



**NatWest
Group**

8 January 2024

Strictly Private and Confidential

Richard N Haythornthwaite
[REDACTED]
[REDACTED]
[REDACTED]

NatWest Group plc
Head Office
Gogarburn
175 Glasgow Road
Edinburgh
EH12 1HQ

Dear Rick

Appointment letter

This letter (together with any further documents referred to below) sets out the terms of your appointment as a non-executive director and Chair Designate of the following companies:

- (i) NatWest Group plc (company number SC045551) ("NWG");
- (ii) NatWest Holdings Limited (company number 10142224) ("NWH");
- (iii) National Westminster Bank Plc (company number 00929027) ("NWB"); and
- (iv) The Royal Bank of Scotland plc (company number SC083026) ("RBS"),

(together the "Companies") commencing on 8 January 2024, with your role as Chair being effective on 15 April 2024.

The term of your appointment will commence on the aforementioned effective dates and extend to the conclusion of NWG's next Annual General Meeting and thereafter will be subject to re-election as described in section 1 below. It is agreed that this is a contract for services and not a contract of employment.

1. Appointment

Your appointment as Chair of the Companies is subject to the initial approval and continued approval of the Prudential Regulation Authority ("PRA") and Financial Conduct Authority ("FCA") as a Senior Manager, as further set out in section 5.

Your appointment is subject to the articles of association of the Companies.

You will be required to stand for re-election by shareholders at each Annual General Meeting of each of the Companies (as applicable). Continuation of your appointment is also contingent on satisfactory performance and any relevant statutory provisions relating to the removal of a director.

Under the UK Corporate Governance Code in force at the date of this letter, you may serve a maximum tenure of nine years as Chair from the date of first appointment. The Boards shall have discretion to extend the tenure of your appointment beyond a nine-year term to facilitate effective succession planning.



2. Termination

Your appointment may be terminated by either you or any of the Companies giving written notice to the other, such notice to take immediate effect. For the purposes of this section 2, the date that your appointment terminates is referred to as the "Termination Date".

In the event that your re-election is not approved by shareholders, your appointment as director of all of the Companies will terminate automatically with immediate effect.

On termination of your appointment, you shall, at the request of the Companies, resign as a director of each of the Companies.

Subject to any legal or regulatory requirements, on the termination of your appointment, you will complete a full and orderly handover of your duties and responsibilities, as required by the Boards. Such handover will comply (as a minimum), and to the extent applicable to you, with the Companies' Handover Policy and your regulatory obligations. Where possible in the circumstances, such handover must be made prior to the termination of your appointment; in all other circumstances it must be made immediately thereafter.

No compensation or payment in lieu of notice will be payable upon termination of your appointment.

You agree with and undertake to the Companies (for themselves and as trustees and agents for each other company in NatWest Group), as separate and independent obligations, that you will not at any time during the three months following the Termination Date, without obtaining the prior written consent of the Boards in respect of any specific appointments, be engaged by a Competitor directly or indirectly as an office-holder (including but not limited to as an executive or non-executive director). For the purposes of this section 2, "Competitor" means Lloyds Banking Group plc, Barclays plc and HSBC Bank plc and their respective group companies, or any successor, rebranded or renamed entities or joint ventures controlled by such entities, to the extent that such entities carry on any business that, as at the Termination Date, is or has plans to become, or is likely to be (at any time during the three months following the Termination Date), in competition with those parts of the business carried on at the Termination Date by any NatWest Group company and with which you were, in the opinion of the Companies, involved to a material extent or about which you obtained confidential information at any time during the 12 months prior to the Termination Date.

You acknowledge and agree that the preceding restriction is reasonable and necessary to protect the business and the confidential information of NatWest Group, and that the fees and benefits you receive under this letter are sufficient compensation for these restrictions. You further acknowledge and agree that if such restriction is found to be void or unenforceable, but would be valid and effective if some part or parts of it were deleted or otherwise amended, the restriction will apply with any deletions or amendments



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necessary to make it valid, effective and enforceable. You also agree that the preceding restriction is severable and that if the restriction is determined as being unenforceable in part for any reason, that will not affect the enforceability of the remaining part of the restriction.

3. Time Commitment

You will devote such time as is necessary to fulfil your duties which include preparation for and attendance at the Board meetings of the Companies and committee meetings (as applicable), Annual General Meetings (as applicable) and any other General Meetings of the Companies and the annual Board strategy offsite. In your capacity as a Chair of the Companies, you may be required to attend or represent NatWest Group at meetings with regulators or other third parties.

As Chair, you are expected to attend all of the Companies' Board meetings and Committee meetings of which you are a member or attendee, including lunches and dinners, unless you have a pressing reason for absence. You will be expected to devote appropriate preparation time ahead of each meeting.

Overall, we anticipate a time commitment of at least three quarters of your time with a clear understanding that in the event of need, this role as Chair would have priority over any other business time commitment.

By accepting this appointment, you have confirmed that you are able to allocate sufficient time to meet the requirements of your role.

4. Role

Your principal responsibilities and duties are set out in your role profile and Statement of Responsibilities, as amended from time to time. You will be required to comply with your supervisory and regulatory obligations including the responsibilities as set out in your Statement of Responsibilities. A copy of your role profile as at 8 January 2024 is attached.

As Chair, your primary responsibilities include leading the Boards (as defined in section 6) and ensuring their overall effectiveness in directing the Companies. You will provide objective judgement and promote a culture of openness and debate by facilitating constructive board relations and ensuring each non-executive director contributes effectively to the Boards to help develop proposals on strategy and then fully empower the executive directors to implement the strategy.

As Chair you are also a director and therefore have the same legal responsibilities to the Companies as any other director and you should have particular regard to the duties set out in the Companies Act 2006 (the "2006 Act"). This includes the general duties of directors as set out in Part 10, Chapter 2 of the 2006 Act, including the duty to promote the success of the company:



"A director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- a) the likely consequences of any decision in the long term,
- b) the interests of the company's employees,
- c) the need to foster the company's business relationships with suppliers, customers and others,
- d) the impact of the company's operations on the community and the environment,
- e) the desirability of the company maintaining a reputation for high standards of business conduct, and
- f) the need to act fairly as between members of the company."

You will be required to exercise relevant powers in accordance with the Companies' articles of association and in accordance with NatWest Group policies, procedures and control frameworks (copies of which have been provided to you).

5. Regulatory Requirements

Under the Senior Managers' Regime which was introduced to strengthen individual accountability in banking, certain non-executive director roles are classified as Senior Manager Functions and require prior regulatory approval. Other non-executive director positions must be notified to the regulator but do not require prior approval. Your role profile, as amended from time to time, will either (i) contain details of your Senior Manager Functions; or (ii) reflect your status as a Notified Non-Executive Director.

It is a condition of your appointment that you comply with all applicable regulatory requirements (including rules, guidance, and recommendations) and including but not limited to complying with the PRA and FCA Individual and Senior Manager Conduct Rules and any NatWest Group policies, procedures and internal frameworks, as they apply from time to time. Further details are set out in the Non-executive Director Handbook and are available on request from the Chief Governance Officer and Company Secretary.

It is also a condition of your appointment that you remain fit and proper to perform the role of a non-executive director and Chair, as well as any applicable Senior Manager Functions in line with the PRA and FCA's regulatory requirements and that you report any matter that may impact your ongoing fitness and propriety promptly to the Companies and the FCA and PRA.

6. Remuneration

All remuneration and benefits arrangements are made in accordance with the terms of the disclosed Directors' Remuneration Policy.



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As Chair you will be paid a fee of £775,000 per annum, which covers membership of the Boards of all four companies (the "Boards") and any Board Committees on which you serve or which you attend. A portion of your fees will be used to purchase shares under the NatWest Group Chair and non-executive directors' shareholding policy, details of which have been shared with you. Your remuneration will be paid through PAYE after deduction of any taxes and other amounts that are required by law, and will be reviewed annually and is disclosed in NWG's Annual Report and Accounts.

You will be paid monthly and will be reimbursed for all reasonable and properly documented expenses you incur in performing your duties.

7. Benefits

For the period of your appointment as Chair, private medical cover will be available on request to you and your spouse/partner, such cover to be subject to the terms of the Bank's core cover arrangements for senior executives. These may vary from time to time but currently provide "silver level" cover, provided by Aviva. We will provide you with life cover of 2x your annual fee should you pass away during your appointed term (subject to underwriting).

8. Outside Interests

It is accepted and acknowledged that you may have business interests other than those of the Companies. By signing this letter, you confirm that, in accordance with your duty to avoid conflicts of interests, you have disclosed all interests and, where applicable, declared any actual or potential conflicts of interest that are apparent at the date of this letter. You confirm that you are not aware of any circumstances arising out of your dealings with any other person or company of any matter which might reasonably be expected to lead to a reputational risk for the Companies or NatWest Group given your role as a non-executive director and Chair Designate.

The agreement of the Boards must be sought before you accept any additional commitments that might affect the time you are able to devote to your role as Chair of the Companies. In particular, you must notify the Chief Governance Officer and Company Secretary as early as possible if you are contemplating any additional appointments.

Please note that there are regulatory limits imposed on the number of directorships you are able to hold. As at the date of this letter, those limits are a total of either (1) one executive and two non-executive positions; or (2) four non-executive director positions, in both cases including your roles with the Companies. Directorships in organisations which do not pursue predominantly commercial objectives do not count; and executive or non-executive directorships within the same group of companies count as a single directorship. The regulator may, at its discretion, grant a waiver to enable one additional non-executive position to be held. The Chief Governance Officer and Company Secretary monitors compliance with these regulatory limits and any changes to the rules and will be happy to discuss your own situation with you.



In the event that you become aware of any actual or potential conflicts of interest (including any relevant interests in transactions) or circumstances which could give rise to reputational risk for the Companies or NatWest Group, these should be disclosed to the Chief Governance Officer and Company Secretary as soon as they are apparent to you. This is to enable such conflicts to be authorised or noted, as applicable, by the Boards in accordance with the 2006 Act.

Further details are set out in the Directors' Conflicts of Interest Policy, a copy of which is attached to this letter.

9. Confidentiality and return of and access to information

You acknowledge that all information acquired during your appointment is confidential to the Companies and should not be released, disclosed or communicated, either during your appointment or following termination of your appointment to third parties without prior written clearance from the Boards.

You acknowledge the need to hold and retain the Companies' information (and that of any NatWest Group companies) (in whatever format it is received) under appropriately secure conditions.

As a director of the Companies, you will frequently be in possession of price sensitive information and you should avoid making any statements that might risk disclosure of unpublished price sensitive information.

Upon termination of your appointment (for whatever reason), you shall immediately deliver to the Companies all documents, records, papers together with any mobile phones, smart phones, tablets, laptops and any other property which may be in your possession or under your control, and which relate in any way to the business affairs of the Companies or NatWest Group, and you shall not retain any copies thereof. You agree to provide to the Companies on request any passwords and encryption codes in respect of any such property.

Subject to any legal or regulatory requirements, upon termination of your appointment (for whatever reason), you shall immediately and irretrievably delete all confidential information of the Companies and any NatWest Group companies from any form of memory or storage mechanism, including but not limited to computer disks, tapes, mobile phones, smart phones, tablets, laptops or any other equipment in your possession or under your control, having first transferred or returned such confidential information to the Companies.

Please contact the Chief Governance Officer and Company Secretary if you subsequently require access to information. The Companies will seek to accommodate all reasonable requests for information, subject to any legal or regulatory obligations or restrictions that may prohibit them from doing so.



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Nothing in this section shall prevent you from disclosing information which you are entitled to disclose under the Public Interest Disclosure Act 1998, provided that the disclosure is made in accordance with the provisions of that Act and you have complied with the Companies' policy from time to time in force regarding such disclosures.

10. Intellectual Property

You hereby irrevocably waive any moral rights in all works prepared by you, in the provision of your services to the Companies, to which you are now or may at any future time be entitled under Chapter IV of the Copyright Designs and Patents Act 1988 or any similar provisions of law in any jurisdiction, including (but without limitation) the right to be identified, the right of integrity and the right against false attribution, and agree not to institute, support, maintain or permit any action or claim to the effect that any treatment, exploitation or use of such works or other materials, infringes your moral rights.

11. Review Process

Your performance as a non-executive director and Chair will be subject to an annual Fitness & Propriety assessment and review annually as part of the Board performance review exercise, which reviews the performance of individual directors, each Board as a whole and its Committees. If, in the interim, there are any matters that cause you concern about your role, you should discuss them with the NWG Senior Independent Director as soon as is appropriate.

12. Insurance

Subject to legislative provisions, you will be entitled to be indemnified out of the assets of NWG against all costs and liabilities incurred by you in the execution of your duties.

In addition, NWG has in place directors' and officers' liability insurance. It is intended to maintain such cover for the full term of your appointment.

13. Independent Professional Advice

Should a situation arise when you consider that you need to take independent professional advice in relation to your duties as a director, you should first discuss the situation with the Chief Governance Officer and Company Secretary. The reasonable costs of any independent advice obtained will be reimbursed by the Companies.

14. Dealing in Securities / Investments

As a director of the Companies, you are subject to the Personal Account Dealing chapter of the NatWest Group Market Abuse & Inside Information Policy ("PAD Policy") and you cannot deal in NWG securities outside of certain scheduled 'Open Windows' (which are periods which coincide with the announcement of NWG results) or at any time while you are in possession of 'inside information'. NWG securities are broadly defined to include shares or debt instruments of an issuing entity, or derivatives or other financial instruments linked to any such shares or debts.



You and your 'connected persons' are also required to obtain permission before dealing on your 'own account' in financial instruments including NWG and non-NWG securities. A copy of the PAD Policy is available in the Non-executive Director Handbook, along with further details of your obligations and the associated disclosure requirements.

15. Data Protection

The Companies will collect, hold and process various types of personal information about you in accordance with the Privacy Notice for non-executive directors, a copy of which is attached to this letter.

You shall at all times comply with the NatWest Group Privacy and Client Confidentiality policy, a copy of which is available in the Non-executive Director Handbook. The Companies may change their policies at any time and will publish any changes in the Non-executive Director Handbook.

16. Governing Law

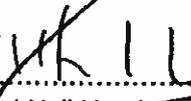
Your engagement with the Companies is governed by and shall be construed in accordance with the law of Scotland and your engagement shall be subject to the jurisdiction of the Scottish courts.

Please do not hesitate to contact me if you have any questions in relation to this letter. This letter has been sent to you in duplicate. Please sign and date both copies, retaining one copy for your records and returning the other to me at the above address.

Yours sincerely

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Jan Cargill
Chief Governance Officer and Company Secretary
For and on behalf of the Companies

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Richard Neil Haythornthwaite

Date: 09 / 01 / 2024

Enclosures:

Non-executive director role profile as at 8 January 2024

Directors' Conflicts of Interest Policy

Privacy Notice