**NatWest Group plc**
**Acquisition of Evelyn Partners Call Transcript**
**9th February 2026**
**Hosts: Paul Thwaite, CEO, and Katie Murray, CFO**

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**Management Presentation**

(Amended in places for legibility and clarity)

**Paul Thwaite** Good morning everyone and thank you for joining us at short notice following our announcement of the acquisition of Evelyn Partners. I'm here with Katie. I'll start with a short introduction before we take your questions.

With the 2.7 billion acquisition of Evelyn Partners we are creating the UK's leading private banking and wealth manager. This accelerates delivery of the group strategy by increasing our exposure to a highly attractive growing market supported by strong demographic, regulatory and technology trends. Evelyn Partners is a market leading financial planning and investment management firm.

It has 180-year heritage, a high-quality loyal client base and is a strong cultural fit. It brings a large regional network of 21 offices employing 270 financial planners, 325 specialist investment managers and a highly regarded direct-to-consumer investment platform, Bestinvest. And it has a strong track record of profitable growth.

In 2025 it delivered income of 509 million with EBITDA of 179 million at a margin of 35% and it attracted net new inflows of 1.6 billion. So, we see this as a business with strong prospects for future growth. Combining Evelyn Partners with our Private Banking and Wealth Management business allows us to scale and broaden our financial planning, savings and investment capabilities and extend an enhanced offering to customers across the group.

Evelyn Partners' 69 billion in assets under management and administration combined with NatWest Group's 59 billion brings total AUMA of 127 billion and total customer assets and liabilities for the combined business to 188 billion. This amounts to 20% of the group's total customer assets and liabilities making private banking and wealth management a scaled growth engine to the group. The transaction will also boost fee income by around 20% before synergies making non-interest income a larger and growing proportion of our revenues.

We see a significant opportunity for value creation. We expect to realise around a hundred million of cost synergies by removing duplication and shared services and technology applications where there is high alignment between our platforms as well as efficiencies of scale. The cost to achieve of approximately 150 million will be phased over three years.

Revenue synergies include bringing Evelyn Partners' broad range of financial planning and wealth management solutions to all our customers, enhancing our D2C investment offering via Bestinvest, leveraging Evelyn Partners' technology for portfolio management solutions and providing Evelyn Partners' customers with our full range of banking solutions and combined wealth management offering. We have a strong record of execution and successful integration. We have tracked this business for a long time to get conviction on cultural alignment and how to execute and we are very encouraged by what we have seen.

This is a relationship business, and our approach will be client-led. We are clear-eyed on the risks and confident on our ability to deliver. So, there is strong strategic rationale for the combination. It is operationally deliverable and financially it's a compelling use of capital. Let me take you through the financial headlines.

We are acquiring Evelyn Partners for 2.7 billion in cash, an implied EV to EBITDA multiple of less than 10 times including run rate cost synergies. We have outlined cost synergies of 100 million, equivalent to around 10% of the combined cost base with cost to achieve of approximately 150 million. We are also confident in our ability to deliver significant revenue synergies. The transaction will be accretive to growth for the group.

It is also expected to be accretive to group Return on Tangible Equity in year one and to deliver returns above those generated through share buybacks. We expect the transaction to reduce our CET1 ratio by around 130 basis points and we remain well capitalised. We have a strong track record of capital generation, and the transaction will strengthen this further.

We are also announcing a share buyback of 750 million today showing both our confidence in the outlook as well as our ongoing commitment to return surplus capital to shareholders at the earliest opportunity. Our dividend payout ratio of around 50% remains unchanged. We will continue to review capital distribution and currently expect to make our next share buyback announcement at our first half results in 2027.

The transaction is expected to complete in the summer subject to the customary reg approvals. Thank you.

**Ben C-R:** Morning. Thank you very much for the presentation and for taking the questions. So, I just wanted to ask two please. So first, you mentioned the deals is expected to deliver returns greater than generated through a share buyback. Could you please just run me through how you're thinking about that calculation? Effectively if you're comparing the 2.7 billion being invested and then looking at the EBITDA figure of 179, adding the hundred of run rate cost synergies and then assuming some revenue synergy effectively to get a profit figure which is a return higher than your own earnings yield.

And then just as a follow-up to that could you run through in a bit more detail some of the revenue synergies you're thinking about and which areas you actually think are most tangible over the next 12 to 24 months? Thank you very much.

**Paul:** Thanks Ben. Katie why don't you talk about the return versus buyback and then I'll talk about the revenue synergies.

**Katie Murray:** Sure. Thanks very much. So as you look at the return in terms of the buyback we've given you the numbers today based on a three-year outlook. So when you think of our targets that we'll talk more about on Friday they will include everything in relation to Evelyn and the benefit of the transaction. I mean Ben, if you would run the buyback today, I think you and I would both get to a return number that's around the 11% number.

And if you then take the contribution from Evelyn and look out to 2028 by which time we expect to have delivered on the cost synergies of 100 million, with the cost to achieve of 150 million completed by that point as well.

In terms of EBITDA, you can see the income that they're generating from their 2025 numbers and that would be expected to continue to grow. So, when you put all of those things together, we're very comfortable that the returns generated by the 2028 run rate will be at a level that is comfortably above returns from a share buyback transaction.

**Paul:** Thanks Katie. And then Ben on the revenue synergies I'd start by saying we do see revenue synergies as a meaningful opportunity. There’s probably two broad strands to the synergies. The first is bringing Evelyn's financial planning and investment capabilities to our customer base, not just within our wealth business but more broadly within our Retail and C&I business.

So, for example, surfacing the Bestinvest direct-to-consumer platform to around 19 million of our customers. Extending market leading financial planning capability from Evelyn to our Affluent and Premier segment. So that's the first strand. So significant opportunity from the leading capabilities that Evelyn has to the customers of the group.

And then the second strand to the opportunity is really supporting Evelyn's clients with the banking solutions that the group has, be they Coutts or NatWest.

So it's the combination of those capabilities to the clients of each brand and each institution. So hopefully that gives you a flavour of it. Thanks Ben.

**Alvaro:** Look it's more of a follow-up from Ben's question. Can you talk us through maybe some of the sort of…when I compare it to share buybacks I struggle to get it numbers to be better which I suspect may have to do with the revenue growth beyond the synergies that you think this business can achieve. So can you talk us through maybe what's a reasonable sort of revenue growth based on what you've seen historically from them.

You pointed out the market growth, maybe something like that, what you think is a reasonable prospect. And also, when you look at the client profile of your existing wealth clients versus what you're bringing on. Can you give us a bit of colour on what the differences and similarities of this client base versus what you have at the moment. Thank you.

**Katie:** So as you look at it, I'm clearly not going to be terribly precise on this otherwise I'd have given you the number this morning already but just to help you work your way through on it. And if you look at their income number that they had just over 500 million in 2025, we know that they've had strong growth, 7% CAGR in AUM over that period.

You know we're looking to bring in our synergies and run rate by 2028. And at that point we get real comfort that actually it is better than the return of that around 11% that we would talk about in terms of the share buyback piece. So overall we are very comfortable once you bring in those revenue synergies, the cost synergies which we've clearly given you this morning are all fully embedded in.

There's no concern around the strength of that return.

**Paul:** Great and then Alvaro on your second question which my interpretation was the similarities or otherwise of the client base. So, a couple of broader points. Evelyn, as I said in my opening comments, we've been monitoring the business for a while. Evelyn has made significant investment in the business over the last couple of years that's actually across multiple strands of the business: the technology platform, the advisor network, training and capability and also the brand. The client base of the business we spent a lot of time with, in respect to due diligence. It's a high value client base it's a very loyal client base.

I think probably the best way, given you know us Alvaro, the best way to think about it is the parts of the client base segment well to both our Coutts business but also our Premier and Affluent business. That's probably the best way to think of it. So high value, high loyalty and segments really nicely with our Premier, Affluent and Coutts client base. Thanks Alvaro.

**Sheel:** Great thanks guys just the question around amortisation costs because I don't see any notes of that in the press release or the presentation. Looking at Evelyn Partners in the 2024 report that was running at around 110 million per year so I just wanted to get a handle on where you think amortisation costs are going to be for the next few years and whether you've then marked up the value of the customer lists associated with Evelyn. Thanks.

Katie: Thanks very much Sheel. So, as you look at a transaction like this obviously it's going to be subject to standard purchase accounting and treatment as we bring both tangible and intangible assets on board. So, you will see the amortisation. It will obviously cause an increase for the group overall as we start to bring them in, and we'll give you more guidance on Friday in terms of that that cost outlook.

One thing I would remind you about, though, of course, is as we deal with goodwill and intangibles and all the amortisation, it's a statutory book result not…it's capital neutral. So, the way to think about it is this 130 bps impact on capital for the group and you know our strong capital generation as that comes through. So, I just remind you about that that accretion that comes through as a result of the strong addition of fee income that we'll see coming through and into the results as we increase the group fee income by about 20%.

**Andrew:** Yeah, morning, so a couple. Firstly, just on the 130 basis points I assume the bulk of that is due to the goodwill that's recognised but perhaps you can talk us through the moving parts on the 130 basis points charge and just confirm if that includes the 100 million for the CTA or if that's then going to be on top of the 130 basis points.

And then secondly can you just talk about the additional capabilities that it adds. Clearly it gives you a whole new client base for cross-sell but in terms of the capabilities, the products, the services, what does Evelyn have that you don't have? Thank you.

**Paul:** Do you want to take the first and I'll take the second piece?

**Katie:** Yeah, sure absolutely. So, as you look at that 130 basis points as you can imagine it's built up for me for four things. You've got a little bit of P&L impact but goodwill, you're absolutely right, that's the main the main component of it. You'll then have the other intangibles that we'll recognise. There'll be a little bit of RWAs just because of op risk that will come through. I'm not going to give you the detailed breakdown of all of those different things. But when you run that through in your full year 2026 capital position it does work out to be a 130 basis points impact.

**Paul:** Great thank you. And then Andrew on the on the capabilities as you say there's the client base. I'd probably list four additional capabilities that's worth bearing in mind. The first is financial planning. So, Evelyn has the largest employed advisor base in the UK. So significant increase in the scale of our financial planning capability and obviously we can bring that to the clients of the group.

Second is the direct-to-consumer platform, branded Bestinvest. That's a clear enhancement to our own D2C platform.

Third, over 300 investment managers. So significant skills, expertise, investment managers, long history, many years of good investment and financial advice.

And then fourthly, slightly differently, we'll be able to leverage some of the great technology platforms that Evelyn has. Xplan would be one example. So that they will either replace or enhance the wealth management and financial planning platforms that we have.

So quite a broad range of capabilities which combined with what we already have with the group gives us the confidence that this will be a leading Private Bank and Wealth Manager. Thanks Andrew.

**Aman:** I had one follow-up question and then one separate one.

I struggle a bit with EBITDA in banks land. Is there any chance you could just confirm what the net profit contribution of Evelyn in 2025 would have been to NatWest, ideally including the depreciation charge? I just want to get a clean read on a price to earnings multiple here. I think it's just a way of appraising this deal that I found a bit easier to make sense of. So, what's the net profit, attributable profit contribution of Evelyn in '25 as our starting base?

The second is just around costs. So, could you lift the lid a little bit on exactly what you're looking to do on the hundred million cost saves, where it's coming from and specifically whether you've assumed anything around the need to pay any retainers to some of the Evelyn staff and have you made an assumption around attrition? Is there any overlap in the customer bases here please? Thanks so much.

**Paul:** I'll take the second, Katie, and you take the first.

**Katie:** So, the way I think about it, Aman, is it's a little bit like PBT. There are some perimeter differences, so I'm not going to give you the detail, but you can see from their accounts that their EBITDA in 2025 was 179. We will give you more detail on closing, exactly what we'll do for 2026. We talk about closing in the summer, it's clearly subject to some regulatory approval, so the exact date will obviously depend upon that. But I would say it's kind of immaterial for 2026 earnings.

And clearly, if you were to look at the IRR of this business, you would see that it would continue to grow beyond there as we continue to get the real benefit of synergies and the revenue synergies coming through. And obviously, it's a portion of the bank that you would value slightly differently because of its capital-light nature as it kind of comes into the -- into your kind of sum of the parts model. So overall, very comfortable that it's going to be a real positive contributor to the group, both by 2028 and importantly beyond.

**Paul:** Thank you, Katie. Hey Aman, so I guess there's two questions or two points, cost and people.

On costs and synergies, yeah 100 million as you say. Put that in context, that's 10% of the combined private bank and wealth management cost base, so we feel high conviction and high confidence on that. In terms of some of the key drivers, probably the primary one is technology consolidation and platform consolidation. Both businesses use common platforms, Avalok and Aladdin for example, so that's a big driver.

Secondly, as you'd expect, there's opportunities to deduplicate things like functions, licences, there's a whole host of shared services as well. Optimise things like marketing spend. So, during the process of due diligence, you know, we've got a very detailed bottom-up plan on the cost synergies.

Hopefully what we've demonstrated over the course of the last couple of years and the transactions we've executed on is we deliver on the synergies that we promise. I think we've got a good track record there. So, we feel good about the opportunity around synergies, and we feel good about our ability to execute them.

On people, you know me, I'm very thoughtful and systematic. This is a people and relationship business. We've been impressed with the Evelyn management team and the Evelyn colleagues.

So we've been very thoughtful on how to approach that. As is the nature of these transactions, we thought very deeply about ensuring we retain the right people and capabilities. So you can assume that's very well thought through and baked into our plan.

And then you also asked about attrition. Again, that's baked into the financials that we have shared today. There's a whole host of precedent transactions where you can take some assumptions and obviously, to the extent we can, we've looked at the crossover between the client bases.

But that's all baked into the financials that we've shared with you today and the opportunity we see to increase ROTE and deliver additional returns.

**Jonathan:** Yeah, good morning. I've got two questions. Sorry I'm going to come back on this point on amortisation charges.

So just to clarify that when you talk about the returns being better than the buybacks, you are presumably excluding those amortisation charges. I mean people are asking about this because they were quite big last year, about 90 million quid. And this is a business that has driven some of its growth in recent years, small bolt on acquisitions creating those customer list intangibles. So, it's not entirely clear why one would ignore those amortisation charges moving forwards. And then of course some of that amortisation charges also software, which is just the P&L components of what you're spending to the balance sheet. So why are we ignoring that? And can I just check that you are ignoring that on your ROI comments relative to buybacks?

The second question, I guess to some extent thinking forward to Friday, that the tangible equity in this business is about 200 million pound if you can confirm that. So, I suppose there's about an 8% hit to the TNAV pro forma, which all else equals going to lift the ROTE by about one and a half percentage points versus what one might have thought would be the case standalone. But presumably when you talk to us on Friday about longer term ROTE targets, that that number is going to be one and a half percentage points higher than whatever you may have thought pre this acquisition. So, they are the two questions.

**Katie:** Sure. Thanks so much, Jonathan. First of all, we do include the amortisation in our returns [on tangible equity]. As a management team, Paul and I have always been really keen on making sure that we give you full numbers, and we don't do lots of ex this or ex that. So they're definitively included in there. What we're trying to guide you to in terms of the return is when you look at it, their numbers, our delivery of our run rate synergies, the cost of delivering those synergies by end [2028], that we're comfortable with that return. When we go beyond there and you kind of look at the [ROICs] with the fully loaded [synergies], that comp obviously increases.

And I know, Jonathan, you're going to be thinking both statutory and CET1. So, you're very familiar that the amortisation doesn't affect that capital distribution capacity as we look at the CET1, and we know that that will be clear. So obviously, the amortisation for the CET1, we don't look at because it's not relevant, but for a statutory basis, it will be. So, it's all part of that kind of technical accounting. We will give you the statutory EPS, and we'll continue to do so.

And certainly, when we look at our 2028 guidance that we'll do on Friday, I'm not going to be drawn today on what that might be. We'll save that for Friday, if you don't mind. But what we will confirm is these numbers will be reflected within that guidance for 2028. As I said earlier on the call, for 2026, they're really not material. And given that you don't know exactly the date that they will settle on, the 2026 will be ex-Evelyn. But as we know those dates, and we know where we are, we'll update you as we progress through the year as you would expect us to do.

**Ben T:** Morning, both. Thanks for taking my question. Just one, please.

The question is, are you now done on chunky M&A or other parts of business which you think might need bolstering into the medium term? Or is this one big gap? I think you noted that the return on the buyback is 11%. So potentially, there's quite a lot of stuff out there which would pass the initial sniff test of beating the return on a buyback. Thank you.

**Paul:** Thanks, Ben. I'll take that. So obviously, our immediate focus is on the successful integration of Evelyn and making sure we deliver on the potential and value of that transaction. We also, and we'll talk more about it on Friday, have ambitious organic plans for our three businesses. So that's also an additional focus. In Wealth, obviously, the market remains pretty fragmented and scale matters.

So, I'll continue to be disciplined. But if there are value accretive opportunities aligned with strategy, we'll put our usual cold lens over it. But as you say, the near-term focus is going to be on the successful integration of Evelyn and delivering the organic plan across the three businesses.

**Chris:** Thanks for taking the questions. Could I ask a couple of points of detail, please? On the 130 basis points, is that including the cost to achieve? What tax rate do you think attaches to this business? Should we be assuming the bank tax surcharge applies? And then in terms of the cap gen piece, I guess a variant on Aman's question in a way, what do you think the payback period is for the capital that you're deploying into the transaction?

I appreciate that the amortisation and that's a non-capital item. I get it. I also sort of struggle a little bit with EBITDA in banking contexts. But in terms of the capital you're investing, what do you think the payback period is? Thank you.

**Katie:** So if we look at it, we're looking at 130 basis points, that's using the 2.7 billion of the CET1 capital. And also, I mentioned earlier, there's a little bit extra in terms of some op risk there. Clearly the payback is a function of the growth and the execution, but we're working very much for a three-year return. And it includes all of the costs to achieve associated with that day one and everything that's incurred in 2026. We'll give you more disclosure in terms of all of those numbers, as I said earlier, once we've got them nailed down on 2026 and beyond. But we're very comfortable that this is a good use of capital.

**Ed:** Morning, everybody. Thanks so much. Yeah, I guess for me, the only way I'm just trying to understand the logic of announcing the 750 million buyback today and then nothing until mid-27. So are we assuming by that, therefore, that in the summer when you do this deal, you will be well below your capital limit and you'll then take a year to build back up to it or build up to a level where you can be sufficiently above whatever your minimum is, which I guess at the moment is slightly open. Some uncertainty in the market, if not in your own minds.

So, I suppose the question is, how should we think about that? Are we going to go below the level and then you're going to take time to build up? Why are you announcing a 750 today? Why aren't you waiting until you've got the capital and then just continue the buyback programme as normal from sort of second half next year onwards?

**Katie:** Thanks, Ed. So, as we as we look at it, I think you need to take a step back and think of where we are on capital.

So, we're at Q3, we're at 14.2 percent. You know, we know that this transaction won't complete until the middle of the year. Sometime in summer, you can take your views of when that might be.

And obviously, depending upon timing, we know also that we're strongly capital generative. If you look at the capital that we generated in the first nine months of last year, we can see that we'd be there.

So, this is not a question of taking ourselves way below our capital number. We've always talked about, you know, operating within the kind of the tramline.

So very comfortable in terms of the level of capital generated. Comfortable that this is a good transaction. We'll talk more about the earnings and capital framework on Friday.

As we look to capital. And we looked at the transaction. We're confident on our level. We've been very clear that we've returned surplus capital to our shareholders at the earliest opportunity. And that's simply what this 750 million represents.

And then…I'm going to go back to Chris. Chris, you asked me the tax rate. I didn't tell you. Forgive me. It's 24 percent that you'd be using for this business. So, you can pop that in as well. Sorry to miss that off last time.

Paul: Good catch. Thank you, Katie. Thank you.

OK, thank you, Matt. And thank you, everyone, for joining at short notice on a Monday morning. Appreciate the questions. And we will see you again on Friday. Have a good week.