NatWest Group plc
Fireside chat at UBS European Conference 2026
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Moderated by Jason Napier, Head of European Financials Research, UBS

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Fireside Chat

(Amended in places for legibility and clarity)

Jason Napier Good morning everybody and thank you for joining us. My name is Jason Napier. For those of you that I don't know, I run financials research at UBS in Europe, and it gives me a great pleasure to welcome Rick Haythornthwaite to our UBS conference. As all of you know, the conference begins today. We've got 2,000 investors, 165 corporates, and Rick is extending a history of NatWest sending their chairs to this conference. Your predecessor was kind enough to join us for six or seven years, I believe. And so, it's a privilege to have you with us, Rick.

Rick Haythornthwaite Delighted to be here.

Jason Thank you. So, by way of introduction, you're chair of NatWest, you're chair of the AA, you're a senior advisory partner at Moelis, but you've also had chairmanships of Ocado, Mastercard, Centrica, Network Rail, Cookson, and so on. Extremely varied set of NED roles. Could you just perhaps talk a little bit about the vision that you had when you took this role and whether at the outset there were particular changes or challenges in composition of board and so on that you were trying to address as you came in?

Rick First of all, I'd say that the vision is always to win, to be the leading bank in terms of returns and in terms of returns to shareholders. And what I found particularly appealing about the role is that at the heart of it were reputation, customer, operations. Those are the three things that – from my history outside banking – were the things that always attracted me because I think they're the great challenges of any business. And that's proven to be the case.

Jason Right, right. And the changes that you've executed in the board so far, the folks that you've brought on, were there common denominators? Were there skills that you were looking to accumulate? If you could talk us through the changes that you've made?

Rick Well, any bank, I think a bank board has got to have bankers. I think you've got to have a core of banking, whether it's retail, the commercial, and obviously wealth experience as well given our businesses. But beyond that, I think you do need deep expertise in customer. You do need to have people who really understand technology and really you rarely get the same, the consumer side of things and the deep tech, the cyber in the same person.

So that generally is at least a couple of people there. And of course, AI is an important part of it now around the board table. And people who have real expertise in risk management. I think then the more general aspects of strategy and reputation just generally come free with the various other people around the board, but you need that.

Jason Right. And so, if you were to contrast a bank board from perhaps some of the sort of heavy industry that you've had in your past, the big deltas would be around things like tech, would you say?

Rick No, there's techs everywhere. I think the big delta is understanding banking. You really do need to have to understand banking. And I think you want people around the board table that can see around corners and anticipate where the next risk could come from but equally understand where the opportunities are going to be.

Because I think to win in banking today, you've got to be very dynamic. You've got to be return seeking all the time and therefore you've got to understand whether the executive are performing at that level and you need people around the table that can challenge around those questions.

Jason Yeah. So, when I imagine what happens at bank board level, there's of course the oversight piece and there's the challenge on execution. Could you talk a little bit about what role the board plays in setting of strategy? We might talk a little bit about Evelyn Partners and those sorts of things.

Rick Well, I think a UK board is actually quite hands on a strategy, far more than an American board, for example, Mastercard. Although I generally

run a UK style board for Mastercard. So, the boards are generally hands on. I started off by making sure that everyone understood what strategy was. It's quite interesting on a board, a board of 12 people, you've got 15 beliefs in what strategy actually is.

So, you need to understand what strategy is. And particularly today where I think strategy is 20% the participation – where you want to participate in the market – so it's 80% capability. And so, really understanding where the bank needs to be. So, obviously a very iterative process. My role in strategy as a chair tends to be at three levels.

First is as the chair, you're thinking about the process of making sure there's the right conversations are taking place, that you're getting the right interrogation of the strategy, that ultimately you make the best possible strategic decisions and how do you do that with a board?

The second is a mentor to Paul. I think that obviously there's a continuous exchange between us. But third, and this is the case with a lot of other people around the board, just strategic experience. So, I think that allows us to bring challenge to it. In the end, the formulation of strategy is an executive role, but there is a continuous iteration.

So, if you take Evelyn Partners to take one example, that appeared within the context of a much broader strategy that was established over two years and probably six, seven meetings, deep meetings around that. So, when Evelyn came through, we knew exactly where it fitted. We knew exactly why we wanted it. We knew exactly how it would deliver to the bottom line and to the capital returns that we were seeking.

Jason Right. So, the execution of all of that on a normal kind of weekly basis, I almost hesitate to ask, what does a week in the life of a NatWest chair look like? A day, a week, a month?

Rick Well, I think other than picking the right CEO, the most important role of a chair and a board is to make sure you talk about the right things. And so, really my week is there's never a normal week, but the focus of that is to make sure that I really understand when the board has an agenda, that agenda is the right agenda.

So, I spend my weeks just talking to everyone I need to talk to. Obviously spend a lot of time with Paul and Katie. I spend a lot of time with the senior execs, understand what's happening there with peer chairs, investors, banks, customers. I was in Cardiff yesterday; I was spending time with our customers there. I was spending time with our accelerator hub, which is there for our startups. So, those are typical weeks. I get around the group as much as I can.

Jason So, you mentioned the necessity of having board talent that can see around corners. I don't suppose there's anyone in the room who feels like they can see 5 years, let alone 10 right now, but you've presumably in your seat at Mastercard being told tech is going to upend everything all the time.

Where do you see tech taking banking over the next few years? AI is of course the latest in a string of innovations, which is changing the industry. Is it different from all the others? What are you counselling the leadership around strategy on all of that right now?

Rick Well, I think you're right. At Mastercard, you thought people were going to disintermediate you every morning.

Jason Every day, every week.

Rick Every single day. So, there's a level, I think a healthy paranoia is required here, but there's no doubt that tech is providing extraordinary opportunity, but also enormous risk. And with 20 million customers, we've got a responsibility to be on top of the opportunities and to be on top of the risks and to make sure that they're protected.

But it touches us in so many ways. Obviously, it's allowing us to just provide better service. We can provide better service, a far more personalised service. Now we can move, think about the customer as a unit of one. There's no longer aggregation in all of that. That's very helpful. I think in the process of serving them, our agents within the organisation allows us to redesign our processes.

And we're doing that right now to be able to serve customers quicker, more effectively, at a better price, et cetera. Obviously, as we fundamentally redesign the companies we have over the years around data, around our platforms, now AI is just driving coding at a much faster rate. So, that's releasing people throughout the organisation, whether it's at the coder level, the engineer through to the front line to higher-value tasks, the most important of which is spend more time in front of the customer.

So, technology is undoubtedly altering that. It's also obviously bringing, you think about blockchain and digital assets, it's having an impact there. Obviously stablecoin for a while was something that we all worried about as cannibalising deposits. We're less concerned about that now. It's sort of falling into a niche of short-term transfers, intraday cross border.

And a lot of the focus is moving to tokenised assets and tokenised deposits. And that is something that can really help customers, particularly commercial customers, around the world. So, we are very, very invested in making sure we're party to that. And of course, the other big area that is affecting us is agentic AI for the customer itself. And we're early days on that, but that's an area where we're very mindful as to how that could affect banking and how it can and should affect the regulatory environment.

Jason We can't not dwell on agentic AI for a while given the investor interest and where it may take us. Are there any learnings you think from open banking that we should apply to this situation? We have millions upon millions of customers who use open banking and yet it doesn't appear that the velocity of deposits or the intensity of competition for the price sensitive deposits changed as a consequence of that.

Rick Yeah, I think you're right. But I think what open banking tells you is that a lot of this rush to optimise deposits already happened. I think you've seen a stabilisation in the non-interest-bearing deposits. And so, that's less of a concern. I think more of a concern is really the behaviour of agents, really.

So, agents don't have to identify themselves right now. And so, a Muse could come through, and Muse has patterns that you can identify. So,

fine, we know how we can identify that. But Instinct, probably won't see Instinct coming. You can't see Claude coming into it. So, you've got, first of all, identification. Is this a customer or is this an agent? And then if it's an agent, does that agent have the customer's permission to act on his behalf? And if it does, is it staying within the bounds of the permissions offered? There's so many of these questions that ultimately, if things go wrong, who's now going to be liable, bearing in mind the regulatory perimeter is unlikely to catch these. And these are questions that are very, very active debate between us and the regulators right now.

Jason Yeah. I was going to say, is regulation keeping up with innovation on this front? Because it would appear in the past that the onus will rest with the banks. That typically is where these things have tended to end up. Do we need a different regulatory framework for this?

Rick I think we've got to be very careful because the regulator, I think, could have a track record of stifling innovation if we're not careful. So I think the regulator is playing a very savvy game right now and staying close to it, but not rushing to regulate, but really wanting to be mindful of what the risks are.

I mean, I think there's a bigger issue, which is persuading the customer to break their Faustian pact with their dominant platforms. You give me convenience, I'll give you all my data, I'll give you all the control until it's too late. And suddenly they'll find themselves in these walled gardens around these agents owned by these platforms that just offer them take it or leave it offers. And so, what you've got to hope is, and I'm quite confident this is going to happen, is agents can become more complex in their capacity. Effectively, customers will be handing their keys over for their lives saying, "This is not just about finding a deposit, this is about go find me my holidays and stuff like that." And at that point, one hopes that they'll start to think more responsibly about data and about their relationship with the agent and the permissions. And that's where trust really becomes part of the equation. And that's where the incumbent banks have a legacy of an asset there that we're going to work hard to make sure we develop.

And so, for me, one of the roles of the regulator, along with us, is to educate the market, not necessarily to regulate the market, educate it

and say you need to be clear what's happening here. So, I think there's some very interesting debates to be had.

Jason That's fascinating. I mean, you're clearly privy to, we were talking about the size of board packs and you're privy to more information than we are. Often in the market, and I'm as guilty of this as anyone else, it's quite reductionist. The wealthy tend to be older, the older are more risk averse. They're not in any feasible way going to be handing their money over to agentic AI in the near term is one argument one could make, but it's impossible to interrogate with data. If you were a shareholder and investor, what is it that we monitor to try and figure out how this is happening, whether it's happening? What are the questions we should be asking the banks themselves on this?

Rick Well, I think the question we should be asking is who's owning the primary relationship and where are those primary relationships? Because those primary relationships are key to building that trust and primary relationships are built around key moments in people's lives, times they have to really make a considered human decision as opposed to really just running their lives on autopilot. Which banks are really in those moments that matter? And this is so important at the time where, you take deposits. Deposits might be growing, but not as fast as lending. And those primary relationships are key to being the deposit winner. And so, I think everything flows in that capacity to build those primary relationships. And that then does come down to all the things we've been talking about is using technology to be there in a far better way for the customer.

Jason Right. Okay. To lean just for a little bit longer on risks and so on, incumbent banks have a somewhat mixed reputation for tech readiness and the health of their platforms. How worried do we need to be about cyber in today's environment?

Rick Well, my default is to worry. I think you have to, but I mean we have an outstanding CISO, we have an outstanding system. We understand that it's tough to penetrate our system. When the Bank of England ran their tests recently, we had to let them into each layer, next layer to get

there. But at the same time, when Glasswing came along and we tested it, we were the same position as many people, the vulnerabilities were found. Our patching strategy had to accelerate very rapidly. We had to really think about the use of open source.

So, it is absolutely the number one priority to make sure that this doesn't happen. Any major cyber-attack, you've got to fear an existential risk. And so we put a lot of time, the board puts a lot of time into it, the executive puts a lot of time into it. And then a lot of people are saying it's not if, but when. And so we also put a lot of time into pace of bare-metal recovery.

Jason I recently did a presentation with our head of US banks and it would appear that there's a difference of approach opinion on AI. The American banks tend to see it as a revenue positive thing. And in Europe we worry about margin diminution and we tend to like buybacks rather than acquisitions. There's almost two kind of approaches. When we think about AI and the capacity to deliver better service, if we focus just for a second on organisational cost basis and so on, is it blindingly obvious that banks' cost to serve will be much, much lower in the medium term?

Rick Certainly we plan that. We think it can be. Right now we're driving down costs of the bank just through efficiencies that are not necessarily people efficiencies, although our number of FTEs are coming down all the time. But there will come a time where right now, if someone is using AI to drive efficiencies through their role, it's tending to release them to a high value task.

So it is a capacity boost right now, but there's going to come a point where that'll stop. And you'll see we're just above 45% now and we're coming down, we're sort of the most efficient bank out there right now. But we will aim for further and operational leverage is so important.

Jason Yeah. Is there a way to broadly talk about when we get through the peak of capacity building and investment? I think clearly the industry is spending more on AI than it's saving. Is that fair, do you think? That feels like this year's statement.

Rick No, certainly the fact we're coming down ... I think now we're spending total 1.2 billion a year, much of which is on technology, but we're driving down costs at a pace which is creating capacity for at least half of that.

Jason Gosh, that's a big number. And so perhaps a year or two from now, the operating leverage of the industry will be demonstrably stronger than it is now.

Rick It will be, but I'm not about to write a check for our executive here.

Jason No, that's fair. It's just interesting that when you look at the cost waterfalls we're being presented by banks, almost all of the ones that I can recall are talking about gross cost savings that are mammoth, 5%, 6% of costs, which are going into 5%, 6% of investment and inflation spend. And it's hard to tell whether that seesaw is accurate and enduringly relevant. It feels to us like you end up with a situation... You've got 12,000 software engineers today. These are numbers that over time will change and their deployments will, but it does feel like the industry must, on an incumbent level, get a lot more efficient in the future.

Rick It will. It undoubtedly will. And if you think that there has been a massive shift of all the legacy platforms and the incumbents, but there are things that don't get fixed at the pace you wish they would, for example, manual processes. But what happens when you release these engineers from the coding responsibility they had before? We can accelerate just the fixing of that stuff that was just sitting bubbling underneath you need to fix, which is not an efficiency. It's a risk issue. There's a vulnerability that in the organisation that we've been living with, been happy living with it. It's well within our risk appetite, but you'd far prefer to have an organisation that eliminated every manual process deep in the organisation.

Jason If we turn to the sort of performance of the UK, I think it's fair to say and provable that sentiment is poor, but we have very strong volume dynamics on the borrowing side. Debt demand seems to be very, very strong. And I know you're integral to the 2030 Prosperity Alliance work. How's our economy doing right now, do you think?

Rick Well, when you're talking about 0.5% to 1% growth rate, not well in the end. A little bit of history. I mean, just take the history from the great financial crisis. Pre-great financial crisis, the growth rate was near 2.5%. We've lagged the G7 since then. If we just stuck with the average of the G7 since the great financial crisis, our economy would be £94 billion bigger. [£15,000] per head. And the weight of that prosperity gap is falling on the young. So we have this intergenerational crisis. We cannot redistribute our way out of an intergenerational crisis. We have to grow our way out of it and you're not going to grow your way out of it at a 0.5% to 1%. So you've got to take the future of the country as a whole.

And the prosperity alliance just for the benefit of the audience is we brought together eight FTSE 100 chairs, Paul Johnson as the economist and then civic commissioners like William Hague, Trevor Phillips, John Hutton, Rona Fairhead, Carolyn Fairbairn. And we're apolitical cross party trying to get across to the government what it takes, what are the bold decisions you need to take to break out to 2.5% growth or thereabouts. And through polling, convince them that it's electorally rewarding to do that and that there is an appetite in the nation for bold leadership.

And so briefly we're saying, if you look back, the time when the political winds were really shifted was Beveridge, 1942 where he invoked his five giants that led to the formulation of welfare state. We've said there's five giants you've got to slay today if you really want to drive growth. And there's a neglect which is gross under-investment in capital plant. So everyone is basically under-tooled. It's myopia. It's just overpricing the short term, underpricing the long term. It starts at Treasury's Green Book. It's gridlock: paralysing regulation; discouragement, which is a tax and welfare profile that discourages just the point you want to encourage; and powerlessness, which is a centralisation of power and the lack of agency down, so this is the devolution agenda. Crack those five giants and you can see the growth come back.

But then come back to your point about where we are today. Yes, there's growth. It's largely confined to larger caps. It's driven by digitisation, decarbonisation. Bank of England in September, they said 11% loan growth. That's a healthy figure in any nation, despite the fact the nation as a whole is growing low rate. But the large caps, sort of grown 16% so far this year, mid-cap 6% plus, small caps stable. But it's good for us. I mean, because we have presence across all those categories. We've built great expertise in social housing, infrastructure, transition finance, and these are areas that are particularly strong right now. So we've got a good pipeline.

Jason The profile of the growth is important, and it obviously has consequences for the margin of the business that's being written. One more immediate question is whether the growth we're seeing right now is lagged and whether the high rates that we now see in debt markets more generally is going to bring that under pressure. How long is the pipeline to clear, do you think, in things that are driving the growth? Are we going to go in for a period of slower growth? We've heard that from some of the peer group. Or do you think the pipeline of these big spending plans around, as you say, the grid and greening and defence and tech and so on, are those just such big wallets that we can power through the current uncertainty?

Rick I think we can power through them, but actually the hope is not only power through them but accelerate them because the biggest time determinant is planning. And there's a big focus on planning. I think this government does get the fact that planning is really getting away so much. You take, Hinkley is going to cost six times the South Korean equivalent. I mean, this is getting crazy now. People realise that. And so you can cut through the planning, then we can accelerate that pipeline.

Jason Right. I'll throw it open into the room. Are there any questions?

Speaker 1 Just on margins, asset side, liability side, and the ability of UK banks to keep those margins for shareholders. If we just take the asset side and liability side separately, and then obviously overlay tech and what that

can do for efficiencies, what's your view on the ability of UK banks to keep those gains for its shareholders?

Rick Well, it's interesting coming into this. It seems to me that there's been a fundamental shift in the banks, major banks. There's a time they sort of rose and fell on a rates tide. That's changed now. I think there's agency at every level of the processes there. So, in lending, it's really real-time lending into higher return. It might be lower margin, but it's also lower risk weight. So really thinking about where we do this, and because we've got very broad range of expertise now, we can move around, go in search of return there. The same is really on the liability side in that by building much deeper customer relationships where we see the pockets of deposit, we can manage the margin in those areas. And so, we see ourselves moving, spending so much time on startups because it's a very good way to move through the evolution of these companies.

Obviously wealth, particularly Evelyn, the acquisition of that is latching into a particularly good area there. Or starting young, Rooster and through into student and into the 20s is a very important area. So to have the systems, the technology, that allows you to optimise, be rate returning in real time, then allows you to keep these returns. So we are just a simpler, more efficient, more robust bank in that sense. And so yes we're confident we can maintain these returns and the margin is just an output. It's really, the returns are being driven by those behaviours, both sides of the balance sheet.

Speaker 1 Can I just take that one step further then? So does that mean that if you, say, take a three or five year view, we should be more used to when you're messaging on spend to be talking about the revenue opportunity as opposed to the market's fixation with NIM or NII?

Rick 100%. Yeah. I mean, really, we don't manage to NIM. We manage to both sides of the balance sheet. We were absolutely making sure. I think the question to be asking is, how are you optimising your return seeking behaviour in real time and how is that playing out? What lending is that leading you to? And that will migrate over time according to the dynamics of the sectors. Likewise, deposits, the market's

growing, but it's not growing as fast as lending. Therefore, we've got to work hard to optimise that. What are the pools of deposits that you are dynamically and imaginatively seeking to make sure that you're getting the best rates there? Ultimately, the figure we're looking at is the capital generation. How much capital are we generating? Have we got the headroom to keep investing and growing the business, selective acquisitions when we need it, continue with our payout ratio of 50% and offer buybacks? I mean, that's the aim.

Jason Any other questions from the audience? If we look at the sharp acceleration in large cap lending, I mean, it must be said that the industry categorisations were given are not that useful. We've seen a very sharp uptick in gas, electricity, steam and air conditioning as a category, and it probably speaks to some of the big categories around transition and tech. As a board, when you sit around and think about the 2 billion pound growth this year in those sorts of books, how do you think about risk? Because the high level numbers around UK leverage are really comforting, right? Bank debt-to-GDP is down 40%, the eurozone's down 20, but when you're lending billions and billions in a fairly concentrated period of time, how does the board think about oversight and risk in that?

Rick Well, we're less concerned about where the money gets put. We're more concerned about the quality of our processes and the efficiency, the credit evaluation of those. And how that can improve over time. We've got a thousand people sitting in a portfolio group in London who are continuously overseeing this. And so we will then frequently compare risk appetite to risk situation and be very specific at the board level about how that's matching. But then the answer is not, "Then go and do this or this or this." The answer is, "Okay, given we've got so many outstanding experts in these areas, what are they doing sitting in London when we are driving a strategy which is to help the government's growth in the nations and regions?"

Jason Yes.

Rick So those are the bigger questions for us. How do we continuously improve the quality of our credit evaluations and therefore the pace at which we can go for return seeking? And then ultimately look at the comfort of our expected credit losses, which are still 25 basis points and below. So you're looking at the balance of all those aspects.

Jason Yeah. I mean, your credit losses have been consistently better than what's predicted in your own regulatory returns and in our own forecast. We're all waiting for a normalisation, which is yet to arrive.

Rick But of course, what we're looking at in that discussion is where they're going to be in a few years' time and we still see that 25 or 30 through the cycle and that's good.

Jason Do you think the big change is sort of customer risk appetite as opposed to bank risk appetite? Is it customers just don't want as much leverage as they used to? Why is it so less volatile than we thought it would be?

Rick Well, I think, again, for a number of reasons. We've been through so many unprecedented moments. If you're running a business, you're wondering where that's going, point one. Point two, in a political context that is far from that level of stability and predictability that you'll ever want. It's very, very difficult to price the future. So when you can't price the future, it's tough to invest. I think the mid-caps and larger caps are finding the way through this, but from a position of strong balance sheets. And so this is what gives us confidence about the pipeline going forward. As confidence does come back and we do have more stability and predictability, there's plenty of balance sheet capacity for people to take on lending.

Jason Speaking of balance sheet capacity, end of this month, we're going to hear from the regulator on something which might imply lower capital requirements. Would you share your expectations into that?

Rick Well, I can't share expectations, but I can share desire. We obviously have very constructive discussions with PRA on this, and there's a number of areas that we're really looking at. One is these areas of duplication when it comes to buffers. So the neutral countercyclical buffer just that's, can we catch up with other regulatory environments too in terms of what we're carrying on our regulatory stack for that? Or how much duplication is there when you add up that countercyclical buffer, the O-SII, pillar two geographic concentration, there's questions about that, how much are we double counting there? Where's the regulatory requirement really not, in our view, in line with the underlying risk? And mortgages is a clear area there, where actually the default rate is so low in the past that we would argue we're carrying more regulatory capital than we need there. Of course the other big debate is around output floor, which places like Canada have already dropped and Europe's discussing. So can we please discuss it? But whether we'll get anywhere, we'll find out. But in the end, this comes down to the investability, how attractive UK banks and UK assets look to global investors. I mean, this is not just about flexibility for our customers. The bigger question is about, it's important we need the UK banks to be attractive to global investors.

Jason It may be that in different audiences, different arguments are more important or more effective, but I don't think we'd argue that there's a problem with the availability of credit. I don't think we would argue that lower CET1 requirements would radically change the cost of the available credit. Is it about international competitiveness? Is it about the cost of equity of UK Inc? What are we solving for, do you think?

Rick I think above all, I think we're solving for the cost of equity of UK Inc. I think that just people understanding that UK banks are not only now simpler, more efficient, more robust, but actually have the cost of the capital and the regulatory burden that is attractive on an internationally competitive basis. We're not competing for the customers, we're competing for the capital.

Jason Yeah. And is it fair to say that if the regulator were to, let's for argument's sake, reduce capital requirements by 50 basis points, that

that might be something that the group would take at face value? Do they determine your capital target?

Rick Well, they play a role in a capital target. We recently brought our CET1 ratio expectation down to around 13% and that was in anticipation of the Pillar 2A coming down from 11.6 to 11.1. So it does impact our thinking on this, but we still recognise that our own buffer above regulatory minimum is a prudent place to be. But certainly, those demands have a great deal of impact on how much flexibility we think we have in terms of our lending and ultimately distribution as well.

Jason Yes. I've got a series of concluding questions, but if there's anything else from the room? Here in the front. Over here please.

Speaker 2 Can you just go down one more level on that? You said earlier that you're less concerned now about deposit retention into the future. Can you maybe just go down another level and just give a little bit more clarity on why that's the case?

Rick What I said, look, as far as we're concerned, there's no doubt that whilst the deposit pool is growing, it's not growing as fast as lending demand for a variety of reasons. I think whether it's quantitative tightening or it's a demographic shift into assets under management, there's plenty of reasons, we know that. And there's more players out there competing for those deposits. Therefore, you just got to box clever. You've got to be far more dynamic in searching for well-priced deposits. That's why, in the end, we keep coming back to primacy of relationship with the customer. That is the most important aspect of it, to be the place where they come to with their deposits. And that's why we're very focused on these groups in the retail side. Take for example, ISAs. I mean in ISAs, we're sitting there with a 16% market share of current accounts, a 6.4% share of ISAs, therefore put a lot of effort into those particular areas. We're very, very focused on where we can chase those deposits.

So we recognise over time that deposits might lag our lending and there will be more access to wholesale than perhaps in the past, but we've

got plenty of dry powder in those areas because we haven't exploited that very much in the past. But for all the reasons I've talked about by real time dynamic return seeking behaviours on both sides of the balance sheet, we're very confident that we can continue to sustainably grow the business, and more importantly, sustainably deliver on the capital outputs that we need to serve not only our growth, but also distribution.

Jason So given what you said around pricing, around sustainability of volume growth, the outlook for improved efficiency, when we drag our models to the right and add another year of forecast, ROEs go up by 50 basis points. That's just the natural order of revenues that grow faster than costs. It doesn't appear that beyond an enemy within or an enemy without from a pricing perspective that there's anything to suggest that ROEs don't remain at these levels or improve from here.

So I guess the first question is, in your thinking about the competitor set, you spoke about a desire to win. Are there competitors that have vastly different incentive sets, business structures, efficiencies that threaten RoTEs that on our numbers hang around 20% for NatWest?

Rick Well, everyone has their own portfolio mixes and such. What we will say is we have a very diverse portfolio mix now that have growth opportunities throughout it. I'm not going to sit there and list them, but really it's rich in growth opportunities. And then you think that the investment we put in, the simplification, the intense discipline on execution, which Paul and the team have brought to all of this, have really delivered an organisation that is higher returning, higher growth, more robust, more consistent, this 200 basis points of capital delivery on the back of it. And as we look forward, we see no reason why that should stop. The formula is there.

And I'd say on that journey to delivering the capabilities and the quality of systems within the organisation that we're on, we're there 40% now. There's still quite a way to travel in terms of what we can do with our efficiencies internally. It can only get better during the course of this. Of course we talked about our 18% plus RoTE near term, we did that on a three and a quarter percent rate. We're four now, so a little bit of rate head tailwind as well. And so all that adds up to say that we are increasingly confident in saying we can maintain these sorts of returns.

Jason Rick, thank you so much for joining us.

Rick Pleasure.

Jason Thanks very much. Thank you.