



NatWest
Group

Coutts & Company

H1 2025 **Pillar 3 Report**

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Forward-looking statements

This document may include forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995, such as statements with respect to Coutts & Co's financial condition, results of operations and business, including its strategic priorities, financial, investment and capital targets, and climate and sustainability related targets, commitments and ambitions described herein. Statements that are not historical facts, including statements about Coutts & Co's beliefs and expectations, are forward-looking statements. Words such as 'expect', 'estimate', 'project', 'anticipate', 'commit', 'believe', 'should', 'intend', 'will', 'plan', 'could', 'target', 'goal', 'objective', 'may', 'outlook', 'prospects' and similar expressions or variations on these expressions are intended to identify forward-looking statements. In particular, this document may include forward-looking statements relating, but not limited to: Coutts & Co's credit risk, its regulatory capital position and related requirements, its financial position, profitability and financial performance, its liquidity and funding risk and non-traded market risk. Forward-looking statements are subject to a number of risks and uncertainties that might cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statements. Factors that could cause or contribute to differences in current expectations include, but are not limited to, the outcome of legal, regulatory and governmental actions and investigations, the level and extent of future impairments and write-downs, legislative, political, fiscal and regulatory developments, accounting standards, competitive conditions, technological developments, interest and exchange rate fluctuations, general economic and political conditions and uncertainties, the exposure to third party risk, operational risk, compliance and conduct risk, cyber, data and IT risk, financial crime risk, key person risk, credit rating risk, model risk, reputational risk and the impact of climate and sustainability related risks and the transitioning to a net zero economy. These and other factors, risks and uncertainties that may impact any forward-looking statement of Coutts & Co's actual results are discussed in NatWest Group plc's 2024 Annual Report and Accounts, NatWest Group's Interim Management Statement for Q1 and H1 2025, and its other public filings. The forward-looking statements contained in this document speak only as of the date of this document and Coutts & Co does not assume or undertake any obligation or responsibility to update any of the forward-looking statements contained in this document, whether as a result of new information, future events or otherwise, except to the extent legally required.

Presentation of information

This document presents the interim Pillar 3 disclosures for Coutts & Company (Coutts & Co) as at 30 June 2025. It should be read in conjunction with the H1 2025 NatWest Holdings Group Pillar 3 report, which is published in the same location at: investors.natwestgroup.com/results-centre

Coutts & Co is incorporated in the United Kingdom and is a subsidiary of NatWest Holdings Limited ('NWH Ltd'). NatWest Group plc is 'the ultimate holding company'. The term 'NatWest Group' refers to NatWest Group plc and its subsidiary and associated undertakings.

Based on the criteria set out in the UK CRR, NatWest Group primarily defines its large subsidiaries in scope of PRA Pillar 3 disclosures as those designated as an Other Systemically Important Institution (O-SII) by the PRA or those with total assets equal to or greater than €30 billion.

Coutts & Co, as a large, non-listed subsidiary of NatWest Group, is subject to a reduced number of disclosures as set out in the PRA Rulebook.

The disclosures for Coutts & Co are calculated in accordance with the UK CRR (split across primary legislation and the PRA Rulebook) and completed in accordance with the Disclosure (CRR) part of the PRA Rulebook.

The liquidity disclosures completed at UK Domestic Liquidity Subgroup (UK DoLSub) level are published in the NatWest Holdings Group Pillar 3 report. The UK DoLSub waiver allows NWB Plc, RBS plc and Coutts & Co to manage liquidity and funding as a single sub-group rather than at an entity level.

Within this document, row and column references are based on those prescribed in the PRA templates.

In this report, in line with the regulatory framework, the term credit risk excludes counterparty credit risk, unless specifically indicated otherwise.

The Pillar 3 disclosures are presented in pounds sterling ('£') and have not been subject to external audit.

Annex I: Key metrics and overview of risk-weighted assets

Coutts & Co – Key points

CET1 ratio

10.8%

(Q1 2025 – 10.9%)

The CET1 ratio decreased by 10 basis points to 10.8% due to a £0.2 billion increase in RWAs partially offset by an immaterial increase in CET1 capital.

RWAs

£11.1bn

(Q1 2025 - £10.9bn)

Total RWAs increased by £0.2 billion to £11.1 billion mainly reflecting an increase in credit risk RWAs primarily due to lending growth.

UK leverage ratio

7.4%

(Q1 2025 – 7.4%)

The leverage ratio remained static at 7.4% due to a £0.2 billion increase in leverage exposure offset by an immaterial increase in CET1 capital. The key driver in the leverage exposure was an increase in other financial assets.

Annex I: Key metrics and overview of risk-weighted assets continued

UK KM1: Key metrics

The table below provides a summary of the main prudential regulation ratios and measures based on current PRA rules.

	30 June 2025 £m	31 March 2025 £m	31 December 2024 £m	30 September 2024 £m	30 June 2024 £m
Available own funds (amounts)					
1 Common equity tier 1 (CET1) capital	1,194	1,191	1,192	1,196	1,192
2 Tier 1 capital	1,434	1,431	1,432	1,436	1,432
3 Total capital	1,734	1,731	1,732	1,736	1,732
Risk-weighted exposure amounts					
4 Total risk-weighted exposure amount	11,060	10,885	10,564	10,572	10,593
Capital ratios (as a percentage of risk-weighted exposure amount)					
5 Common equity tier 1 ratio (%)	10.8	10.9	11.3	11.3	11.3
6 Tier 1 ratio (%)	13.0	13.1	13.6	13.6	13.5
7 Total capital ratio (%)	15.7	15.9	16.4	16.4	16.4
Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)					
UK 7a Additional CET1 SREP requirements (%)	1.5	1.5	1.5	1.5	1.5
UK 7b Additional AT1 SREP requirements (%)	0.5	0.5	0.5	0.5	0.5
UK 7c Additional Tier 2 SREP requirements (%)	0.6	0.6	0.6	0.6	0.7
UK 7d Total SREP own funds requirements (%)	10.6	10.6	10.6	10.6	10.7
Combined buffer requirement (as a percentage of risk-weighted exposure amount)					
8 Capital conservation buffer (%)	2.5	2.5	2.5	2.5	2.5
9 Institution specific countercyclical capital buffer (%) (3)	1.9	1.9	1.9	1.9	1.9
11 Combined buffer requirement (%)	4.4	4.4	4.4	4.4	4.4
UK 11a Overall capital requirements (%)	15.0	15.0	15.0	15.0	15.1
12 CET1 available after meeting the total SREP own funds requirements (%)	4.8	5.0	5.3	5.4	5.2
Leverage ratio					
13 Total exposure measure excluding claims on central banks	19,422	19,215	19,022	19,088	18,951
14 Leverage ratio excluding claims on central banks (%)	7.4	7.4	7.5	7.5	7.6
Additional leverage ratio disclosure requirements (4)					
UK 14a Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)					
UK 14b Leverage ratio including claims on central banks (%)					
UK 14c Average leverage ratio excluding claims on central banks (%)					
UK 14d Average leverage ratio including claims on central banks (%)					
UK 14e Countercyclical leverage ratio buffer (%)					
Liquidity coverage ratio (5)					
15 Total high-quality liquid assets (HQLA) (weighted value-average)					
UK 16a Cash outflows - Total weighted value					
UK 16b Cash inflows - Total weighted value					
16 Total net cash outflows (adjusted value)					
17 Liquidity coverage ratio (%)					
Net stable funding ratio (5)					
18 Total available stable funding					
19 Total required stable funding					
20 NSFR ratio (%)					

- (1) The following rows are not presented in the table above because they have zero values: UK8a, UK9a, 10 and UK10a
- (2) Coutts & Co elected to take advantage of the IFRS 9 transitional capital adjustments in respect of ECL provisions, which were maintained until 31 December 2024. Prior period comparatives for CET1 capital, RWAs and leverage include the impact of those adjustments where applicable
- (3) The institution specific countercyclical capital buffer (CCyB) requirement is based on the weighted average of the buffer rates in effect for the countries in which institutions have exposures. The UK CCyB rate is currently being maintained at 2%.
- (4) Coutts & Co is not an LREQ firm therefore not subject to the additional leverage ratio disclosure requirements.
- (5) Under the UK DoLSUB waiver Coutts & Co liquidity is managed and disclosed at the sub-group level rather than entity level.