated narrative.

Category	Performance measures	Weighting	Threshold (25% payout)	Maximum (100% payout)
<b>Financial (60% weighting)</b>				
	<b>Group RoTE<sup>(1)</sup></b>	30%	17.0%	19.0%
	<b>Relative Total Shareholder Return</b> compared to a peer group consisting of 18 UK and European banks. <sup>(2)</sup>	30%	Median	Upper quartile
<b>Non-financial (40% weighting)</b>				
<b>Sustainability</b>	<b>Climate and transition finance<sup>(3)</sup></b>	15%		
	Climate and transition finance is intended to support our net-zero ambition by providing financing and facilitation options that may help our customers to achieve their climate and/or transition ambitions.		£100bn	£125bn
<b>Strategic</b>	<b>Disciplined growth</b>	10%		
	Customer balance growth across gross lending, deposits and assets under management and administration.			
	<b>Leveraging simplification</b>	5%		Targets will be disclosed retrospectively at the time of vesting.
	Cost:income ratio.			
	<b>Active balance sheet and risk management</b>	5%		
	Capital generation measuring the ability to grow our capital base.			
	<b>Inclusion</b>	5%		
	% of female representation globally <sup>(4)</sup> in our senior leadership population <sup>(5)</sup> by 31 December 2028.	45.4%	47.4%	
	% of UK colleagues from ethnic minority groups in our senior leadership population <sup>(5)</sup> by 31 December 2028.	14.0%	16.0%	
	% of UK Black <sup>(6)</sup> colleagues in our senior leadership population <sup>(5)</sup> by 31 December 2028.	1.5%	3.3%	
<b>Risk and conduct underpin</b>				

(1) Group RoTE will be measured as the average RoTE over the three financial years of the performance period. Adjustments will be limited to notable items as reported in the external accounts and any impact of material changes in base rate from that assumed in the plan.

(2) The peer group for the 2026-2028 PSP consists of 18 Banks in the UK and Europe which are considered to be of comparable size and complexity to NatWest, namely ABN Amro, AIB, Bank of Ireland, Barclays, BNP Paribas, CaixaBank, Commerzbank, Crédit Agricole, Danske Bank, DNB Bank, Handelsbanken, HSBC, ING Group, Intesa Sanpaolo, Lloyds, Nordea, Santander, and Société Générale.

(3) Climate finance and transition finance as defined in the climate and transition finance framework. Climate and transition finance represents only a relatively small proportion of our overall financing and facilitation activities.

(4) Global targets remain subject to local laws and regulations.

(5) The senior leadership population is CEO-2+.

(6) Black mixed ethnicity categories are included in our Black diversity target calculations.

## Annual remuneration report continued

## Group Chair and non-executive shareholding policy and annual fees for 2026

Under the shareholding policy for the Group Chair and non-executive directors, NatWest Group retains a portion of the net monthly basic fees (10% for the Group Chair and 25% for non-executive directors) which is used to purchase shares every quarter.

The Group Chair is required to build towards a shareholding equivalent to four times the basic annual Board fee (currently £368,000) and for non-executive directors the target is one times the basic annual Board fee (currently £92,000). Once the target is achieved, monthly deductions and quarterly purchases will continue at a reduced percentage of net monthly fees (5% for the Group Chair and 10% for non-executive directors). The shares purchased under the shareholding policy are held in a nominee account with dividends reinvested and shares retained until the director steps down from the Board.

The annual fees applicable are set out in the table opposite, with the fees delivered in a combination of cash and shares, in line with the shareholding policy above. In line with our usual approach, the fees will be reviewed in 2026 with any changes effective from 1 May 2026.

## Other external directorships

Any new external appointments to be undertaken by directors require prior Board approval. Steps are in place to make sure that directors comply with regulatory limits on the number of directorships held.

The Board also considers whether it is appropriate for executive directors to retain any remuneration from any new external roles, depending on the appointment. Details of current external appointments can be found in the biographies section of the Corporate governance report.

Fees for NatWest Group plc Board <sup>(1)</sup>		Rates with effect from 1 May 2025	
Group Chair (composite fee)		£826,000	
Non-executive director basic fee		£92,000	
Senior Independent Director		£38,000	
Fees for NatWest Group plc Board committees <sup>(1)</sup>		Member Chair	
Group Board Risk Committee		£37,000	£80,000
Group Audit Committee		£37,000	£80,000
Group Performance and Remuneration Committee		£37,000	£80,000
Group Technology, Innovation and Simplification Committee		£34,000	£69,500
Group Nominations and Governance Committee		£17,000	—
Other fees for NatWest Group plc Board directors		Rates with effect from 1 May 2025	
Chair of the Colleague Advisory Panel			£15,500

(1) No additional fees are payable where the director is also a member of the boards and respective Board committees of NatWest Holdings Limited, National Westminster Bank Plc and The Royal Bank of Scotland plc. Where appropriate, directors receive additional fees for membership of other subsidiary company boards and committees, including NatWest Markets Plc. If applicable, we will disclose the value of fees received in this report each year.

## Annual remuneration report continued

## Annual change in directors' pay compared to average change in employee pay

Executive directors receive fixed share allowances and, from the 2022 performance year onwards, annual bonus awards. The Group Chair and non-executive directors receive fees rather than salary and do not receive annual bonus awards. We regularly review membership of Board committees and changes in membership will impact the level of fees paid to non-executive directors from one year to the next. The benefits figures for non-executive directors can also change significantly year on year depending on the amount of travel undertaken in connection with Board meetings. Data for employees is based on average salary, benefits and variable pay (i.e., annual bonus and Sharing in Success awards).

Annual percentage change	2024 to 2025			2023 to 2024			2022 to 2023			2021 to 2022			2020 to 2021			
	Salary	Benefits <sup>(1)</sup>	Annual Bonus													
UK employees <sup>(2)</sup>	4.45%	8.48%	15.78%	4.34%	6.87%	30.03%	8.11%	9.65%	7.13%	5.20%	6.34%	42.48%	2.02%	4.68%	35.24%	
<b>Executive directors</b>																
Paul Thwaite <sup>(3)</sup>	3%	0%	68%	41%	0%	98%	-	-	-	-	-	-	n/a	-	-	n/a
Katie Murray	1.5%	0%	71%	1%	0%	46%	-	3%	0%	-2%	1.50%	0%	n/a	0%	0%	n/a
<b>Group Chair and non-executive directors</b>																
Rick Haythornthwaite <sup>(4)</sup>	<b>37%</b>	<b>82%</b>	<b>n/a</b>	-	-	n/a										
Josh Critchley <sup>(5)</sup>	-	-	<b>n/a</b>	-	-	n/a										
Frank Danggaard <sup>(6)</sup>	<b>-68%</b>	<b>-100%</b>	<b>n/a</b>	4%	17%	n/a	3%	-33%	n/a	2%	200%	n/a	1%	0%	n/a	
Roisin Donnelly <sup>(5)</sup>	<b>20%</b>	<b>-9%</b>	<b>n/a</b>	25%	13%	n/a	462%	0%	n/a	-	-	n/a	-	-	n/a	
Patrick Flynn	<b>13%</b>	<b>14%</b>	<b>n/a</b>	-1%	192%	n/a	-6%	-40%	n/a	2%	400%	n/a	0%	-67%	n/a	
Geeta Gopalan <sup>(5)</sup>	<b>349%</b>	<b>68%</b>	<b>n/a</b>	-	-	n/a										
Yasmin Jetha	<b>4%</b>	<b>-6%</b>	<b>n/a</b>	-3%	-26%	n/a	-8%	25%	n/a	1%	300%	n/a	33%	100%	n/a	
Stuart Lewis <sup>(5)</sup>	<b>4%</b>	<b>-19%</b>	<b>n/a</b>	55%	27%	n/a	-	-	n/a	-	-	n/a	-	-	n/a	
Mark Seligman <sup>(7)</sup>	<b>-75%</b>	<b>-91%</b>	<b>n/a</b>	3%	81%	n/a	3%	0%	n/a	4%	400%	n/a	1%	0%	n/a	
Gill Whitehead <sup>(5)</sup>	-	-	<b>n/a</b>	-	-	n/a										
Lena Wilson	<b>15%</b>	<b>-25%</b>	<b>n/a</b>	-11%	108%	n/a	36%	-35%	n/a	5%	240%	n/a	8%	25%	n/a	

(1) Standard benefit funding for executive directors has remained unchanged. The figures above exclude any other benefits to executive directors such as travel assistance in connection with company business, the value of which is disclosed each year in the single total figure table.

(2) NatWest Group plc is a holding company and is not an employing entity. The disclosure above compares the change in directors' pay with all employees based in the UK. The data is based on the average full-time equivalent salary and benefit costs of UK-based employees of NatWest Group, excluding the Group CEO and the Group CFO. This is considered to be the most representative comparator group, as it covers the majority of employees and the Group CEO and Group CFO are based in the UK. The average percentage change relates to salaries and benefits awarded in the respective financial years for UK employees and therefore may differ from figures quoted elsewhere in the report, for example, the proposed salary increases to be awarded from April 2026.

(3) Mr Thwaite was appointed as Group CEO on 25 July 2023, so there are no prior year comparisons. For 2023, the change in his remuneration is based on actual amounts he earned over the whole of 2023, not just in his capacity as Group CEO, given he was an employee of NatWest Group before becoming Group CEO.

(4) Mr Haythornthwaite joined the Board of NatWest Group plc as an independent non-executive director on 8 January 2024 and following a handover period took over as Group Chair on 15 April 2024. Therefore, there are no prior year comparisons.

(5) Mr Critchley joined the Board on 3 November 2025, Ms Whitehead joined the Board on 8 January 2025, Ms Gopalan joined the Board on 1 July 2024, Mr Lewis joined the Board on 1 April 2023, and Ms Donnelly joined the Board on 1 October 2022, so there are no prior year comparisons before their respective joining date.

(6) Mr Danggaard stepped down on 23 April 2025.

(7) Mr Seligman retired on 31 March 2025.

## Annual remuneration report continued

**CEO to employee pay ratios**

The ratios below compare the total pay of the Group CEO, as set out in the single figure of remuneration table in this report, against the pay of three employees whose earnings represent the lower, median and upper quartiles of the UK employee population.

A significant proportion of the Group CEO's total remuneration is delivered through long-term incentive arrangements, linked to performance and share price movements, which means the ratio can fluctuate significantly from one year to the next.

None of the three employees identified this year received equivalent long-term incentive arrangements. Information based on salary only is included as a further comparison.

The pay ratios reflect the diverse range of roles and pay levels across NatWest Group. The median pay ratio is consistent with the pay and reward policies for UK employees as a whole. We pay each individual a fair rate for the role performed, using consistent reward policies. We set out further information on our fair pay approach at [natwestgroup.com](http://natwestgroup.com).

The change in the total remuneration median pay ratio since 2018 is largely driven by the more variable nature of performance-related pay for the Group CEO. The trend in the salary only pay ratio shows as stable and slightly decreasing due to lower than workforce increases for the Group CEO and progression in salaries for the wider workforce.

In 2023, the single figure table detailed the pro-rated amount of Mr Thwaite's annual bonus award as he took on the Group CEO role part way through the year. Also, as Ms Rose voluntarily declined a LTI award

in 2021, in relation to events relating to COVID-19, there was no vesting amount to include. This contributed to the pay ratio falling in 2023 before rising in 2024, and again in 2025. The rise is primarily due to higher vesting values for long-term incentive awards as a result of strong share price performance and an increased annual bonus opportunity from 2025.

The total remuneration and salary for employees at the lower, median and upper quartiles has either remained stable or increased year on year.

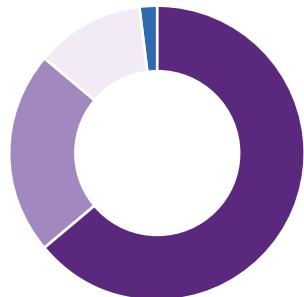
Year	Methodology		Pay ratios			Calculation	Remuneration values (£000)			
			P25 (LQ)	P50 (Median)	P75 (UQ)		Group CEO	Y25 (LQ)	Y50 (Median)	Y75 (UQ)
2018	A	Total remuneration	143:1	97:1	56:1	Total remuneration	3,578	25	37	64
		Salary only	44:1	30:1	19:1	Salary only	1,000	23	33	51
2019	A	Total remuneration	175:1	118:1	69:1	Total remuneration	4,517	26	38	66
		Salary only	44:1	30:1	19:1	Salary only	1,017	23	34	52
2020	A	Total remuneration	99:1	66:1	39:1	Total remuneration	2,615	26	40	66
		Salary only	46:1	31:1	20:1	Salary only	1,100	24	36	54
2021	A	Total remuneration	130:1	87:1	51:1	Total remuneration	3,588	28	41	70
		Salary only	44:1	29:1	20:1	Salary only	1,100	25	37	55
2022	A	Total remuneration	177:1	119:1	71:1	Total remuneration	5,249	30	44	74
		Salary only	42:1	28:1	19:1	Salary only	1,117	27	40	58
2023	A	Total remuneration	95:1	64:1	39:1	Total remuneration	3,158	33	50	81
		Salary only	38:1	25:1	17:1	Salary only	1,106	29	44	63
2024	A	Total remuneration	139:1	93:1	56:1	Total remuneration	4,936	36	53	87
		Salary only	37:1	25:1	17:1	Salary only	1,142	31	46	66
2025	A	<b>Total remuneration</b>	175:1	117:1	71:1	<b>Total remuneration</b>	6,571	37	56	92
		<b>Salary only</b>	36:1	24:1	17:1	<b>Salary only</b>	1,173	33	48	70

Supplementary information on the pay ratio table:

- (1) The data for 2025 is based on remuneration earned by Mr Thwaite, as set out in the single total figure of remuneration table in the remuneration report.
- (2) The employees at the 25<sup>th</sup>, 50<sup>th</sup> and 75<sup>th</sup> percentiles (lower, median and upper quartiles) were determined as at 31 December of the relevant year, based on full-time equivalent remuneration for all UK employees. This includes fixed pay (salary, pension funding and where relevant benefit funding and other allowances) and any variable pay (based on the amount to be paid). For employees who work part time, fixed pay is grossed up to the full-time equivalent.
- (3) 'Option A' methodology was selected as this is considered the most statistically accurate method.
- (4) UK employees receive a pension funding allowance set as a percentage of salary. Some employees continue to participate in the defined benefit pension scheme. For simplicity and consistency with prior years, we have included the pension funding allowance value in the calculation for all employees.
- (5) The data for the three employees identified has been considered and fairly reflects pay at the relevant quartiles among the UK employee population. All three individuals were full-time employees during the year and none received an exceptional award that would otherwise inflate their pay figure.

Annual remuneration report continued

## Summary of remuneration levels for employees in 2025



■ 42,548 employees earned total remuneration up to £50,000	<b>63.93%</b>
■ 14,931 employees earned total remuneration between £50,000 and £100,000	<b>22.44%</b>
■ 7,890 employees earned total remuneration between £100,000 and £250,000	<b>11.86%</b>
■ 1,180 employees earned total remuneration over £250,000	<b>1.77%</b>

The disclosure of remuneration levels for employees includes anyone employed by NatWest Group during the year.

## Remuneration of Material Risk Takers in 2025

Each year, we disclose the remuneration paid to individuals whose activities have a material influence over NatWest Group's performance or risk profile, known as Material Risk Takers (MRTs). The disclosures are made in line with regulatory requirements and full details can be found in our Pillar 3 reports at [natwestgroup.com](http://natwestgroup.com).

The tables below summarise the total pay for colleagues identified as MRTs for one or more entities across NatWest Group along with the number of individuals earning more than €1 million for the year. Note that the number of MRTs excludes colleagues who left NatWest Group prior to 31 December 2025 in line with regulatory requirements.

Number of MRTs	<b>590</b>
Remuneration (£millions)	
Total fixed pay	<b>£185.1</b>
Total variable pay	<b>£129.1</b>
<b>Total remuneration</b>	<b>£314.2</b>

Number of >€1m earners <sup>(1)</sup>		
€1.0 million to below €1.5 million	55	
€1.5 million to below €2.0 million	20	
€2.0 million to below €2.5 million	3	
€2.5 million to below €3.0 million	4	
€3.0 million to below €3.5 million	4	
€3.5 million to below €4.0 million	2	
€4.0 million to below €4.5 million	-	
€4.5 million to below €5.0 million	1	
<b>Total</b>	<b>89</b>	

(1) This information is disclosed in euros in line with the requirements of the regulations.



## Annual remuneration report continued

## Directors' interests in NatWest Group plc shares (audited)

Under the shareholding requirements, the Group CEO and Group CFO need to build up and maintain shares to the value of 500% of salary and 300% of salary, respectively. The requirements apply both during employment and for two years after leaving, in line with best practice. Procedures are in place to ensure the shareholding requirement is enforced, including the submission of pre-approval requests prior to the execution of any trades, or the application of trade restrictions for leavers. Further details of our shareholding requirements as part of our Policy can be found on page 147.

The Group CEO and Group CFO have entered into irrevocable trading plans in respect of 25% of their vested shares free from retention requirements at the point they entered into the trading plans in order to engage in structured, regular share dealing activity and to assist with portfolio management.

	Paul Thwaite	Katie Murray
Shares held – beneficially owned <sup>(1)</sup>	973,643	786,477
Shares held – performance assessed unvested shares <sup>(2)</sup>	250,573	535,016
Total shares held counting towards requirements <sup>(3)</sup>	1,224,216	1,321,493
Shareholding requirement	500% of salary	300% of salary
Position against requirement <sup>(4)</sup>	676% of salary	1,071% of salary

(1) Shares owned beneficially as at 31 December 2025. Includes shares held by persons closely associated with the directors.

(2) Share awards are also included for the purposes of the shareholding requirement once any performance assessment has been completed. All share awards are included net of taxes due to be paid on vesting.

(3) As at 13 February 2026, there were no changes to the shares held as shown above for Mr Thwaite and Ms Murray.

(4) The position against the requirement was calculated as at 31 December 2025 based on the closing price of £6.5180 on 31 December 2025.

## Share interests for the Group Chair and non-executive directors

As set out on page 149, the Group Chair and non-executive directors are subject to a separate shareholding policy. The shareholding requirement is expressed as a number of shares, which is calculated at the beginning of each year. The progress being made towards the shareholding requirement is in line with expectations. A number of the directors held shares prior to the policy's introduction which has accelerated their progress.

	Rick Haythornthwaite	Josh Critchley <sup>(3)</sup>	Frank Dangeard <sup>(4)</sup>	Roisin Donnelly	Patrick Flynn	Geeta Gopalan	Yasmin Jetha	Stuart Lewis	Mark Seligman <sup>(5)</sup>	Gill Whitehead <sup>(3)</sup>	Lena Wilson
Shares held <sup>(1),(2)</sup>	42,938	16,000	13,899	18,606	28,624	3,825	37,248	10,780	61,177	2,295	36,726
Shareholding requirement	4x basic annual Board fee	↖				→ 1x basic annual Board fee	↖	→			
Position against requirement	76% of target	113% of target	98% of target	131% of target	202% of target	27% of target	263% of target	76% of target	433% of target	16% of target	260% of target

(1) Shares owned beneficially as at 31 December 2025 or at the date of stepping down from the Board if earlier. Includes shares held by persons closely associated. As at 13 February 2026, there were no changes to the shares held as shown above.

(2) For the Group Chair and the non-executive directors, a final share purchase under the shareholding policy for 2025 was made on 2 January 2026 and has been included in the table above as it related to deductions from 2025 fees.

(3) Mr Critchley was appointed to the Board with effect from 3 November 2025. Ms Whitehead was appointed to the Board with effect from 8 January 2025.

(4) Mr Dangeard stepped down on 23 April 2025.

(5) 36,585 shares are held in the name of M Seligman & Co Limited, of which Mark Seligman and Louise Seligman are shareholders. Mr Seligman retired on 31 March 2025.

## Annual remuneration report continued

## Share awards under share plans

	Year	Awards held 1 Jan 2025	Awards granted	Award price £ <sup>(5)</sup>	Full market value at grant £	Awards vested	Awards lapsed	Awards held 31-Dec-25	Expected vesting dates
<b>Paul Thwaite</b>									
Deferred award <sup>(3)</sup>	2020	30,123		1.70	30,123			—	
LTI award	2021	192,524		1.67	1.87	48,131		<b>144,393<sup>(1)</sup></b>	07.03.26 <sup>(7)</sup>
LTI award	2022	410,492		1.82	2.23	82,099		<b>328,393<sup>(1)</sup></b>	07.03.26 <sup>(7)</sup>
RSP award	2023	425,074		2.21	2.92			<b>425,074<sup>(2)</sup></b>	07.03.26 – 07.03.27 <sup>(7)</sup>
RSP award	2024	677,576		1.79	2.44			<b>677,576<sup>(2)</sup></b>	07.03.27 – 07.03.31
RSP award	2025		451,682	3.79	4.73			<b>451,682<sup>(2)</sup></b>	07.03.28 – 07.03.32
Annual bonus/Deferred award <sup>(4)</sup>	2025		97,215	4.58	4.73	97,215		—	
Sharing in Success award <sup>(6)</sup>	2025		264	4.83		264		—	
		1,735,789	549,161			257,832		<b>2,027,118</b>	
Total LTI and RSP awards subject to service								<b>472,786<sup>(1)</sup></b>	
Total LTI and RSP awards subject to performance and service								<b>1,554,332<sup>(2)</sup></b>	
	Year	Awards held 1 Jan 2025	Awards granted	Award price £ <sup>(5)</sup>	Full market value at grant £	Awards vested	Awards lapsed	Awards held 31-Dec-25	Expected vesting dates
<b>Katie Murray</b>									
Deferred award <sup>(3)</sup>	2019	83,575		2.64	41,790			<b>41,785<sup>(1)</sup></b>	07.03.26
LTI award	2020	387,939		1.70	129,313			<b>258,626<sup>(1)</sup></b>	07.03.26 – 07.03.27
LTI award	2021	325,809		1.67	1.87	81,453		<b>244,356<sup>(1)</sup></b>	07.03.26 – 07.03.28
LTI award	2022	580,885		1.82	2.23	116,177		<b>464,708<sup>(1)</sup></b>	07.03.26 – 07.03.29
RSP award	2023	431,451		2.21	2.92			<b>431,451<sup>(2)</sup></b>	07.03.26 – 07.03.30
RSP award	2024	653,915		1.79	2.44			<b>653,915<sup>(2)</sup></b>	07.03.27 – 07.03.31
RSP award	2025		311,583	3.79	4.73			<b>311,583<sup>(2)</sup></b>	07.03.28 – 07.03.32
Annual bonus/Deferred award <sup>(4)</sup>	2025		65,375	4.58	4.73	65,375		—	
Sharing in Success award <sup>(6)</sup>	2025		264	4.83		264		—	
		2,463,574	377,222			434,372		<b>2,406,424</b>	
Total LTI and RSP awards subject to service								<b>1,009,475<sup>(1)</sup></b>	
Total LTI and RSP awards subject to performance and service								<b>1,396,949<sup>(2)</sup></b>	

(1) Performance assessments for these awards have taken place and awards remain subject to deferral and employment conditions before vesting. These awards count on a net-of-tax basis towards meeting the shareholding requirement.

(2) Awards are subject to a pre-vest performance assessment along with deferral and employment conditions before vesting.

(3) For Mr Thwaite, deferred awards for 2020 relate to annual bonus awards granted for performance prior to becoming an executive director, with payments deferred in line with regulatory requirements. Similarly, for Ms Murray the deferred award from 2019 relates to annual bonus awards granted for performance prior to becoming an executive director.

(4) For annual bonus, shares were granted as an element of the up-front bonus; these were awarded and vested in 2025, in line with the Policy.

(5) The award price shown from 2021 to 2025 is discounted to reflect the absence of the right to receive dividends or dividend equivalents during the vesting period, in line with agreed methodology for LTI and RSP awards at that time. For reference, the full market price of NatWest Group shares at the time of grant is also shown.

(6) The Sharing in Success award was delivered in shares in May 2025 to all colleagues, including executive directors. Awards of shares worth £1,275 were made in respect of 2024 performance (adjusted for local salary levels).

(7) The expected vesting dates for Mr Thwaite have been accelerated for awards relating to his roles prior to becoming an executive director in line with the UK regulatory remuneration requirements published in October 2025.

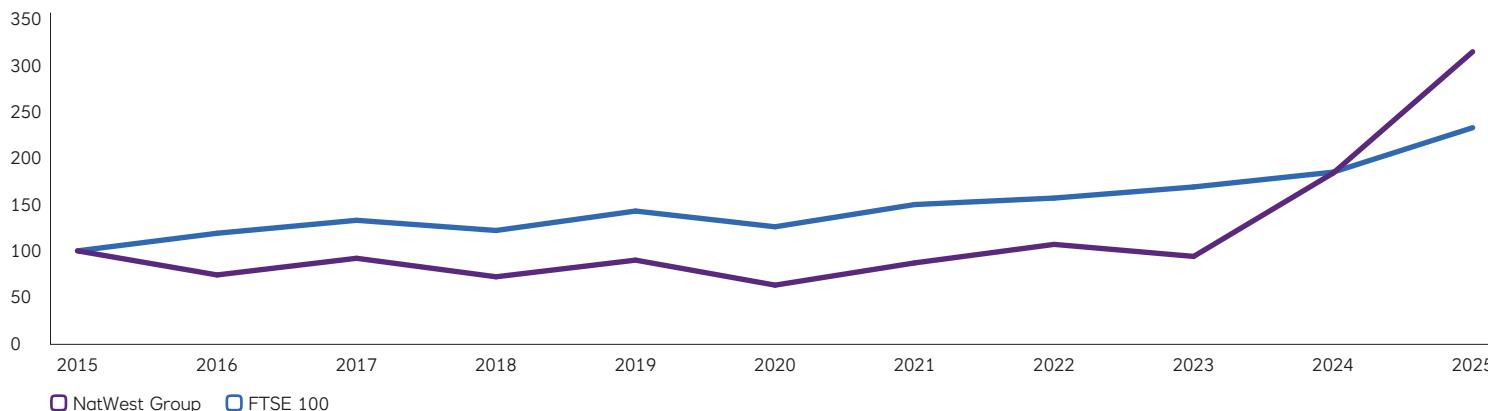
Annual remuneration report continued

## Shareholder dilution and share sourcing

NatWest Group can use new issue, market-purchase or treasury shares to deliver shares that are required for employee share plans. Best practice dilution limits are monitored and govern the number of shares that may be issued to satisfy share plan awards.

## Total Shareholder Return (TSR) performance

The graph compares the TSR performance of NatWest Group with companies comprising the FTSE 100 Index over the last 10 years. We have selected this index because NatWest Group is a member of the FTSE 100 and it represents a cross-section of leading UK companies.



## CEO pay over the same period

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	
Total remuneration (£'000s) <sup>(1)</sup>	PT								1,706	4,936	<b>6,571</b>
	AR			1,401	2,615	3,588	5,249	1,452			
	RM	3,702	3,487	3,578	4,066						
Annual bonus against maximum opportunity	PT							54%	78%	<b>85%</b>	
	AR							68%			
Long-term incentive vesting rates against maximum opportunity	PT							45%	71%	<b>100%</b>	
	AR			60%	82%	83%	78%				
	RM	56%	89%	41%	78%						

(1) CEOs are Paul Thwaite (PT), Alison Rose (AR) and Ross McEwan (RM) with figures based on the single figure of remuneration for the relevant year.

## Statement of shareholder voting

The resolutions to approve the Policy and the Annual remuneration report at the 2025 NatWest Group plc AGM received strong levels of support, as set out below. The resolution to authorise the NatWest Group plc 2024 employee share plan rules was approved at the 2024 NatWest Group plc AGM, and also received strong support, as detailed below.

### Directors' remuneration policy

Vote	Number of shares	Percentage
For	24,668,869,124	97.86%
Against	538,673,576	2.14%
Withheld	9,701,904	–

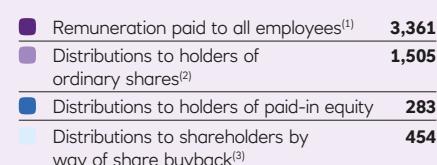
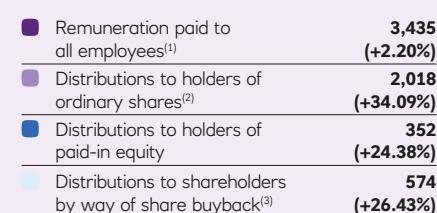
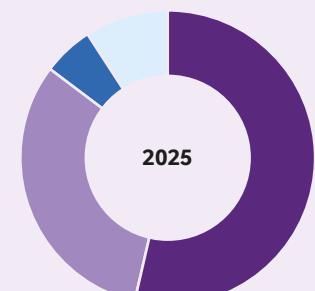
### Annual remuneration report

Vote	Number of shares	Percentage
For	24,455,534,356	97.02%
Against	752,180,000	2.98%
Withheld	9,523,476	–

### Employee share plan rules

Vote	Number of shares	Percentage
For	28,966,778,080	98.99%
Against	296,392,288	1.01%
Withheld	3,877,800	–

## Relative importance of spend on pay £m (% change on 2024)



(1) Remuneration paid to all employees represents total staff expenses as per Note 3 to the consolidated financial statements, exclusive of social security and other staff costs.

(2) Reflects distributions to shareholders through dividend payments during the financial year. The Board has confirmed its intention to pay a dividend of 23.0 pence per ordinary share in respect of financial year 2025, which will be paid in 2026 subject to approval by shareholders at the forthcoming NatWest Group plc AGM.

(3) Reflects the purchase of ordinary shares under the share buyback programme. In 2025, 104 million ordinary shares purchased for a total consideration of £574 million (2024 – 175 million for a consideration of £454 million).

Annual remuneration report continued

## The Group Performance and Remuneration Committee overview

### Principal areas of focus of 2025

#### Wider workforce

	Jan	Feb	April	Sept	Dec
Approving and overseeing the NatWest Group-wide remuneration policy.	■				
Considering how pay has been allocated across the workforce, including analysis by colleague level, geography and diversity.	■	■			
Reviewing fixed pay proposals.					■
Approving Sharesave offers to colleagues.				■	
Reviewing Group-wide bonus pool methodology and assessments.	■	■	■	■	
Reviewing gender and ethnicity pay gap reporting.				■	
Approving the Sharing in Success outcome and measures and targets.	■				
Reviewing of the planned implementation of the regulatory remuneration reforms for PY 2025 and historical awards.	■	■	■	■	■

#### Executive remuneration

Reviewing performance assessments and remuneration arrangements for the committee's 'in-scope' population.	■	■		■	
Setting performance objectives for senior executives.	■	■	■	■	■
Approving remuneration for senior hires and arrangements for any leavers. <sup>(1)</sup>	■	■	■	■	
Reviewing stakeholder engagement approach, outreach and considerations.	■		■	■	■
Reviewing and approving the Directors' remuneration report.	■				
Reviewing benchmarking data on executive pay and peer practice.					■
Reviewing and approving the directors' remuneration policy.	■	■	■	■	■

#### Governance and regulatory

Approving the annual agenda planner and updates to the terms of reference.		■	■		
Considering matters escalated by other Board committees and subsidiary Performance and Remuneration Committees.	■	■	■	■	■
Overseeing the MRT identification process.	■		■	■	
Receiving accountability review updates and approving accountability decisions for the population within its governance.	■				

The committee Chair also approves submissions made throughout the year to the UK regulators outside the formal meetings, as required.

(1) Additional proposals related to the remuneration and exit arrangements of senior hires and leavers are reviewed by the committee throughout the year outside of the main meeting cycle.

#### Membership

Details of members and attendance is on page 140.

#### Effectiveness review

In accordance with the Code, an evaluation of the performance of the Board and its committees, including the Group Performance and Remuneration Committee, was conducted internally in 2025. Further information on the review can be found on pages 119 to 121.

#### Conflicts of interest

To mitigate potential conflicts of interest, no individuals are involved in decisions regarding their own remuneration. The Group Chief People Officer, who is responsible for the People function and executive compensation, may be present to support the committee when discussions take place on senior executive pay, but she is never present for discussions on her own remuneration. It is the committee, rather than management, that appoints the remuneration advisers.

#### Committee advisers

Korn Ferry (KF) were appointed by the committee as its remuneration adviser in March 2024 following a period of transition from our previous adviser. KF are signatories to the voluntary code of conduct in relation to remuneration consulting in the UK. KF provide executive/professional search services alongside HR advisory services including assessment and organisational strategy services to NatWest Group subsidiaries. The committee is satisfied the advice received is independent and objective. There are no connections between KF and individual directors to be disclosed. Fees paid to KF for advising the committee are based primarily on a fixed fee structure with any additional items charged on a time/cost basis. Fees for 2025 in relation to directors' remuneration amounted to £192,000 (2024 – £290,000) excluding VAT. Over the course of 2025, the committee also took account of the views of the Group Chair, Group CEO, Group CFO, Group Chief People Officer, Group Chief Operating Officer, Director of Reward & Employment, Group Chief Risk Officer, Group Chief Audit Executive and other support and control functions where appropriate and relevant. The committee also received input from the BRC, the GAC and the Performance and Remuneration Committees for the principal subsidiary legal entities across NatWest Group.

# Compliance report

## Statement of compliance

NatWest Group plc is committed to high standards of corporate governance, business integrity and professionalism in all its activities.

Detailed information on how NatWest Group plc applied the Principles, and complied with the Provisions of the UK Corporate Governance Code ('the Code') can be found in the Corporate governance section of this report, including on page 104, which includes cross-references to relevant sections of the Strategic report and other related disclosures. A copy of the 2024 and 2018 versions of the Code can be found at [frc.org.uk](http://frc.org.uk).

The Group Audit Committee complied with the requirements of the FRC's Audit Committees and the External Audit: Minimum Standard and the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014 for the year ended 31 December 2025.

Under the US Sarbanes-Oxley Act of 2002, specific standards of corporate governance and business and financial disclosures and controls apply to companies with securities registered in the US. NatWest Group plc complies with all applicable sections of the US Sarbanes-Oxley Act of 2002, subject to a number of exceptions available to foreign private issuers.

## Internal control

The Board of directors is accountable for the system of internal controls that is designed to maintain effective and efficient operations, compliant with applicable laws and regulations.

The system of internal controls is designed to manage risk to an acceptable residual level rather than to eliminate it entirely. Systems of internal control provide reasonable and not absolute assurance against material misstatement, fraud, or any other loss arising from unforeseen events, human error, or deliberate misconduct. Ongoing robust processes are in place for the identification, evaluation and management of the principal risks faced by NatWest Group that operated throughout the period from 1 January 2025 to 12 February 2026, the date the directors approved the Annual Report and Accounts. These included the Risk and Control Performance Assessment (RCPA) through which the effectiveness of the risk and control environment is evaluated. This assessment is conducted annually by each business area within NatWest Group using a standardised set of indicators and providing qualitative context to determine an RCPA outcome of "met," "partially met," or "not met." The indicators are used to inform an understanding of:

- The strength of the control environment to manage risk exposure within appetite.
- Adequacy and effectiveness of the day-to-day management of risks and controls.
- Adherence with applicable components of the Enterprise-Wide Risk Management Framework (EWRMF).
- A culture of Intelligent Risk Taking.

The RCPA enables the Group to meet its legal and regulatory obligations with regards to the monitoring, assessment and reporting of its internal risk and control environment.

NatWest Group operates a three lines of defence model for the ownership, oversight and assurance of its risks and internal control environment. Management across the organisation are the first line of defence and, therefore, are the primary owners of the risk and are responsible for the design, implementation and maintenance of effective processes, procedures, and controls to manage the risks within risk appetite. The Risk function is the second line of defence which exercises oversight and challenge of the risk management activities undertaken by the first line of defence. The Internal Audit function, which is the third line of defence, undertakes independent and objective assurance activities on the governance, risk management and internal controls to manage risks to enable achievement of NatWest Group's objectives and reports on the adequacy and effectiveness thereof to the Board and executive management.

The effectiveness of NatWest Group's risk management and internal control framework is reviewed regularly throughout the year by the Board, the Group Audit Committee, and the Group Board Risk Committee. The Group Board Risk Committee receives regular risk management reports ensuring ongoing oversight with the Chair of the Board Risk Committee providing a summary after every meeting to the Group Board of Directors of any matters requiring escalation. Internal and External Audit present reports to the Group Audit Committee that include details of any significant internal control deficiencies they may have identified as part of their audits.

Executive management committees at NatWest Group level and each of its businesses also receive regular reports on risks facing their business and the effectiveness of internal controls in managing these risks. Details of NatWest Group's approach to risk management are provided in the Risk and capital management section of the Annual Report and Accounts.

## Progress in 2025

NatWest Group's control environment remains robust, with notable enhancements delivered across financial crime, conduct, payments, technology, conduct, risk management framework and processes and remediation of known control issues. These enhancements have resulted in an improved control environment and enhanced operational resilience in 2025.

In addition, NatWest Group has maintained its focus on cyber risk, data management, third-party risk management, operational resilience and technology (incl end-of-life systems) given increasing inherent risk impact of these themes on the overall operational risk profile.

NatWest Group continuously seeks to enhance its controls through prioritised mitigating actions in response to the rapidly evolving risk landscape to sustain an effective control environment.

## Compliance report continued

NatWest Group, as part of its robust risk culture, continued to make enhancements to its risk management processes to maintain an effective control environment. This has included refinements to the enhanced risk and control self assessments supported by an industry aligned risk directory, greater automation of risk processes, a focused suite of risk standards, operational guidance and risk toolkits, which provide a consistent approach to risk management and control requirements for each non-financial risk. The outcomes of the risk and control self-assessments provide insight into the adequacy and effectiveness of the control environment and the impact thereof on the residual risk exposures. They further support the initiation of actions to address control gaps and weaknesses and identify control rationalisation and automation opportunities. The outcomes of the risk and control self-assessments are used as input into risk profile reporting to the Board and senior management and assists in prioritisation of risk mitigation activities considering risk appetite. Key controls are regularly assessed for adequacy and tested for effectiveness. The results are monitored and, where a material change is identified, the associated risk is reassessed.

To support management of the operational risk profile, the Operational Risk Executive Steering Group meets quarterly and this forum ensures all material operational risks are monitored and actions are in place to manage the risks within risk appetite.

The remediation of known control issues through defined action plans continued to be an important focus for both the Group Audit Committee and the Board Risk Committee during 2025. For further information on their oversight of remediation of the most material issues, refer to the Report of the Group Audit Committee and the Report of the Group Board Risk Committee. The Group Audit Committee and the Group Board Risk Committee will continue to focus on such remediation activity, particularly in view of the business strategy and risk appetite.

The independent auditors present reports to the Group Audit Committee that include details of any significant internal control deficiencies they have identified as part of their review of the financial reporting. In addition, quarterly review meetings are held between the senior executive and the independent auditors to help support oversight. Further, the system of internal controls is also subject to regulatory oversight in the UK and overseas. Additional details of regulatory oversight are given in the Risk and capital management section.

### Internal control over financial reporting

NatWest Group plc is required to comply with Section 404 of the US Sarbanes-Oxley Act of 2002 and assess the effectiveness of internal control over financial reporting as of 31 December 2025.

NatWest Group has assessed the effectiveness of its internal control over financial reporting as of 31 December 2025 based on the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in the 2013 publication of 'Internal Control – Integrated Framework'.

Based on its assessment, management has concluded that, as of 31 December 2025, NatWest Group's internal control over financial reporting is effective.

Management's report on NatWest Group's internal control over financial reporting will be filed with the Securities and Exchange Commission as part of the 2025 Annual Report on Form 20-F.

### Disclosure controls and procedures

As required by Exchange Act rules, management (including the Group CEO and Group CFO) have conducted an evaluation of the effectiveness and design of NatWest Group's disclosure controls and procedures (as defined in the Exchange Act rules) as of 31 December 2025. Based on this evaluation, management (including the Group CEO and Group CFO) concluded that NatWest Group plc's disclosure controls and procedures were effective as of the end of the period covered by this Annual Report and Accounts.

### Changes in internal control

There was no change in NatWest Group's internal control over financial reporting that occurred during the period covered by this report that has materially affected, or is reasonably likely to materially affect, NatWest Group's internal control over financial reporting.

### The New York Stock Exchange

As a foreign private issuer with American Depository Shares representing ordinary shares, preference shares and debt securities listed on the New York Stock Exchange (the NYSE), NatWest Group plc is not required to comply with all of the NYSE corporate governance standards applicable to US domestic companies (the NYSE Standards) provided that it follows home country practice in lieu of the NYSE Standards and discloses any significant ways in which its corporate governance practices differ from the NYSE Standards.

NatWest Group plc is also required to provide an Annual Written Affirmation to the NYSE of its compliance with the mandatory applicable NYSE Standards. In February 2025 NatWest Group plc submitted its most recent Annual Written Affirmation to the NYSE which confirmed NatWest Group plc's full compliance with the applicable provisions.

The Group Audit Committee fully complies with the mandatory provisions of the NYSE Standards (including by reference to the rules of the Exchange Act) that relate to the composition, responsibilities and operation of audit committees. More detailed information about the Group Audit Committee and its work during 2025 is set out in the Group Audit Committee report on pages 124 to 129.

The Board has reviewed its corporate governance arrangements and is satisfied that these are consistent with the NYSE Standards, subject to the following departures:

- i. NYSE Standards require the majority of the Board to be independent. The NYSE Standards contain different tests from the Code for determining whether a director is independent. NatWest Group plc follows the Code's requirements in determining the independence of its directors and currently has eight independent non-executive directors, one of whom is the Senior Independent Director.
- ii. The NYSE Standards require non management directors to hold regular sessions without management present, and that independent directors meet at least once a year. The Code requires the Chair to hold meetings with non-executive directors without the executives present and non-executive directors are to meet without the Chair present at least once a year to appraise the Chair's performance and NatWest Group plc complies with the requirements of the Code.

## Compliance report continued

iii. The NYSE Standards require that the nominating/corporate governance committee of a listed company be composed entirely of independent directors. The Chair of the Board is also the Chair of the Group Nominations and Governance Committee, which is permitted under the Code (which requires that a majority of members of the committee should be independent non-executive directors and that the chair of the board should not chair the committee when it is dealing with the appointment of their successor). The terms of reference of the Group Nominations and Governance Committee differ in certain limited respects from the requirements set out in the NYSE Standards, including because the Group Nominations and Governance Committee does not have responsibility for overseeing the evaluation of management.

iv. The NYSE standards require that the compensation committee of a listed company be composed entirely of independent directors. Although the members of the Group Performance and Remuneration Committee (Group RemCo) are deemed independent in compliance with the provisions of the Code, the Board has not assessed the independence of the members of the Group RemCo and Group RemCo has not assessed the independence of any compensation consultant, legal counsel or other adviser, in each case, in accordance with the independence tests prescribed by the NYSE Standards. The NYSE Standards require that the compensation committee must have direct responsibility to review and approve the CEO's remuneration. As stated at the start of this Compliance report, in the case of NatWest Group plc, the Board rather than the Group RemCo reserves the authority to make the final determination of the remuneration of the CEO.

v. The NYSE Standards require listed companies to adopt and disclose corporate governance guidelines. Throughout the year ended 31 December 2025, NatWest Group plc has complied with all of the provisions of the Code (subject to the exceptions described above) and the Code does not require NatWest Group plc to disclose the full range of corporate governance guidelines with which it complies.

vi. The NYSE Standards require listed companies to adopt and disclose a code of business conduct and ethics for directors, officers and employees, and promptly disclose any waivers of the code for directors or executive officers. NatWest Group has adopted a code of conduct which is supplemented by a number of key policies and guidance dealing with matters including, among others, anti-bribery and corruption, anti-money laundering, sanctions, confidentiality, inside information, health, safety and environment, conflicts of interest, market conduct and management records. This code of conduct applies to all officers and employees and is fully aligned to the PRA and FCA Conduct Rules which apply to all directors. The Code of Conduct is available to view on NatWest Group's website at [natwestgroup.com](http://natwestgroup.com).

This Compliance report forms part of the Corporate governance report and the Report of the directors.

# Report of the directors

The directors present their report together with the audited accounts for the year ended 31 December 2025. For the purposes of DTR 4.1.5 R, the Strategic report and the Report of the directors comprise the management report.

Other information incorporated into this report by reference can be found at:

Note/page	
Section 172(1) statement	36
Viability statement	80
Corporate governance report	95
Board of directors and secretary	96
Remuneration policy, including directors' remuneration policy	146
Our colleagues	147
Capital, liquidity and funding	234
Consolidated financial statements and notes	275
Risk factors	402
Material contracts	422

Disclosures required pursuant to Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended) ('2008 Regs') (Sch 7) and DTR 4.1.11 R can be found at:

Note/page	
Likely future developments (2008 Regs, Sch 7 para 7 (1)(b) and DTR 4.1.11 R(2))	15
Climate-related financial disclosures (2008 Regs, Sch 7 para 15-19)	69
Financial instruments (2008 Regs, Sch 7 para 6 and DTR 4.1.11 R(6)(a) and (b))	324
Hedge accounting policy (2008 Regs, Sch 7 para 6 and DTR 4.1.11 R (6)(a) and (b))	342
Post balance sheet events (2008 Regs, Sch 7 para 7 (1)(a) and DTR 4.1.11 R(1))	373
Indication of branches (2008 Regs, Sch 7 para 7(1)(d) and DTR 4.1.11 R(5))	397
<b>Employee engagement (2008 Regs, Sch 7 para 11 and 11A):</b>	
Section 172(1) statement and stakeholder engagement	36
Corporate governance report and workforce engagement	118
Colleagues	147
<b>Engagement with suppliers, customers and others (2008 Regs, Sch 7, para 11B):</b>	
Section 172(1) statement and stakeholder engagement	37
Corporate governance report and stakeholder engagement	117

Pursuant to paragraph 13(2)(k) of Schedule 7 to the 2008 Regs, there are no agreements between NatWest Group's directors or employees providing compensation for loss of office or employment that occur because of a takeover bid.

## Activities

NatWest Group is a UK-focused banking organisation, serving over 20 million customers, with business operations reaching across retail, commercial and private banking markets. Details of the organisational structure and a business overview of NatWest Group are contained in the Business review. This includes details of the products and services provided by each of our operating areas and the markets where they operate. Details of the strategy for delivering the company's objectives can be found in the Strategic report.

## Group structure

NatWest Group plc is the parent of NatWest Group and its subsidiary undertakings are structured in compliance with ring-fencing requirements. There are three main subsidiaries:

- NatWest Holdings Limited (the parent of the ring-fenced bank which includes National Westminster Bank Plc, The Royal Bank of Scotland plc and Ulydien Designated Activity Company).
- NatWest Markets Plc (the non-ring-fenced Bank and the parent of NatWest Markets N.V.).
- The Royal Bank of Scotland International (Holdings) Limited (the parent of The Royal Bank of Scotland International Limited).

→ **Further details of the principal subsidiaries are shown in Note 8 to the parent company financial statements and a full list of subsidiary companies and overseas branches is shown in Note 12 to the parent company financial statements.**

## Report of the directors continued

### HM Treasury (HMT) shareholding

Following placing and open offers in December 2008 and in April 2009, HMT owned approximately 70.3% of the enlarged ordinary share capital of the company. In December 2009, the company issued a further £25.5 billion of new capital to HMT in the form of B shares. The table below summarises the changes in HMT's shareholding in the company from 2015 to 2025:

Date	Transaction
August 2015	HMT sold 630 million ordinary shares in the company
October 2015	HMT converted its holding of 51 billion B shares into 5.1 billion new ordinary shares in the company
June 2018	HMT sold 925 million ordinary shares in the company
March 2021	NatWest Group carried out an off-market purchase of 591 million of its ordinary shares from HMT
May 2021	HMT sold 580 million ordinary shares in the company through an accelerated book building process to institutional investors
July 2021	HMT announced its intention to sell part of its shareholding in NatWest Group over a 12-month period via a trading plan
March 2022	NatWest Group carried out an off-market purchase of 550 million of its ordinary shares from HMT
June 2022	HMT announced an extension to its trading plan for a further 12-month term to August 2023
April 2023	HMT announced an extension to its trading plan to terminate no later than 11 August 2025
May 2023	NatWest Group carried out an off-market purchase of 469 million of its ordinary shares from HMT
May 2024	NatWest Group carried out an off-market purchase of 392 million of its ordinary shares from HMT
November 2024	NatWest Group carried out an off-market purchase of 263 million of its ordinary shares from HMT
January – May 2025	HMT's shareholding in the company reduced from 9.99% at 31 December 2024 to 0% at 30 May 2025 as a result of sales of ordinary shares in the company under its trading plan

### Results and dividends

UK company law states that dividends can only be paid if a company has sufficient distributable profits available to cover the dividend. A company's distributable profits are classed as its accumulated, realised profits (not previously distributed or capitalised), less its accumulated, realised losses (not previously written off in a reduction or re-organisation of capital).

The profit attributable to the ordinary shareholders of NatWest Group plc for the year ended 31 December 2025 was £5,479 million compared with a profit of £4,519 million for the year ended 31 December 2024, as set out in the consolidated income statement on page 289.

In 2025 NatWest Group paid an interim dividend of £768 million, or 9.5 pence per ordinary share (2024 – £498 million, or 6 pence per ordinary share).

The company has announced that the directors have recommended a final dividend of £1.8 billion, or 23.0 pence per ordinary share (2024 – £1.2 billion, or 15.5 pence per ordinary share). The final dividend recommended by directors is subject to shareholders' approval at the Annual General Meeting (AGM) on 28 April 2026.

If approved, payment will be made on 5 May 2026 to shareholders on the register at the close of business on 20 March 2026. The ex-dividend date will be 19 March 2026.

Subject to the condition mentioned above, the payment of interim dividends on ordinary shares is at the discretion of the Board.

### Dividend waivers

The employee share trusts, which hold shares NatWest Group in respect of the awards and options granted to colleagues, have lodged standing instructions to waive dividends on shares held by them. A waiver instruction is also in place in respect of dividends on own shares held in treasury. The total amount of dividends waived during 2025 was £64 million.

### Colleagues

As at 31 December 2025, NatWest Group employed 59,000 people (excluding temporary staff). Details of all related costs are included in Note 3 to the consolidated accounts.

### Employment of disabled colleagues and colleagues with long-term conditions

NatWest Group makes workplace adjustments to support colleagues with disabilities and long-term conditions to succeed. If a colleague develops a disability or long-term condition, NatWest Group will, wherever possible, make adjustments to support them in their existing job or re-deploy them to a more suitable alternative job.

The NatWest Group Careers site gives comprehensive insights into NatWest Group jobs, culture, locations and application processes. It also hosts a variety of blog content to portray stories of what it is like to work at NatWest Group. The company also makes sure that candidates can easily request reasonable adjustments to support at any stage of the recruitment process.

### Going concern

NatWest Group's business activities and financial position, the factors likely to affect its future development and performance and its objectives and policies in managing the financial risks to which it is exposed and its capital are discussed in the Business review. The risk factors which could materially affect NatWest Group's future results are set out on pages 402 to 421.

NatWest Group's regulatory capital resources and significant developments in 2025 and anticipated future developments are detailed in the Capital, liquidity and funding section on pages 234 to 253. This section also describes NatWest Group's funding and liquidity profile, including changes in key metrics and the build up of liquidity reserves.

The directors have prepared the financial statements on a going concern basis after assessing the principal risks, forecasts, projections and other relevant evidence over the twelve months from the date the financial statements are approved.

## Report of the directors continued

### UK Code for Financial Reporting Disclosure

NatWest Group plc's 2025 financial statements have been prepared in compliance with the principles set out in the Code for Financial Reporting Disclosure published by UK Finance. The Code sets out five disclosure principles together with supporting guidance. The principles are that NatWest Group and other major UK banks will provide high quality, meaningful and decision-useful disclosures; review and enhance their financial instrument disclosures for key areas of interest to market participants; assess the applicability and relevance of good practice recommendations to their disclosures, acknowledging the importance of such guidance; seek to enhance the comparability of financial statement disclosures across the UK banking sector; and clearly differentiate in their annual reports between information that is audited and information that is unaudited.

### Enhanced Disclosure Task Force (EDTF) and Disclosures on Expected Credit Losses (DECL) Taskforce recommendations

The EDTF, established by the Financial Stability Board, published its report 'Enhancing the Risk Disclosures of Banks' in October 2012, with an update in November 2015 covering IFRS 9 expected credit losses (ECL). The DECL Taskforce, jointly established by the Financial Conduct Authority, Financial Reporting Council and the Prudential Regulation Authority, published its phase 2 report recommendations in December 2019.

NatWest Group plc's 2025 Annual Report and Accounts and Pillar 3 Report reflect EDTF and have regard to DECL Taskforce recommendations.

### Authority to repurchase shares On-market purchases

At the AGM in 2025, shareholders renewed the authority (2025 Authority) for the company to make on-market purchases of up to 807,750,182 ordinary shares. The directors used the 2025 Authority to carry out a share buyback programme (the 2025 Programme) of up to £750 million, as announced to the market on 28 July 2025.

The 2025 Programme started on 28 July 2025 and will end no later than 13 February 2026, provided that the term of the 2025 Programme may be extended to end no later than 13 March 2026 to account for any days where usual trading has not been possible because of market events during the term of the 2025 Programme.

As at 31 December 2025, 104,103,117 ordinary shares (nominal value £112,111,049) have been purchased by the company under the 2025 Programme at a volume weighted average price of 551.8173 pence per ordinary share for a total consideration of £574,458,965.

All of the purchased ordinary shares were cancelled, representing 1.27% of the company's issued ordinary share capital.

Shareholders will be asked to renew the authority for the company to make on-market purchases of ordinary shares at the AGM in 2026.

### Off-market purchases

A Directed Buyback Contract between the Company and HMT was approved by the shareholders of the Company at a General Meeting on 6 February 2019. Amendments to the Directed Buyback Contract were approved by the shareholders at a General Meeting on 25 August 2022 and at the 2024 AGM. The authority from shareholders to make off-market purchases of ordinary shares from HMT (or its nominee) under the terms of the Directed Buyback Contract was renewed at the 2025 AGM.

The company did not make any off-market purchases under this authority in 2025.

### Preference shares

At the AGM in 2025, shareholders renewed the authority for the company to make an off-market purchase of its preference shares. Shareholders will be asked to renew the authority at the AGM in 2026.

### Additional information

Where not provided elsewhere in the Report of the directors, the following additional information is required to be disclosed by Part 6 of Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

### Share Capital

The company has ordinary shares and preference shares in issue. The rights and obligations attached to the company's ordinary shares and preference shares are set out in our Articles of Association. Copies can be obtained from Companies House in the UK or can be found at [natwestgroup.com](http://natwestgroup.com).

The rules governing the powers of directors and their appointment, including in relation to issuing or buying back shares, are set out in our Articles of Association. It will be proposed at the 2026 AGM that the directors' authorities to allot shares under the Companies Act 2006 (the Companies Act) be renewed.

Details of the movements in ordinary shares during the year can be found at Note 21 to the consolidated financial statements.

At the 2024 AGM, shareholders gave authority to directors to offer a scrip dividend alternative on any dividend paid up to the conclusion of the AGM in 2027.

The Articles of Association may only be amended by a special resolution at a General Meeting of shareholders.

### Voting

The cumulative preference shares represent 0.006% of the total voting rights of the company, the remainder being represented by the ordinary shares.

In a show of hands at a General Meeting of the company, every holder of ordinary shares and cumulative preference shares who is present in person or by proxy and entitled to vote, shall have one vote. On a poll, every holder of ordinary shares who is present in person or by proxy and entitled to vote shall have four votes for every share held. Every holder of cumulative preference shares shall have one vote for each 25p nominal amount held.

The notices of Annual General Meetings and General Meetings specify the deadlines for exercising voting rights and appointing a proxy or proxies to vote in relation to resolutions to be passed at the meeting.

### Transfers

There are no restrictions on the transfer of ordinary shares in the company other than certain restrictions which may from time to time be imposed by laws and regulations (for example, insider trading laws).

The company is not aware of any agreements between shareholders that may result in restrictions on the transfer of securities and/or voting rights.

Pursuant to the UK Listing Rules, certain employees of the company require the approval of the company to deal in the company's shares.

### Special rights

There are no persons holding securities carrying special rights with regard to control of the company.

### Employee Share Plans

A number of the company's employee share plans include restrictions on transfers of shares while shares are subject to the plans. Note 3 to the consolidated financial statements sets out a summary of the plans.

## Report of the directors continued

Under the rules of certain employee share plans, voting rights are exercised by the Trustees of the plan on receipt of participants' instructions. If a participant does not submit an instruction to the Trustee no vote is registered.

For shares held in the company's other employee share trusts, in accordance with investor protection guidelines, the Trustees abstain from voting. The Trustees would take independent advice before accepting any offer in respect of their shareholdings for the company in a takeover bid situation. The Trustees have chosen to waive their entitlement to the dividend on shares held by the Trusts.

A change of control of the company following a takeover bid may cause a number of agreements to which the company is party to take effect, alter or terminate. All of the company's employee share plans contain provisions relating to a change of control. In the context of the company as a whole, these agreements are not considered to be significant.

## Directors

The names and brief biographical details of the current directors are shown on pages 96 to 98.

Roisin Donnelly, Patrick Flynn, Geeta Gopalan, Rick Haythornthwaite, Yasmin Jetha, Stuart Lewis, Katie Murray, Paul Thwaite and Lena Wilson all served throughout 2025 and to the date of signing of the financial statements. The following changes took place during 2025:

Director	Date of change
Gill Whitehead	Appointed 8 January 2025
Mark Seligman	Retired 31 March 2025
Frank Dangeard	Resigned 23 April 2025
Josh Critchley	Appointed 3 November 2025

Albert Hitchcock has been appointed to the Board with effect from 23 February 2026.

Yasmin Jetha has confirmed her intention to retire from the Board on 31 March 2026.

All directors of the company are required to stand for election or re-election annually by shareholders at the AGM.

## Directors' interests

The interests of the directors in the shares of the company at 31 December 2025 are shown on page 165. None of the directors held an interest in the loan capital of the company or in the shares or loan capital of any of the subsidiary undertakings of the company during the period from 1 January 2025 to 12 February 2026.

## Directors' indemnities

In terms of section 236 of the Companies Act, Qualifying Third Party Indemnity Provisions have been issued by the company to its directors, members of the NatWest Group and NWH Executive Committees, individuals authorised by the PRA/FCA, certain directors and/or officers of NatWest Group subsidiaries and all trustees of NatWest Group pension schemes.

The indemnities referenced above were in force throughout the financial year, including for individuals who resigned during the year, and remain in force as at the date of this report.

NatWest Group also maintains Directors' and Officers' Liability Insurance to provide appropriate protection to directors and/or officers from liabilities that may arise against them in connection with their role.

## Shareholdings

The following table shows the shareholders that have notified NatWest Group that they hold more than 3% of the total voting rights of the company at 31 December 2025.

	Ordinary shares (millions)	% of issued share capital with voting rights held <sup>(1)</sup>
Blackrock, Inc.	461	5.26
The Capital Group Companies, Inc.	403	5.01
Massachusetts Financial Services Company	396	4.94
Norges Bank <sup>(2)</sup>	248	3.06

(1) Percentages provided were correct at the date of notifications on 31 May 2024, 19 November 2024, 11 December 2025 and 28 July 2025, respectively.  
(2) On 23 January 2026, a notification under Rule 5 the Disclosure and Transparency Rules ('DTR') was received from Norges Bank notifying that its holding had reduced to below 3%.  
(3) As at 12 February 2026, no further notifications under Rule 5 of the DTR have been received.

## UK Listing rule 6.6.1 R

The information to be disclosed in the Annual Report and Accounts under UK Listing Rule 6.6.1 R is set out or cross-referenced in this Directors' report with the exception of details of contracts of significance given in Material contracts on page 423.

## Political donations

At the AGM in 2025, shareholders gave authority, under Part 14 of the Companies Act 2006, for a period of one year, for the company (and its subsidiaries) to make political donations and incur political expenditure up to a maximum aggregate sum of £100,000. This authorisation was taken as a precaution only as the company has a longstanding policy of not making political donations or incurring political expenditure within the ordinary meaning of those words.

During 2025, NatWest Group made no political donations, nor incurred any political expenditure in the UK or EU and it is not proposed that its longstanding policy of not making contributions to any political party be changed. Shareholders will be asked to renew this authorisation at the AGM in 2026.

## Directors' disclosure to auditors

Each of the directors at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act.

## Auditors

Ernst & Young LLP (EY) are the current auditors of the company. Following a tender undertaken in 2022, overseen by the Group Audit Committee, the company announced its intention to appoint PricewaterhouseCoopers LLP (PwC) as auditors for the financial period ending 31 December 2026. This will be the last period of audit by EY as they will not be proposed for re-appointment as auditors by the company. A resolution to appoint PwC as the company's auditors will be proposed at the forthcoming AGM.

By order of the Board

## Gary Moore

Chief Governance Officer and Company Secretary

12 February 2026

NatWest Group plc is registered in Scotland No. SC45551

# Statement of directors' responsibilities

This statement should be read in conjunction with the responsibilities of the auditor set out in their report on pages 277 to 290.

The directors are responsible for the preparation of the Annual Report and Accounts. The directors are required to prepare Group financial statements, and as permitted by the Companies Act 2006 have elected to prepare company financial statements, for each financial year in accordance with UK adopted International Accounting Standards and International Financial Reporting Standards as issued by the International Accounting Standards Board. They are responsible for preparing financial statements that present fairly the financial position, financial performance and cash flows of NatWest Group.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable, relevant and reliable.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company and Group will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of NatWest Group and to enable them to ensure that the Annual Report and Accounts complies with the Companies Act 2006. They are also responsible for safeguarding the assets of NatWest Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the directors are also responsible for preparing a Strategic report, Directors' report, Directors' remuneration report and Corporate governance statement that comply with that law and those regulations. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

The directors confirm that to the best of their knowledge:

- the financial statements, prepared in accordance with UK adopted International Accounting Standards and International Financial Reporting Standards as issued by the International Accounting Standards Board, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole; and
- The Strategic report and Directors' report (incorporating the Financial review) include a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

In addition, the directors are of the opinion that the Annual Report and Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the company's position and performance, business model and strategy.

By order of the Board

## Richard Haythornthwaite

Chair

12 February 2026

## John-Paul Thwaite

Group Chief Executive Officer

## Katie Murray

Group Chief Financial Officer

## Board of directors

Chair

### Richard Haythornthwaite

Executive directors

### John-Paul Thwaite

Non-executive directors

### Joshua Critchley

### Roisin Donnelly

### Patrick Flynn

### Geeta Gopalan

### Yasmin Jetha

### Stuart Lewis

### Gillian Whitehead

### Lena Wilson